

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). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2013 This Form is Open to Public Inspection
---	---	---

Part I	Annual Report Identification Information
For calendar plan year 2013 or fiscal plan year beginning <u>01/01/2013</u> and ending <u>12/31/2013</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>PRECEPT 401K 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>01/01/1989</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>01/01/1989</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>01/01/1989</u>					
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>F.B.P. INSURANCE SERVICES, INC.</u> <u>PRECEPT</u> <u>130 THEORY, SUITE 200</u> <u>IRVINE, CA 92617-3065</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>93-0959770</u></td> </tr> <tr> <td>2c Sponsor's telephone number <u>949-679-2100</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>524290</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>93-0959770</u>	2c Sponsor's telephone number <u>949-679-2100</u>	2d Business code (see instructions) <u>524290</u>	
2b Employer Identification Number (EIN) <u>93-0959770</u>					
2c Sponsor's telephone number <u>949-679-2100</u>					
2d Business code (see instructions) <u>524290</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.	10/07/2014	ALEX WASILEWSKI
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)			Preparer's telephone number (optional)

3a Plan administrator's name and address ☒ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
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	5 156
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 157
b Retired or separated participants receiving benefits	6b 0
c Other retired or separated participants entitled to future benefits.....	6c 31
d Subtotal. Add lines 6a , 6b , and 6c	6d 188
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	6e 0
f Total. Add lines 6d and 6e	6f 188
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g 161
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: 2E 2F 2G 2J 2K 2R 2T 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>0</u> A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

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
		2013
		This Form is Open to Public Inspection.

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan PRECEPT 401K PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 F.B.P. INSURANCE SERVICES, INC.	D Employer Identification Number (EIN) 93-0959770	

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
CHARLES SCHWAB & CO., INC.
94-1737782

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation
ACTUARIAL DESIGNS AND SOLUTIONS,INC
01-0496183

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

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

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

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

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

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

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

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

(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

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 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 2013 This Form is Open to Public Inspection
For calendar plan year 2013 or fiscal plan year beginning <u>01/01/2013</u> and ending <u>12/31/2013</u>		
A Name of plan <u>PRECEPT 401K 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>F.B.P. INSURANCE SERVICES, INC.</u>		D Employer Identification Number (EIN) <u>93-0959770</u>

Part I Asset and Liability Statement			
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) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	13348	588
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	7397
(2) Participant contributions	1b(2)	0	33751
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	1462613	1014429
(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)	15800	21025
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	125147	76941
(B) Common	1c(4)(B)	1129295	2098091
(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)	214130	245527
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(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)	7503586	9634203
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(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	10463919	13131952

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	10463919	13131952
---	-----------	----------	----------

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 Contributions:**

		(a) Amount	(b) Total
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	430536	
(B) Participants	2a(1)(B)	867051	
(C) Others (including rollovers)	2a(1)(C)	298864	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		1596451

b Earnings on investments:**(1) Interest:**

(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	120	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)	1775	
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	8634	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		10529

(2) Dividends: (A) Preferred stock	2b(2)(A)	6755	
(B) Common stock	2b(2)(B)	27439	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	443100	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		477294

(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)		
(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)		1844820
c Other income	2c		-347
d Total income. Add all income amounts in column (b) and enter total	2d		3928747

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1250047	
(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)		1250047
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)	4156	
(3) Investment advisory and management fees	2i(3)	6511	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		10667
j Total expenses. Add all expense amounts in column (b) and enter total	2j		1260714

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		2668033
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

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: **WRIGHT FORD YOUNG & COMPANY**

(2) EIN: **95-3288054**

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.)			
4c		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.)			
4d		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	
4f		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	
4g		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	
4h		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		
4i	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	
4j		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	
4k		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
4m		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.			
4n			

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: 0

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)	5b(2) EIN(s)	5b(3) PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☐ Yes ☐ No ☐ Not determined

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 2013 This Form is Open to Public Inspection.
---	--	--

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

A Name of plan <u>PRECEPT 401K 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>F.B.P. INSURANCE SERVICES, INC.</u>	D Employer Identification Number (EIN) <u>93-0959770</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	<u>0</u>
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>42-1558009</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: 0.0% 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): _____

PRECEPT 401(k) PLAN

FINANCIAL STATEMENTS

DECEMBER 31, 2013 (LIQUIDATION BASIS) AND 2012

PRECEPT 401(k) PLAN

INDEX TO

FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE

DECEMBER 31, 2013 AND 2012

	<u>Page</u>
Independent Auditors' Report	1 - 2
Financial Statements:	
Statements of Net Assets Available for Benefits as of December 31, 2013 (Liquidation Basis) and 2012	3
Statement of Changes in Net Assets in Liquidation Available for Benefits for the year ended December 31, 2013	4
Notes to the Financial Statements	5 - 13
Supplemental Schedule:	
Schedule H, Line 4i – Schedule of Assets (Held at End of Year) (Liquidation Basis)	14 - 16

Wright Ford Young & Co.

Certified Public Accountants and Consultants, Inc.

INDEPENDENT AUDITORS' REPORT

To the Participants and Administrator of the
Precept 401(k) Plan:

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Precept 401(k) Plan (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2013 (Liquidation Basis) and 2012, the related statement of changes in net assets in liquidation available for benefits for the year ended December 31, 2013 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 financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 6, which was certified by Charles Schwab Bank, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of December 31, 2013 and 2012, and for the year ended December 31, 2013, that the information provided to the plan administrator by the trustee is complete and accurate.

Emphasis of Matter

As further discussed in Notes 1 and 7 to the financial statements, the Board of Directors of F.B.P. Insurance Services, LLC dba Precept Insurance Solutions, LLC, the Plan's sponsor, voted on July 2, 2013 to terminate the Plan. In accordance with accounting principles generally accepted in the United States of America, the Plan has changed its basis of accounting from the ongoing plan basis used in presenting the 2012 financial statements to the liquidation basis used in presenting the 2013 financial statements. Our opinion is not modified with respect to this matter.

Disclaimer of Opinion

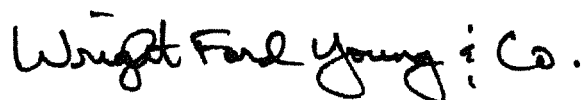
Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter

The supplemental schedule, Schedule H, line 4i – Schedule of Assets (Held At End of Year) (Liquidation Basis) as of December 31, 2013, is required by the Department of Labor's 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 paragraph, we do not express an opinion on this supplemental schedule.

Report on Form and Content in Compliance With DOL Rules and Regulations

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

A handwritten signature in black ink that reads "Wright Ford Young & Co." with a stylized flourish at the end.

WRIGHT FORD YOUNG & CO.
Irvine, California
October 6, 2014

PRECEPT 401(k) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 2013 AND 2012

	(Liquidation Basis)	
	2013	2012
ASSETS:		
Investments, at fair value:		
Interest-bearing cash	\$ 1,014,429	\$ 1,462,613
Common stock	2,098,091	1,129,295
Preferred stock	76,941	125,147
Corporate bonds	21,025	15,800
Registered investment companies	9,634,203	7,503,586
Total investments	12,844,689	10,236,441
Receivables:		
Participant contributions	33,751	-
Employer contributions	7,397	-
Notes receivable from participants	245,527	214,130
Total receivables	286,675	214,130
Non-interest bearing cash	588	13,348
Total assets	13,131,952	10,463,919
LIABILITIES	-	-
NET ASSETS AVAILABLE FOR BENEFITS	\$ 13,131,952	\$ 10,463,919

See accompanying independent auditors' report and notes to the financial statements.

PRECEPT 401(k) PLAN

STATEMENT OF CHANGES IN NET ASSETS IN LIQUIDATION AVAILABLE FOR BENEFITS

FOR THE YEAR ENDED DECEMBER 31, 2013

Additions to net assets attributed to:

Investment earnings:

Net appreciation in fair value of investments	\$ 1,844,473
Interest and dividends	<u>479,189</u>

Total investment earnings	<u>2,323,662</u>
---------------------------	------------------

Interest income on notes receivable from participants	<u>8,634</u>
---	--------------

Contributions:

Participant	867,051
Employer	430,536
Rollover	<u>298,864</u>

Total contributions	<u>1,596,451</u>
---------------------	------------------

Total additions	<u>3,928,747</u>
-----------------	------------------

Deductions from net assets attributed to:

Benefits paid to participants	1,250,047
Administrative expenses	<u>10,667</u>

Total deductions	<u>1,260,714</u>
------------------	------------------

NET INCREASE	2,668,033
--------------	-----------

NET ASSETS AVAILABLE FOR BENEFITS, beginning of year	<u>10,463,919</u>
---	-------------------

NET ASSETS AVAILABLE FOR BENEFITS, end of year	<u><u>\$ 13,131,952</u></u>
---	-----------------------------

See accompanying independent auditors' report and notes to the financial statements.

PRECEPT 401(k) PLAN

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2013 AND 2012

1. DESCRIPTION OF PLAN

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

General

The Plan is a defined contribution plan covering substantially all employees of F.B.P. Insurance Services, LLC dba Precept Insurance Solutions, LLC, Proview Advanced Administrators, LLC, and ProView Global USA (collectively, the Company). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended. Employees who have attained at least 18 years of age are eligible to participate in the Plan on the earlier of the first day of the month following completion of three months of employment, with at least 100 hours of service in each month, or one year of service.

As discussed in Note 7, the Plan was terminated and merged into the BB&T Corporation 401(k) Savings Plan on April 3, 2014. All benefit and service accruals of the Plan were frozen as of January 27, 2014. Employees began deferring into the BB&T Corporation 401(k) Savings Plan effective January 1, 2014.

Administration

The Plan is administered by the Company.

Contributions

Participants may elect to contribute an amount up to 100% of eligible pre-tax or post-tax compensation, not to exceed the limits of the Internal Revenue Code (IRC). Participants direct the investment of their contributions into various investment options offered by the Plan, including a self-directed brokerage account option. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans.

During 2013, the Company operated as a safe harbor plan and matched 100% of the participant's deferral, up to the first 3% of a participant's eligible compensation, plus 50% of the participant's deferral on the next 2% of a participant's eligible compensation. The Company may also make discretionary profit sharing contributions as determined annually by the Board of Directors. For the year ended December 31, 2013, the Company made no discretionary profit sharing contributions.

Participant Accounts

Each participant's account is credited with the participant's contributions, employer matching contributions, and allocations of (a) the Company's profit sharing contributions, if any, (b) Plan earnings, and charged with an allocation of administrative expenses.

PRECEPT 401(k) PLAN

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2013 AND 2012

1. DESCRIPTION OF PLAN – (Continued)

Participant Accounts – (Continued)

Allocations are based on the participant's eligible compensation, participant contributions, investment elections and/or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's account.

Payment of Benefits

On termination of service due to death, disability, retirement or other reasons, a participant may elect to receive a lump-sum amount equal to the value of the participant's interest in his or her account. Participants may also elect to rollover their account to another tax deferred account or remain in the Plan until they are legally required to begin taking distributions. All account balances exceeding \$1,000, but not exceeding \$5,000, may be rolled into an Individual Retirement Account. All account balances not exceeding \$1,000 may be immediately distributed in a lump-sum payment. With the plan administrator's approval, participants may withdraw all or part of their aggregate contributions in the event of financial hardship.

Vesting

Participants are immediately vested in their voluntary contributions, the Company's matching and profit sharing contributions, plus actual earnings thereon.

Notes Receivable from Participants

Participants may borrow from their fund accounts a minimum of \$1,000, up to a maximum amount equal to the lesser of \$50,000 or 50% of their account balance. Loan terms range from 1 to 5 years or within a reasonable period of time that is longer than 5 years but not to exceed 10 years for the purchase of a primary residence. The loans are secured by the balance in the participant's account. The interest rate will generally be the prime interest rate charged by banks as published in the *Wall Street Journal* as of the first day of the calendar quarter plus 1%. Principal and interest is paid ratably through payroll deductions. Under the provisions of the Plan, participants are only allowed two outstanding loan balances at any given time.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The 2013 financial statements of the Plan are prepared on the liquidation basis of accounting. The 2012 financial statements of the Plan are prepared under the accrual basis of accounting.

PRECEPT 401(k) PLAN

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2013 AND 2012

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 3 for discussion of fair value measurements.

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of net assets available for benefits and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of changes in net assets available for benefits during the reporting period. Actual results could differ from those estimates.

Notes Receivable from Participants

Notes receivable from participants represents participant loans that are recorded at their unpaid balance plus accrued but unpaid interest. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2013 or 2012. Delinquent participant loans are reclassified as distributions based upon the terms of the plan agreement.

Payment of Benefits

Benefits are recorded when paid.

Plan Fees and Administrative Expenses

Plan fees and administrative expenses (exclusive of investment related expenses) are generally paid by the Plan, unless paid by the Company.

Subsequent Events

The Company has evaluated subsequent events through the date of the independent auditors' report, which is the date the accompanying financial statements were available to be issued. See Note 7.

PRECEPT 401(k) PLAN

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2013 AND 2012

3. FAIR VALUE MEASUREMENTS

The Financial Accounting Standards Board (FASB) 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 lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under this framework are described as follows:

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 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.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2013 and 2012.

Interest-bearing cash: Interest-bearing cash consists of money market investments. The carrying value is believed to be representative of its fair value based on its short term nature and are classified within level 1 of the valuation hierarchy.

Common stock, preferred stock and corporate bonds: These investments are public investment vehicles valued daily at the closing price reported on an active market using observable inputs and are classified within level 1 of the valuation hierarchy.

PRECEPT 401(k) PLAN

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2013 AND 2012

3. FAIR VALUE MEASUREMENTS – (Continued)

Registered investment companies: These investments are public investment vehicles valued using the NAV provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is a quoted price in an active market and classified within level 1 of the valuation hierarchy.

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.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2013 and 2012:

Description	Total	Level 1	Level 2	Level 3
<u>December 31, 2013</u>				
Interest-bearing cash	\$ 1,014,429	\$ 1,014,429	\$ -	\$ -
Common stocks:				
Financial Service	402,418	402,418	-	-
Industrial	301,992	301,992	-	-
Healthcare	506,318	506,318	-	-
Technology	591,515	591,515	-	-
All Other	295,848	295,848	-	-
Total common stocks	2,098,091	2,098,091	-	-
Preferred stocks	76,941	76,941	-	-
Corporate bonds	21,025	21,025	-	-
Registered investment companies:				
Asset Allocation	2,813,319	2,813,319	-	-
Bond Funds	574,273	574,273	-	-
Small Cap Funds	380,666	380,666	-	-
Mid Cap Funds	1,255,138	1,255,138	-	-
Large Cap Funds	2,372,224	2,372,224	-	-
Foreign Funds	2,184,970	2,184,970	-	-
Other	53,613	53,613	-	-
Total registered investment companies	9,634,203	9,634,203	-	-
Total investments at fair value	<u>\$ 12,844,689</u>	<u>\$ 12,844,689</u>	<u>\$ -</u>	<u>\$ -</u>

PRECEPT 401(k) PLAN

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2013 AND 2012

3. FAIR VALUE MEASUREMENTS – (Continued)

Description	Total	Level 1	Level 2	Level 3
<u>December 31, 2012</u>				
Interest-bearing cash	\$ 1,462,613	\$ 1,462,613	\$ -	\$ -
Common stocks:				
Financial Service	280,112	280,112	-	-
Industrial	156,645	156,645	-	-
Healthcare	357,029	357,029	-	-
Technology	116,363	116,363	-	-
All Other	219,146	219,146	-	-
Total common stocks	1,129,295	1,129,295	-	-
Preferred stocks	125,147	125,147	-	-
Corporate bonds	15,800	15,800	-	-
Registered investment companies:				
Asset Allocation	1,863,117	1,863,117	-	-
Bond Funds	942,307	942,307	-	-
Small Cap Funds	372,234	372,234	-	-
Mid Cap Funds	823,295	823,295	-	-
Large Cap Funds	1,626,644	1,626,644	-	-
Foreign Funds	1,828,142	1,828,142	-	-
Other	47,847	47,847	-	-
Total registered investment companies	7,503,586	7,503,586	-	-
Total investments at fair value	<u>\$ 10,236,441</u>	<u>\$ 10,236,441</u>	<u>\$ -</u>	<u>\$ -</u>

In regards to the classification of investment options offered by the Plan, there were no reclassifications between levels 1, 2 or 3 during the year ended December 31, 2013.

4. TAX STATUS

The Company adopted a Volume Submitter Profit Sharing Plan which received a favorable opinion letter from the Internal Revenue Service (IRS) on January 15, 2010, which stated that the Plan, as then designed, was in accordance with applicable sections of the IRC. The Plan has since been amended. The plan administrator believes the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

PRECEPT 401(k) PLAN

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2013 AND 2012

4. TAX STATUS – (Continued)

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 if the Plan has taken an uncertain tax 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, 2013, there are no uncertain positions taken or expected to be taken that would require recognition of a liability 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 2010.

5. INVESTMENTS

The following table presents investments that represent 5% or more of the Plan's net assets as of December 31, 2013 and 2012:

	<u>2013</u>
Schwab Retirement Advantage Money Fund	\$ 836,031
Blackrock Lifepath 2030 Fund	868,355
Blackrock Lifepath 2040 Fund	703,917
Laudus International Marketmasters Fund	913,344
New Perspective Fund	1,266,043
Schwab S&P 500 Index Fund	720,715
T. Rowe Price Mid Cap Value Fund	732,213
Wells Fargo Advantage Growth I Fund	718,327
	<u>2012</u>
Schwab Retirement Advantage Money Fund	\$ 1,076,692
Laudus International Marketmasters Fund	789,830
New Perspective Fund	1,035,157

For the year ended December 31, 2013, the Plan's investments (including investments bought, sold and held during the year) appreciated in value by \$1,844,473 as follows:

Common and preferred stocks	\$ 641,073
Corporate bonds	(7,469)
Registered investment companies	<u>1,210,869</u>
	<u>\$ 1,844,473</u>

PRECEPT 401(k) PLAN

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2013 AND 2012

6. INFORMATION CERTIFIED BY THE PLAN'S TRUSTEE

The plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, Charles Schwab Bank, the trustee of the Plan, has certified to the completeness and accuracy of the following information which is included in the financial statements and supplemental schedule of assets (held at end of year) as of December 31, 2013 and 2012, and for the year ended December 31, 2013:

	<u>2013</u>	<u>2012</u>
Interest-bearing cash	\$ 1,014,429	\$ 1,462,613
Common stock	2,098,091	1,129,295
Preferred stock	76,941	125,147
Corporate bonds	21,025	15,800
Registered investment companies	9,634,203	7,503,586
Non-interest bearing cash	588	13,348
Notes receivable from participants	245,527	214,130
Net appreciation in fair value of investments	1,844,473	n/a
Interest and dividends	479,189	n/a
Interest income on notes receivable from participants	8,634	n/a

7. PLAN TERMINATION

Effective July 2, 2013, the Board of Directors passed a corporate resolution to terminate the Plan. On April 3, 2014, the Plan's assets were liquidated and merged with the 401(k) plan of its parent company, the BB&T Corporation 401(k) Savings Plan.

8. PARTY-IN-INTEREST TRANSACTIONS

The Plan allows for transactions with certain parties who may perform services or have fiduciary responsibilities to the Plan. Certain Plan investments are managed by Charles Schwab Bank, the trustee of the Plan. The Plan paid \$10,667 in contract and third party administration fees to Charles Schwab Bank and Actuarial Designs & Solutions, Inc. during 2013. The Plan issues loans to participants, which are secured by the balances in the participants' accounts. The Company paid certain administrative expenses of the Plan, including recordkeeping and audit fees. These transactions qualify as party in interest transactions for which a statutory exemption exists.

PRECEPT 401(k) PLAN

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2013 AND 2012

9. RISKS AND UNCERTAINTIES

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

Form 5500Department of the Treasury
Internal Revenue ServiceDepartment 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**2013****This Form is Open to Public Inspection****Part I Annual Report Identification Information**For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

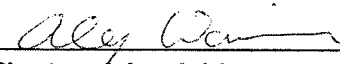
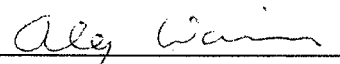
- A** This return/report is for: ☐ a multiemployer plan; ☒ a multiple-employer plan; or
☐ a single-employer plan; ☐ a DFE (specify) _____
- B** This return/report is: ☐ the first return/report; ☐ the final return/report;
☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
- 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 PRECEPT 401K PLAN	1b Three-digit plan number (PN) ▶ 001
	1c Effective date of plan 01/01/1989
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) F.B.P. INSURANCE SERVICES, INC. PRECEPT 130 THEORY, SUITE 200 IRVINE CA 92617-3065	2b Employer Identification Number (EIN) 93-0959770 2c Sponsor's telephone number 949-679-2100 2d Business code (see instructions) 524290

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		<u>10-3-14</u>	ALEX WASILEWSKI
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE		<u>10-2-14</u>	ALEX WASILEWSKI
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)			Preparer's telephone number (optional)

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

Form 5500 (2013)

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		5 156
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	157
b Retired or separated participants receiving benefits	6b	0
c Other retired or separated participants entitled to future benefits.....	6c	31
d Subtotal. Add lines 6a , 6b , and 6c	6d	188
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e	0
f Total. Add lines 6d and 6e	6f	188
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	161
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: 2E 2F 2G 2J 2K 2R 2T 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) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

PRECEPT 401(k) PLAN
PLAN FEIN#: 93-0959770
PLAN # 001

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR) (LIQUIDATION BASIS)

December 31, 2013

(a)	(b)	(c)	(d)	(e)
Identity of issue, borrower, lessor or similar party	Description of investment	Cost	Current value	
*	Schwab Retirement Advantage Money Fund	Interest-bearing cash	**	\$ 836,031
*	Schwab Money Market Fund	Interest-bearing cash	**	178,398
	Total interest-bearing cash			1,014,429
	NII Capital 12/15/19	Corporate bonds	**	8,650
	NII Capital 4/1/21	Corporate bonds	**	12,375
	Total corporate bonds			21,025
	Activision Blizzard, Inc.	Common Stock	**	632
	Advanced Micro Devices	Common Stock	**	1,935
	Advaxis, Inc.	Common Stock	**	1,018
	Aegon N.V.	Common Stock	**	37,711
	Aflac	Common Stock	**	8,350
	AG Mortgage Investment Trust	Common Stock	**	2,346
	America Movil S.A.B. DE C.V.	Common Stock	**	40,313
	American International Group	Common Stock	**	5,105
	Apple, Inc.	Common Stock	**	1,143
	ARC Group Worldwide, Inc.	Common Stock	**	1,268
	Archer Daniels Midland Company	Common Stock	**	12,456
	Aspen Insurance Holding	Common Stock	**	82,620
	Bank of New York Mellon Corporation	Common Stock	**	20,964
	Bed Bath & Beyond, Inc.	Common Stock	**	16,462
	Berkshire Hathaway Class B	Common Stock	**	177,840
	Cenveo, Inc.	Common Stock	**	49,880
	Darling International, Inc.	Common Stock	**	16,704
	Direct TV	Common Stock	**	16,229
	Eagle Rock Energy Partners	Common Stock	**	41,650
	Engility Holdings, Inc.	Common Stock	**	5,544
	Excel Trust, Inc.	Common Stock	**	37,587
	Facebook, Inc. Class A	Common Stock	**	2,732
	General Communication, Inc.	Common Stock	**	8,920
	Hartford Financial Services Group, Inc.	Common Stock	**	25,361
	International Business Machines	Common Stock	**	13,130
	JDS Uniphase Corporation	Common Stock	**	5,674
	L-3 Communications Holdings, Inc.	Common Stock	**	106,860
	Leucadia National Corporation	Common Stock	**	45,231
	Medtronic, Inc.	Common Stock	**	17,165
	Metlife, Inc.	Common Stock	**	61,738
	Microsoft Corporation	Common Stock	**	21,511
	Nike, Inc.	Common Stock	**	1,183
	Nokia Corporation	Common Stock	**	4,055
	Northstar Realty Financial Corporation	Common Stock	**	39,005
	Oracle Corporation	Common Stock	**	16,643
	Owens-Illinois, Inc.	Common Stock	**	39,358
	Park Ohio Holdings Corporation	Common Stock	**	28,820
	Pfizer, Inc.	Common Stock	**	153,150

See accompanying independent auditors' report and notes to the financial statements.

PRECEPT 401(k) PLAN

PLAN FEIN#: 93-0959770

PLAN # 001

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR) (LIQUIDATION BASIS)

December 31, 2013

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor or similar party	Description of investment	Cost	Current value
(Continued)				
	Piedmont Office Realty	Common Stock	**	26,432
	QualComm, Inc.	Common Stock	**	17,820
	Rock-Tenn Company Class A	Common Stock	**	8,926
	Sierra BanCorp	Common Stock	**	13,677
	Skyworks Solutions, Inc.	Common Stock	**	28,560
	Studio One Media, Inc.	Common Stock	**	420
	Sunedison, Inc.	Common Stock	**	3,263
	Tesla Motors, Inc.	Common Stock	**	1,504
	Tesoro Pete Corporation	Common Stock	**	19,013
	TG Therapeutics, Inc.	Common Stock	**	6
	Tower Group International Ltd.	Common Stock	**	10,816
	Valero Energy Corporation	Common Stock	**	42,840
	Verifone Holdings, Inc.	Common Stock	**	335,250
	Vodafone Group PLC	Common Stock	**	13,759
	Wal-Mart Stores, Inc.	Common Stock	**	15,345
	Wellpoint, Inc.	Common Stock	**	290,406
	Wells Fargo & Co.	Common Stock	**	16,571
	Xerox Corporation	Common Stock	**	85,190
		Total Common Stock		2,098,091
	Goldman Sachs Series D Preferred	Preferred Stock		54,251
	Northstar Realty Financial B Preferred	Preferred Stock		22,690
		Total Preferred Stock		76,941
	American Beacon Largecap Value Fund	Mutual Funds	**	511,386
	American Century Disciplined Growth Fund	Mutual Funds	**	253,389
	Baron Growth Fund	Mutual Funds	**	428,032
	Blackrock Lifepath Retirement Port I Fund	Mutual Funds	**	502,168
	Blackrock Lifepath 2020 Fund	Mutual Funds	**	257,915
	Blackrock Lifepath 2030 Fund	Mutual Funds	**	868,355
	Blackrock Lifepath 2040 Fund	Mutual Funds	**	703,917
	Blackrock Lifepath 2050 Fund	Mutual Funds	**	120,713
	Columbia Corporate Income Fund	Mutual Funds	**	396,365
	Dreyfus Appreciation Fund	Mutual Funds	**	125,199
	Laudus International Marketmasters Fund	Mutual Funds	**	913,344
	Mainstay Balanced I Shares Fund	Mutual Funds	**	360,251
	New Perspective Fund	Mutual Funds	**	1,266,043
	Pimco Real Return Fund	Mutual Funds	**	167,402
	Prudential Jennison Mid Cap Growth A Fund	Mutual Funds	**	28,409
	Royce Micro Cap Fund	Mutual Funds	**	380,083
*	Schwab S&P 500 Index Fund	Mutual Funds	**	720,715
	T. Rowe Price Mid Cap Value Fund	Mutual Funds	**	732,213
	Vanguard Extended Market Index Signal Fund	Mutual Funds	**	66,484
	Vanguard Total Bond Market Index Signal Fund	Mutual Funds	**	10,506
	Vanguard Total International Stock Fund	Mutual Funds	**	43,208

See accompanying independent auditors' report and notes to the financial statements.

PRECEPT 401(k) PLAN

PLAN FEIN#: 93-0959770

PLAN # 001

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR) (LIQUIDATION BASIS)

December 31, 2013

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor or similar party	Description of investment	Cost	Current value
(Continued)				
	Wells Fargo Advantage Growth I Fund	Mutual Funds	**	718,327
	Invesco Balanced Risk Allocation Fund	Mutual Funds	**	3,221
	John Hancock Funds II Fund	Mutual Funds	**	6,488
	John Hancock Funds II Currency Strategy Fund	Mutual Funds	**	12,248
	iShares S&P US Preferred Index Fund	Mutual Funds	**	4,788
	iShares iBoxx \$ High Yield Corporate Bond Fund	Mutual Funds	**	4,180
	Market Vectors Gold Miners ETF Fund	Mutual Funds	**	4,226
	Chambers Street Properties	Mutual Funds	**	17,595
	Wasatch International Opportunities	Mutual Funds	**	583
	iShares Gold Trust	Mutual Funds	**	4,088
	Pimco Foreign Currency Strategy Exchange	Mutual Funds	**	2,362
		Total Mutual Funds		9,634,203
*	Participant Loans	Interest rates at 4.25%		245,527
				<u>\$ 13,090,216</u>

* A party-in-interest as defined by ERISA.

** Disclosure of this information is not required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA when the account is participant directed.

See accompanying independent auditors' report and notes to the financial statements.