

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 2013 This Form is Open to Public Inspection
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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>JAGS, INC. 401K PLAN</u>	1b Three-digit plan number (PN) ▶	<u>001</u>
2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan) <u>JAGS, INC.</u> <u>1735 WALLER STREET</u> <u>PORTSMOUTH, OH 45662</u>	1c Effective date of plan <u>01/01/2008</u>	2b Employer Identification Number (EIN) <u>31-1238594</u>
	2c Sponsor's telephone number <u>740-353-0990</u>	2d Business code (see instructions) <u>722513</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.	<u>10/17/2014</u>	<u>SUARRA SPARKS</u>
	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
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		3c Administrator's telephone number 4b EIN 4c PN
5 Total number of participants at the beginning of the plan year		5 482
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 528
b Retired or separated participants receiving benefits		6b 0
c Other retired or separated participants entitled to future benefits		6c 8
d Subtotal. Add lines 6a , 6b , and 6c		6d 536
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits		6e 0
f Total. Add lines 6d and 6e		6f 536
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g 37
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested		6h 3
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 2T 3D 3H		
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)

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 <u>JAGS, INC. 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>JAGS, INC.</u>	D Employer Identification Number (EIN) <u>31-1238594</u>

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
ALLIANCEBERNSTEIN L.P.

13-4064930

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation
ALLIANZ GLOBAL INVESTORS DISTRIBUTO 1345 AVENUE OF THE AMERICAS
NEW YORK, NY 10105

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
BLACKROCK INVESTMENTS, INC.

23-2784752

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
FRANKLIN TEMPLETON DISTRIBUTORS, IN 100 FOUNTAIN PARKWAY
ST. PETERSBURG, FL 33716

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

HARTFORD INVESTMENT FINANCIAL SERVI

201 HOPMEADOW STREET
SIMSBURY, CT 06089

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

J.P. MORGAN INVESTMENT MANAGEMENT I

13-3200244

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

JANUS DISTRIBUTORS, LLC

151 DETROIT STREET
DENVER, CO 80206

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

OPPENHEIMER FUNDS INC.

13-2527171

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

PRUDENTIAL INVESTMENTS LLC

22-3468527

(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)

ADP

22-1467904

(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?
37 50 15 64	RECORD KEEPER	675	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

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

STATE STREET CORPORATION

04-1867445

(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?
21 99	DIRECTED TRUSTEE/CUSTODIAN	0	Yes ☒ No ☐	Yes ☒ No ☐	500	Yes ☐ No ☒

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

ADP BROKER-DEALER

22-3319984

(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?
63 60 59	RECORD KEEPER	0	Yes ☒ No ☐	Yes ☐ No ☒	0	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)

EDWARD JONES

709 6TH STREET
PORTSMOUTH, OH 45662

(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?
49 99	ADVISOR	0	Yes ☒ No ☐	Yes ☐ No ☒	0	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
EDWARD JONES	99	0
(d) Enter name and EIN (address) of source of indirect compensation ADP BROKER-DEALER 22-3319984		
(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. 0.005 BASIS POINTS		
(a) Enter service provider name as it appears on line 2 ADP BROKER-DEALER		
(b) Service Codes (see instructions) 63 60 59		
(c) Enter amount of indirect compensation 0		
(d) Enter name and EIN (address) of source of indirect compensation ALLIANCEBERNSTEIN L.P. 13-4064930		
(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS		
(a) Enter service provider name as it appears on line 2 ADP BROKER-DEALER		
(b) Service Codes (see instructions) 63 60 59		
(c) Enter amount of indirect compensation 0		
(d) Enter name and EIN (address) of source of indirect compensation ALLIANZ GLOBAL INVESTORS DISTRIBUTO 1345 AVENUE OF THE AMERICAS NEW YORK, NY 10105		
(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00200 OF AVERAGE DAILY ASSETS		

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
ADP BROKER-DEALER	63 60 59	0
(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.	
BLACKROCK INVESTMENTS, INC. 23-2784752	ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
ADP BROKER-DEALER	63 60 59	0
(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.	
FRANKLIN TEMPLETON DISTRIBUTORS, IN 100 FOUNTAIN PARKWAY ST. PETERSBURG, FL 33716	ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
ADP BROKER-DEALER	63 60 59	0
(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.	
HARTFORD INVESTMENT FINANCIAL SERVI 201 HOPMEADOW STREET SIMSBURY, CT 06089	ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS	

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
ADP BROKER-DEALER	63 60 59	0
(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.	
J.P. MORGAN INVESTMENT MANAGEMENT I 13-3200244	ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
ADP BROKER-DEALER	63 60 59	0
(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.	
JANUS DISTRIBUTORS, LLC 151 DETROIT STREET DENVER, CO 80206	ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
ADP BROKER-DEALER	63 60 59	0
(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.	
OPPENHEIMER FUNDS INC. 13-2527171	ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS	

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
ADP BROKER-DEALER	63 60 59	0
(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.	
PRUDENTIAL INVESTMENTS LLC 22-3468527	ANNUAL RATE 0.00500 OF AVERAGE DAILY ASSETS ANNUAL RATE 0.00250 OF AVERAGE DAILY ASSETS	
(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:

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

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
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A Name of plan
JAGS, INC. 401K PLAN

B Three-digit plan number (PN)	001
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C Plan or DFE sponsor's name as shown on line 2a of Form 5500
JAGS, INC.

D Employer Identification Number (EIN)
31-1238594

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: [SSGA CASH SERIES US GOVT L](#)

b Name of sponsor of entity listed in (a): STATE STREET BANK & TRUST CO

c EIN-PN 90-0337987-000	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 9517
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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)**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)**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)**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)**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)**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)**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)**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)**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)**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)

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
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

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>JAGS, INC. 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>JAGS, INC.</u>		D Employer Identification Number (EIN) <u>31-1238594</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)		
	(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)	5419	9517
	(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)	11205	15905
	(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)	414565	502868
	(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	431189	528290

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	431189	528290
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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)	18500	
(B) Participants	2a(1)(B)	60204	
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		78704
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)	711	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		711
(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)	25358	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		25358
(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)		47840
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		152613

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	54644	
(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)		54644
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		193
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	675	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		675
j Total expenses. Add all expense amounts in column (b) and enter total	2j		55512

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		97101
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: **JEFF DEVER**

(2) EIN: **20-0047518**

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	
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.)		X	
4d		X	
e Was this plan covered by a fidelity bond?	X		44000
4e	X		44000
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:

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

A Name of plan <u>JAGS, INC. 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>JAGS, INC.</u>	D Employer Identification Number (EIN) <u>31-1238594</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>57-1198022</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	

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

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

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

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



Balestra, Harr & Scherer, CPAs, Inc.

Jags, Inc. 401k Plan
FINANCIAL STATEMENTS

December 31, 2013 and 2012



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INDEPENDENT AUDITOR'S REPORT

To the Trustees
Jags, Inc. 401K Plan
1735 Waller Street
Portsmouth, Ohio 45662

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Jags, Inc. 401k Plan (the Plan), which are comprised of the statements of net assets available for plan benefits as of December 31, 2013 and 2012, the related statements of changes in net assets available for plan benefits for the years then ended, the related notes to the financial statements.

Management's Responsibilities 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 and supplemental schedules that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the 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 investment information summarized in the footnotes, which was certified by State Street Bank and Trust, the trustee of the Plan, except for comparing the information with the related information included in the financial statements. 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 certifications from the trustee as of and for the years ended December 31, 2013 and 2012, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis of 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 2013 and 2012 financial statements.

Other Matter

The supplemental schedule of assets held at year end is required by DOL's Rules and Regulations for Reporting and Disclosure under ERISA and are presented for the purpose of additional analysis and are 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 the supplemental schedule.

Report on Form and Content in Compliance with Department of Labor Rules and Regulations

The form and content of the information included in the 2013 and 2012 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.

Balestra, Han & Schen, CPAs

Worthington, Ohio
October 14, 2014

Jags, Inc. 401k Plan

STATEMENTS OF NET ASSETS AVAILABLE FOR PLAN BENEFITS

For the Years Ended December 31, 2013 and 2012

	2013	2012
ASSETS		
Investments	\$ 512,385	\$ 419,984
Loans receivable from participants	15,905	11,205
TOTAL ASSETS	<u>\$ 528,290</u>	<u>\$ 431,189</u>
NET ASSETS AVAILABLE FOR PLAN BENEFITS	<u>\$ 528,290</u>	<u>\$ 431,189</u>

The accompanying notes are an integral part of these financial statements.

Jags, Inc. 401k Plan

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS

For the Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
ADDITIONS:		
Additions to net assets attributed to:		
Contributions:		
Employee contributions	\$ 60,204	\$ 64,769
Employer contributions	<u>\$ 18,500</u>	<u>\$ 21,932</u>
Total contributions	<u>78,704</u>	<u>86,701</u>
Interest on Participant Loans	711	458
Investment income:		
Dividend and interest income	25,358	9,925
Net realized and unrealized gains and losses in value of investments	<u>47,840</u>	<u>28,033</u>
Net investment income	<u>73,198</u>	<u>37,958</u>
TOTAL ADDITIONS	<u>152,613</u>	<u>125,117</u>
DEDUCTIONS:		
Deductions from net assets attributed to:		
Administrative fees	675	600
Distributions to participants	<u>54,837</u>	<u>12,435</u>
TOTAL DEDUCTIONS	<u>55,512</u>	<u>13,035</u>
NET INCREASE	97,101	112,082
Net assets available for plan benefits at beginning of year	<u>431,189</u>	<u>319,107</u>
NET ASSETS AVAILABLE FOR PLAN BENEFITS AT END OF YEAR	<u>\$ 528,290</u>	<u>\$ 431,189</u>

The accompanying notes are an integral part of these financial statements.

Jags, Inc. 401k Plan

NOTES TO FINANCIAL STATEMENTS

December 31, 2013 and 2012

DESCRIPTION OF PLAN

The following brief description of the Jags, Inc. 401K Plan (the Plan) is provided for general information purposes only. Participants should refer to the Plan agreement for more complete information.

General - The Plan is a defined contribution retirement plan sponsored by Jags, Inc. covering all full-time employees of the Company. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Eligibility - An full-time employee shall be eligible to participate in the Plan after one year of service and the attainment of age 21.

Contributions – Each year, participants may contribute up to 1% and a maximum 84% of pretax annual compensation, as defined in the Plan. Participants who have attained the age of 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan currently offers various mutual funds and an insurance investment contract as investment options for participants. The company contributes 50% of the first 6% of base compensation that a participant contributes to the plan. Additional profit sharing amounts may be contributed at the option of the Company's board of directors and are invested in a portfolio of investments as directed by the Company. Contributions are subject to certain limitations in accordance with Section 401(k) of the Internal Revenue Code and all amounts withheld from compensation and contributed to a participant's account, up to the maximum allowed, shall be excluded from gross income of the participant for federal income tax purposes.

Participants may rollover amounts representing distributions from other qualified defined benefit or contribution plans which are reported in contributions from participants. Rollover contributions totaled \$0 for the years ended December 31, 2013 and 2012.

Investment Options - Upon enrollment in the Plan, a participant may direct contributions in any of the 13 investment options noted below. Participants may change their investment options any time.

- Alliance Small Cap Growth –R
- Blackrock Equity Dividend - R
- Prudential High Yield Fund– R
- Franklin Growth Fund – R
- Franklin Mutual Global Disc – R
- Franklin Templeton Conservative All – B
- Franklin Growth Allocation – R
- Franklin Templeton Moderate Allocation – R
- JP Morgan US Equity – R2
- PIMCO Total Return Fund – Class A
- Oppenheimer Gold & SP Min - N
- Perkins Mid Cap Value Fund – B
- SSGA Cash Series U.S. Government Fund – Class L

Administrative Fees and Expenses - The Plan sponsor absorbs or reimburses the Plan for the majority of trustee and administrator fees and expenses. Fees for participants with managed accounts are deducted from the individual participant's contributions.

Jags, Inc. 401k Plan

NOTES TO FINANCIAL STATEMENTS

December 31, 2013 and 2012

DESCRIPTION OF PLAN - Continued

Payment of Benefits - The form of payment under the Plan may be a lump sum distribution or periodic installment payments over a period of not more than your assumed life expectancy (or the assumed life expectancies of you and your beneficiary), or partial withdrawals. A participant's account shall be payable to him or her, or in the event of death to a beneficiary, upon the earlier of disability, termination of employment or retirement date. Hardship withdrawals may be made for an immediate and heavy financial need of the participant as defined in the Plan agreement.

Plan Amendments or Terminations - JAGS, INC. 401k Plan reserves the right at any time to amend or terminate the Plan, provided that no such amendment or termination shall have the effect of giving JAGS, INC. 401k Plan any right, or of reducing the rights of any participant, in the funds then held by the Trustee. No amendment to the Plan shall have the effect of eliminating or reducing a retirement benefit, or eliminating an optional form of benefit with respect to benefits attributable to service before the amendment.

Loans Receivable from Participants - Participants may borrow from their fund accounts up to a minimum of \$500 and a maximum of \$50,000 or 50% of their vested account balance up to a maximum of five years. The loans are secured by the balance in the participant's account and bear interest of the prime rate plus 1% as determined by the Plan administrator.

Forfeitures – Forfeitures are used to offset future employer matching contributions or to offset administrative fees. During the years ended December 31, 2013 and 2012, \$3,736 and \$4,586 forfeitures were used to reduce employer contributions. At December 31, 2013 and 2012, the balance in the forfeitures account was \$0.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Plan are prepared on the accrual basis of accounting. Following are the significant accounting policies adopted by the Plan and used in the preparation of these financial statements:

Loans Receivable from Participants – Loans receivable from participants is valued at their unpaid principal balance plus any accrued but unpaid interest.

Investments and Income Recognition - Investments are recorded at fair value based upon quoted market prices at year end. See footnote entitled Fair Value Measurements for additional information. Income from investments is recorded as earned on the accrual basis of accounting. Cost of investments is determined on the average cost basis and used to determine realized gains and losses upon disposition.

As described in ASC 962-325-05, *Reporting of Fully Benefit-Responsive Investment Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contribution Health and Welfare and Pension Plans* (the FSP), investment contracts held by a defined contribution plan are required to be reported at fair value. Contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. The Plan did not have any investment contracts held by defined pension plans at December 31, 2013 and 2012.

Jags, Inc. 401k Plan

NOTES TO FINANCIAL STATEMENTS

December 31, 2013 and 2012

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Contributions - Contributions are recorded as earned on the accrual basis when withheld from the participant's earnings and when discretionary contributions are allocated by the Plan sponsors.

Payment of Benefits - Benefits are recorded when paid.

Risks and Uncertainties – The Plan provides for various investment options. Investment securities are exposed to various risks, such as interest rate and 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 would materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

Subsequent Events - Subsequent events were evaluated through October 14, 2014, which is the date the financial statements were available to be issued.

Use of Estimates - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on the plan administrator's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

PARTY-IN-INTEREST TRANSACTIONS

Certain plan investments are shares of mutual funds managed by the Plan's investment advisor, as is customary in retirement plans. As a result, these transactions qualify as party-in-interest transactions.

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee received compensation from the Plan. Certain administrative expenses of the Plan are paid directly by the sponsor and are not charged to the Plan.

REPORTABLE TRANSACTIONS

The Plan's assets are participant-directed, and thus, the schedule of reportable transactions is not required.

RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The Form 5500 was available at the time of our audit and there were no differences between the financial information in the Form 5500 and our audited financial statements.

RELATED PARTY TRANSACTIONS

The Plan had no related party transactions for the years ended December 31, 2013 and 2012.

Jags, Inc. 401k Plan

NOTES TO FINANCIAL STATEMENTS

December 31, 2013 and 2012

INCOME TAX STATUS

The Jags, Inc. 401K Plan became effective January 1, 2008. In its most recent determination letter, dated March 31, 2008, the Internal Revenue Service informed the administrator and sponsor that the Plan and related trust are designed in accordance with the applicable sections of the Internal Revenue Code. The Plan administrator and trustees are not aware of any provision, action or event that has occurred that might affect the Plan's qualified status.

The Plan complies with ASC 740-10 related to uncertain tax positions. This standard prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken on a tax return. Plan administration is not aware of any tax positions taken by the Plan that it considers to be uncertain. Tax returns are open and subject to examination by the Internal Revenue Service.

INFORMATION PREPARED AND CERTIFIED BY TRUSTEE

The following investment-related information included in the accompanying financial statements and supplemental schedule was obtained from data that has been prepared and certified to as complete and accurate by the Plan's trustee, State Street Bank and Trust, as of December 31, 2013 and 2012 and for the years then ended:

	<u>2013</u>	<u>2012</u>
Investments at fair value	\$ 512,385	\$ 419,984
Participant loans	15,905	11,205
Dividend and interest income	25,358	10,383
Net unrealized and realized gains and losses in value of investments	47,840	28,033
Administrative fees	675	600

INVESTMENTS

Investments of the Plan consist of mutual funds maintained by the Trust Department of State Street Bank and Trust. Investments in the following funds exceeded 5% of the Plan's assets available for benefits at December 31, 2013 and 2012:

Blackrock Equity Dividend - R
Prudential High Yield Fund – R
Franklin Mutual Global Disc - R
Franklin Templeton Conservative All – B
Franklin Templeton Moderate Allocation – R
JP Morgan US Equity – R2

The net realized and unrealized gain (loss) by investment class for the years ended December 31, 2013 and 2012 was as follows:

Jags, Inc. 401k Plan

NOTES TO FINANCIAL STATEMENTS

December 31, 2013 and 2012

INVESTMENTS - Continued

	<u>2013</u>	<u>2,012</u>
Mutual funds:		
Equity funds	\$ 69,548	\$ 25,647
Fixed income funds	3,650	2,386
Common collective trusts:		
Money market fund	<u>-</u>	<u>-</u>
Net gain (loss)	<u>\$ 73,198</u>	<u>\$ 28,033</u>

The method used to determine fair value of these investment types are disclosed in the Fair Value Measurements note.

FAIR VALUE MEASUREMENTS

The Plan complies with ASC 820 *Fair Value Measurements and Disclosures* to account for and report fair value. ASC 820 provides a single definition of fair value, a framework for measuring fair value and expanded disclosures concerning fair value. It also defines fair value as the price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

Fair value of certain assets and liabilities are determined based on the fair value hierarchy established in the standard, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

Level 1 - Values are based on unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 - Values are based on quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Values are generated from unobservable inputs that are supported by little or no market activity and that are a significant component of the fair value of the assets or liabilities. These unobservable inputs would reflect management's estimates of assumptions that market participants would use in pricing related assets or liabilities. Valuation techniques might include the use of pricing models, discounted cash flow models or similar techniques.

A financial asset's or liability's classification within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the classification of fair value assets and liabilities within the fair value hierarchy levels.

Jags, Inc. 401k Plan**NOTES TO FINANCIAL STATEMENTS**

December 31, 2013 and 2012

FAIR VALUE MEASUREMENTS - Continued

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while 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:

Assets at Fair Value as of December 31, 2013				
	Level 1	Level 2	Level 3	Total
Mutual funds:				
Equity funds	\$ 445,823	\$ -	\$ -	\$ 445,823
Fixed income funds	57,045	-	-	57,045
Common/Collective Trust:				
Money Market Fund	-	9,517	-	9,517
Total	\$ 502,868	\$ 9,517	\$ -	\$ 512,385

Assets at Fair Value as of December 31, 2012				
	Level 1	Level 2	Level 3	Total
Mutual funds:				
Equity funds	\$ 363,143	\$ -	\$ -	\$ 363,143
Fixed income funds	51,422	-	-	51,422
Common/Collective Trust				
Money Market Fund	-	5,419	-	5,419
Total	\$ 414,565	\$ 5,419	\$ -	\$ 419,984

Investments include equity and fixed income mutual funds. These funds are publicly traded and their fair value represents the closing price or net asset value as of the plan year end. These investments are categorized as Level 1 of fair value hierarchy.

Common Collective Trust: SSGA Cash Series U.S. Government Fund investments include short-term instruments maturing within 60 days of the time of purchase. The short-term instruments are valued at "amortized cost" unless amortized cost does not represent fair value. Investments in privately held investments funds are valued based upon Net Asset Value (NAV) of such investment. These investments are categorized as Level 2 on the fair value hierarchy.

SUPPLEMENTAL SCHEDULE

Jags, Inc. 401k Plan

EIN 31-1238594
PLAN NUMBER 001

SCHEDULE H, LINE 4 i - SCHEDULE OF ASSETS HELD AT YEAR END

December 31, 2013

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current Value
	JP Morgan US Equity - R2	Mutual Fund	\$ 75,321	86,144
	Alliance Small Cap Growth -R	Mutual Fund	\$ 13,079	14,145
	Blackrock Equity Dividend - R	Mutual Fund	59,703	77,575
	Prudential High Yield Fund- R	Mutual Fund	54,696	57,045
	Franklin Growth Fund - R	Mutual Fund	3,355	3,966
	Franklin Mutual Global Disc - R	Mutual Fund	31,278	35,927
	Franklin Templeton Conservative All - B	Mutual Fund	153,740	163,565
	Franklin Growth Allocation - R	Mutual Fund	16,765	20,577
	Franklin Templeton Moderate Allocation - R	Mutual Fund	28,817	32,114
	PIMCO Total Return Fund - Class A	Mutual Fund	196	189
	Oppenheimer Gold & SP Min - N	Mutual Fund	1,095	852
	Perkins Mid Cap Value Fund - B	Mutual Fund	10,565	10,769
*	SSGA Cash Series U.S. Government Fund - Class L	Mutual Fund	9,517	9,517
			<u>458,127</u>	<u>512,385</u>
		Interest rates were 4.25% with terms up to 5 years		
*	Participant Loans		15,905	15,905
	Total		<u>\$ 474,032</u>	<u>\$ 528,290</u>

* Represents party-in-interest.

Schedule C, Line 2(h) Formula Description

For those service providers listed on Line 2 for which Line 2(h) has been checked “yes”:

For a description of indirect compensation received by service providers listed on Line 2 that was disclosed as a formula, please see Line 3(e). Please note: If indirect compensation disclosed as a formula was received by a service provider from more than one source, there will be multiple Lines 3(e) for that service provider.

September 20, 2014

Internal Revenue Service
Ogden, UT 84201



PLAN: 676409

ADP Case #: C8844388

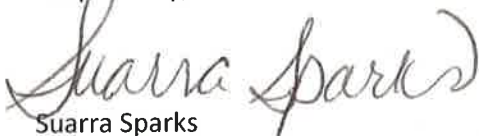
To Whom It May Concern:

This letter is to explain late filing of 5500. On September 18th while reviewing my planner pages for October 2014 I noted a deadline of October 15th, 2014 for 5500 filing. (Date we have always filed in past) – I contacted our financial planner via phone and email to see if he had received any information regarding the filing (audit package that we have received in the past or any email reminders) As of to right now, I have not heard back from my auditor. I logged onto my ADP Portal to check the status of the 5500 and it indicated that I must contact ADP Representative due to not filing by September 15th. Upon contacting my ADP Representative (Case # C8844388) I was informed ADP had sent reminders to an inactive account (see attached emails on old non-active account) I have not used this account for approximately a year and it has an automatic reply to use my new email (sssparks@schmidtgroup.us) I also asked the representative I spoke to correct, which he indicated he did while we were speaking. The ADP representative instructed me to write this letter to you explaining the events that had transpired and ask that you please give consideration to not assess any late penalties.

ADP has indicated that once this letter is received it will take 5-7 business days for them to release the 5500 to the point where I can submit it (I believe that it will not let me even at that time due to the fact that in the past I have needed an auditors opinion) I didn't want to wait any longer to submit the letter and delay my submission so I will begin this process and can provide correspondence when I am able to speak to my accountant regarding the statement that he will need to provide.

Once I am notified by ADP at my correct email address that I am able to submit, I will attempt to submit my 5500. I am very sorry for this oversight which was partially out of my control and I can only request that you take my sequence of events into consideration and allow me to submit without any penalties or fees. Thank you very much for your time and attention.

Respectfully,



Suarra Sparks

Director of Human Resources
JAGS Inc. (Schmidt Family Restaurant Group)

September 20, 2014

Internal Revenue Service
Ogden, UT 84201



PLAN: 676409

ADP Case #: C8844388

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Once I am notified by ADP at my correct email address that I am able to submit, I will attempt to submit my 5500. I am very sorry for this oversight which was partially out of my control and I can only request that you take my sequence of events into consideration and allow me to submit without any penalties or fees. Thank you very much for your time and attention.

Respectfully,

Suarra Sparks

Director of Human Resources
JAGS Inc. (Schmidt Family Restaurant Group)



Balestra, Harr & Scherer, CPAs, Inc.

Jags, Inc. 401k Plan
FINANCIAL STATEMENTS

December 31, 2013 and 2012



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INDEPENDENT AUDITOR'S REPORT

To the Trustees
Jags, Inc. 401K Plan
1735 Waller Street
Portsmouth, Ohio 45662

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Jags, Inc. 401k Plan (the Plan), which are comprised of the statements of net assets available for plan benefits as of December 31, 2013 and 2012, the related statements of changes in net assets available for plan benefits for the years then ended, the related notes to the financial statements.

Management's Responsibilities 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 and supplemental schedules that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the 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 investment information summarized in the footnotes, which was certified by State Street Bank and Trust, the trustee of the Plan, except for comparing the information with the related information included in the financial statements. 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 certifications from the trustee as of and for the years ended December 31, 2013 and 2012, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis of 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 2013 and 2012 financial statements.

Other Matter

The supplemental schedule of assets held at year end is required by DOL's Rules and Regulations for Reporting and Disclosure under ERISA and are presented for the purpose of additional analysis and are 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 the supplemental schedule.

Report on Form and Content in Compliance with Department of Labor Rules and Regulations

The form and content of the information included in the 2013 and 2012 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.

Balestra, Han & Schen, CPAs

Worthington, Ohio
October 14, 2014

Jags, Inc. 401k Plan

STATEMENTS OF NET ASSETS AVAILABLE FOR PLAN BENEFITS

For the Years Ended December 31, 2013 and 2012

	2013	2012
ASSETS		
Investments	\$ 512,385	\$ 419,984
Loans receivable from participants	15,905	11,205
TOTAL ASSETS	<u>\$ 528,290</u>	<u>\$ 431,189</u>
NET ASSETS AVAILABLE FOR PLAN BENEFITS	<u>\$ 528,290</u>	<u>\$ 431,189</u>

The accompanying notes are an integral part of these financial statements.

Jags, Inc. 401k Plan

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR PLAN BENEFITS

For the Years Ended December 31, 2013 and 2012

	<u>2013</u>	<u>2012</u>
ADDITIONS:		
Additions to net assets attributed to:		
Contributions:		
Employee contributions	\$ 60,204	\$ 64,769
Employer contributions	\$ 18,500	\$ 21,932
Total contributions	<u>78,704</u>	<u>86,701</u>
Interest on Participant Loans	711	458
Investment income:		
Dividend and interest income	25,358	9,925
Net realized and unrealized gains and losses in value of investments	<u>47,840</u>	<u>28,033</u>
Net investment income	<u>73,198</u>	<u>37,958</u>
TOTAL ADDITIONS	<u>152,613</u>	<u>125,117</u>
DEDUCTIONS:		
Deductions from net assets attributed to:		
Administrative fees	675	600
Distributions to participants	<u>54,837</u>	<u>12,435</u>
TOTAL DEDUCTIONS	<u>55,512</u>	<u>13,035</u>
NET INCREASE	97,101	112,082
Net assets available for plan benefits at beginning of year	<u>431,189</u>	<u>319,107</u>
NET ASSETS AVAILABLE FOR PLAN BENEFITS AT END OF YEAR	<u>\$ 528,290</u>	<u>\$ 431,189</u>

The accompanying notes are an integral part of these financial statements.

Jags, Inc. 401k Plan

NOTES TO FINANCIAL STATEMENTS

December 31, 2013 and 2012

DESCRIPTION OF PLAN

The following brief description of the Jags, Inc. 401K Plan (the Plan) is provided for general information purposes only. Participants should refer to the Plan agreement for more complete information.

General - The Plan is a defined contribution retirement plan sponsored by Jags, Inc. covering all full-time employees of the Company. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Eligibility - An full-time employee shall be eligible to participate in the Plan after one year of service and the attainment of age 21.

Contributions – Each year, participants may contribute up to 1% and a maximum 84% of pretax annual compensation, as defined in the Plan. Participants who have attained the age of 50 before the end of the Plan year are eligible to make catch-up contributions. Participants may also contribute amounts representing distributions from other qualified defined benefit or contribution plans. Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan currently offers various mutual funds and an insurance investment contract as investment options for participants. The company contributes 50% of the first 6% of base compensation that a participant contributes to the plan. Additional profit sharing amounts may be contributed at the option of the Company's board of directors and are invested in a portfolio of investments as directed by the Company. Contributions are subject to certain limitations in accordance with Section 401(k) of the Internal Revenue Code and all amounts withheld from compensation and contributed to a participant's account, up to the maximum allowed, shall be excluded from gross income of the participant for federal income tax purposes.

Participants may rollover amounts representing distributions from other qualified defined benefit or contribution plans which are reported in contributions from participants. Rollover contributions totaled \$0 for the years ended December 31, 2013 and 2012.

Investment Options - Upon enrollment in the Plan, a participant may direct contributions in any of the 13 investment options noted below. Participants may change their investment options any time.

- Alliance Small Cap Growth –R
- Blackrock Equity Dividend - R
- Prudential High Yield Fund– R
- Franklin Growth Fund – R
- Franklin Mutual Global Disc – R
- Franklin Templeton Conservative All – B
- Franklin Growth Allocation – R
- Franklin Templeton Moderate Allocation – R
- JP Morgan US Equity – R2
- PIMCO Total Return Fund – Class A
- Oppenheimer Gold & SP Min - N
- Perkins Mid Cap Value Fund – B
- SSGA Cash Series U.S. Government Fund – Class L

Administrative Fees and Expenses - The Plan sponsor absorbs or reimburses the Plan for the majority of trustee and administrator fees and expenses. Fees for participants with managed accounts are deducted from the individual participant's contributions.

Jags, Inc. 401k Plan

NOTES TO FINANCIAL STATEMENTS

December 31, 2013 and 2012

DESCRIPTION OF PLAN - Continued

Payment of Benefits - The form of payment under the Plan may be a lump sum distribution or periodic installment payments over a period of not more than your assumed life expectancy (or the assumed life expectancies of you and your beneficiary), or partial withdrawals. A participant's account shall be payable to him or her, or in the event of death to a beneficiary, upon the earlier of disability, termination of employment or retirement date. Hardship withdrawals may be made for an immediate and heavy financial need of the participant as defined in the Plan agreement.

Plan Amendments or Terminations - JAGS, INC. 401k Plan reserves the right at any time to amend or terminate the Plan, provided that no such amendment or termination shall have the effect of giving JAGS, INC. 401k Plan any right, or of reducing the rights of any participant, in the funds then held by the Trustee. No amendment to the Plan shall have the effect of eliminating or reducing a retirement benefit, or eliminating an optional form of benefit with respect to benefits attributable to service before the amendment.

Loans Receivable from Participants - Participants may borrow from their fund accounts up to a minimum of \$500 and a maximum of \$50,000 or 50% of their vested account balance up to a maximum of five years. The loans are secured by the balance in the participant's account and bear interest of the prime rate plus 1% as determined by the Plan administrator.

Forfeitures – Forfeitures are used to offset future employer matching contributions or to offset administrative fees. During the years ended December 31, 2013 and 2012, \$3,736 and \$4,586 forfeitures were used to reduce employer contributions. At December 31, 2013 and 2012, the balance in the forfeitures account was \$0.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Plan are prepared on the accrual basis of accounting. Following are the significant accounting policies adopted by the Plan and used in the preparation of these financial statements:

Loans Receivable from Participants – Loans receivable from participants is valued at their unpaid principal balance plus any accrued but unpaid interest.

Investments and Income Recognition - Investments are recorded at fair value based upon quoted market prices at year end. See footnote entitled Fair Value Measurements for additional information. Income from investments is recorded as earned on the accrual basis of accounting. Cost of investments is determined on the average cost basis and used to determine realized gains and losses upon disposition.

As described in ASC 962-325-05, *Reporting of Fully Benefit-Responsive Investment Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contribution Health and Welfare and Pension Plans* (the FSP), investment contracts held by a defined contribution plan are required to be reported at fair value. Contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. The Plan did not have any investment contracts held by defined pension plans at December 31, 2013 and 2012.

Jags, Inc. 401k Plan

NOTES TO FINANCIAL STATEMENTS

December 31, 2013 and 2012

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Contributions - Contributions are recorded as earned on the accrual basis when withheld from the participant's earnings and when discretionary contributions are allocated by the Plan sponsors.

Payment of Benefits - Benefits are recorded when paid.

Risks and Uncertainties – The Plan provides for various investment options. Investment securities are exposed to various risks, such as interest rate and 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 would materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

Subsequent Events - Subsequent events were evaluated through October 14, 2014, which is the date the financial statements were available to be issued.

Use of Estimates - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on the plan administrator's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

PARTY-IN-INTEREST TRANSACTIONS

Certain plan investments are shares of mutual funds managed by the Plan's investment advisor, as is customary in retirement plans. As a result, these transactions qualify as party-in-interest transactions.

Certain administrative functions are performed by officers or employees of the Company. No such officer or employee received compensation from the Plan. Certain administrative expenses of the Plan are paid directly by the sponsor and are not charged to the Plan.

REPORTABLE TRANSACTIONS

The Plan's assets are participant-directed, and thus, the schedule of reportable transactions is not required.

RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The Form 5500 was available at the time of our audit and there were no differences between the financial information in the Form 5500 and our audited financial statements.

RELATED PARTY TRANSACTIONS

The Plan had no related party transactions for the years ended December 31, 2013 and 2012.

Jags, Inc. 401k Plan

NOTES TO FINANCIAL STATEMENTS

December 31, 2013 and 2012

INCOME TAX STATUS

The Jags, Inc. 401K Plan became effective January 1, 2008. In its most recent determination letter, dated March 31, 2008, the Internal Revenue Service informed the administrator and sponsor that the Plan and related trust are designed in accordance with the applicable sections of the Internal Revenue Code. The Plan administrator and trustees are not aware of any provision, action or event that has occurred that might affect the Plan's qualified status.

The Plan complies with ASC 740-10 related to uncertain tax positions. This standard prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken on a tax return. Plan administration is not aware of any tax positions taken by the Plan that it considers to be uncertain. Tax returns are open and subject to examination by the Internal Revenue Service.

INFORMATION PREPARED AND CERTIFIED BY TRUSTEE

The following investment-related information included in the accompanying financial statements and supplemental schedule was obtained from data that has been prepared and certified to as complete and accurate by the Plan's trustee, State Street Bank and Trust, as of December 31, 2013 and 2012 and for the years then ended:

	<u>2013</u>	<u>2012</u>
Investments at fair value	\$ 512,385	\$ 419,984
Participant loans	15,905	11,205
Dividend and interest income	25,358	10,383
Net unrealized and realized gains and losses in value of investments	47,840	28,033
Administrative fees	675	600

INVESTMENTS

Investments of the Plan consist of mutual funds maintained by the Trust Department of State Street Bank and Trust. Investments in the following funds exceeded 5% of the Plan's assets available for benefits at December 31, 2013 and 2012:

Blackrock Equity Dividend - R
Prudential High Yield Fund – R
Franklin Mutual Global Disc - R
Franklin Templeton Conservative All – B
Franklin Templeton Moderate Allocation – R
JP Morgan US Equity – R2

The net realized and unrealized gain (loss) by investment class for the years ended December 31, 2013 and 2012 was as follows:

Jags, Inc. 401k Plan

NOTES TO FINANCIAL STATEMENTS

December 31, 2013 and 2012

INVESTMENTS - Continued

	<u>2013</u>	<u>2,012</u>
Mutual funds:		
Equity funds	\$ 69,548	\$ 25,647
Fixed income funds	3,650	2,386
Common collective trusts:		
Money market fund	<u>-</u>	<u>-</u>
Net gain (loss)	<u>\$ 73,198</u>	<u>\$ 28,033</u>

The method used to determine fair value of these investment types are disclosed in the Fair Value Measurements note.

FAIR VALUE MEASUREMENTS

The Plan complies with ASC 820 *Fair Value Measurements and Disclosures* to account for and report fair value. ASC 820 provides a single definition of fair value, a framework for measuring fair value and expanded disclosures concerning fair value. It also defines fair value as the price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

Fair value of certain assets and liabilities are determined based on the fair value hierarchy established in the standard, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

Level 1 - Values are based on unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 - Values are based on quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Values are generated from unobservable inputs that are supported by little or no market activity and that are a significant component of the fair value of the assets or liabilities. These unobservable inputs would reflect management's estimates of assumptions that market participants would use in pricing related assets or liabilities. Valuation techniques might include the use of pricing models, discounted cash flow models or similar techniques.

A financial asset's or liability's classification within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the classification of fair value assets and liabilities within the fair value hierarchy levels.

Jags, Inc. 401k Plan**NOTES TO FINANCIAL STATEMENTS**

December 31, 2013 and 2012

FAIR VALUE MEASUREMENTS - Continued

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while 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:

Assets at Fair Value as of December 31, 2013				
	Level 1	Level 2	Level 3	Total
Mutual funds:				
Equity funds	\$ 445,823	\$ -	\$ -	\$ 445,823
Fixed income funds	57,045	-	-	57,045
Common/Collective Trust:				
Money Market Fund	-	9,517	-	9,517
Total	\$ 502,868	\$ 9,517	\$ -	\$ 512,385

Assets at Fair Value as of December 31, 2012				
	Level 1	Level 2	Level 3	Total
Mutual funds:				
Equity funds	\$ 363,143	\$ -	\$ -	\$ 363,143
Fixed income funds	51,422	-	-	51,422
Common/Collective Trust				
Money Market Fund	-	5,419	-	5,419
Total	\$ 414,565	\$ 5,419	\$ -	\$ 419,984

Investments include equity and fixed income mutual funds. These funds are publicly traded and their fair value represents the closing price or net asset value as of the plan year end. These investments are categorized as Level 1 of fair value hierarchy.

Common Collective Trust: SSGA Cash Series U.S. Government Fund investments include short-term instruments maturing within 60 days of the time of purchase. The short-term instruments are valued at "amortized cost" unless amortized cost does not represent fair value. Investments in privately held investments funds are valued based upon Net Asset Value (NAV) of such investment. These investments are categorized as Level 2 on the fair value hierarchy.

SUPPLEMENTAL SCHEDULE

Jags, Inc. 401k Plan

EIN 31-1238594
PLAN NUMBER 001

SCHEDULE H, LINE 4 i - SCHEDULE OF ASSETS HELD AT YEAR END

December 31, 2013

(a)	(b) Identity of issue, borrower, lessor or similar party	(c) Description of investment maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current Value
	JP Morgan US Equity - R2	Mutual Fund	\$ 75,321	86,144
	Alliance Small Cap Growth -R	Mutual Fund	\$ 13,079	14,145
	Blackrock Equity Dividend - R	Mutual Fund	59,703	77,575
	Prudential High Yield Fund- R	Mutual Fund	54,696	57,045
	Franklin Growth Fund - R	Mutual Fund	3,355	3,966
	Franklin Mutual Global Disc - R	Mutual Fund	31,278	35,927
	Franklin Templeton Conservative All - B	Mutual Fund	153,740	163,565
	Franklin Growth Allocation - R	Mutual Fund	16,765	20,577
	Franklin Templeton Moderate Allocation - R	Mutual Fund	28,817	32,114
	PIMCO Total Return Fund - Class A	Mutual Fund	196	189
	Oppenheimer Gold & SP Min - N	Mutual Fund	1,095	852
	Perkins Mid Cap Value Fund - B	Mutual Fund	10,565	10,769
*	SSGA Cash Series U.S. Government Fund - Class L	Mutual Fund	9,517	9,517
			<u>458,127</u>	<u>512,385</u>
		Interest rates were 4.25% with terms up to 5 years		
*	Participant Loans		15,905	15,905
	Total		<u>\$ 474,032</u>	<u>\$ 528,290</u>

* Represents party-in-interest.

Attachment to 2013 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name JAGS, INC. 401K PLAN

EIN: 31-1238594

Plan Sponsor's Name JAGS, INC.

PN: 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	JPMORGAN US EQUITY - R2	REGISTERED INVESTMENT COMPANY		86,143
	ALLIANCE SMALL CAP GROWTH - R	REGISTERED INVESTMENT COMPANY		14,145
	BLACKROCK EQUITY DIVIDEND - R	REGISTERED INVESTMENT COMPANY		77,575
	PRUDENTIAL HIGH YIELD - R	REGISTERED INVESTMENT COMPANY		57,045
	FRANKLIN GROWTH FUND - R	REGISTERED INVESTMENT COMPANY		3,966
	FRANKLIN MUT GLB DISC - R	REGISTERED INVESTMENT COMPANY		35,927
	FRANKLIN TEMPLETON CONS ALL R	REGISTERED INVESTMENT COMPANY		163,565

Attachment to 2013 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name JAGS, INC. 401K PLAN

EIN: 31-1238594

Plan Sponsor's Name JAGS, INC.

PN: 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	FRANKLIN GROWTH ALLOCATION R	REGISTERED INVESTMENT COMPANY		20,577
	FRANKLIN TEMPLETON MOD ALLOC R	REGISTERED INVESTMENT COMPANY		32,114
	PIMCO TOTAL RETURN FUND - R	REGISTERED INVESTMENT COMPANY		189
	OPPENHEIMER GOLD & SP MIN - N	REGISTERED INVESTMENT COMPANY		852
	PERKINS MID CAP VALUE FD - R	REGISTERED INVESTMENT COMPANY		10,769
	PARTICIPANT LOANS	INTEREST RATES (5.25% TO 5.25%)		15,905
	SSGA CASH SERIES US GOV'T L	COMMON/COLLECTIVE TRUST		9,517