

|                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                              |
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| <b>Form 5500</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security<br>Administration<br><br>Pension Benefit Guaranty Corporation | <b>Annual Return/Report of Employee Benefit Plan</b><br><br>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).<br><br><p style="text-align: center;">▶ <b>Complete all entries in accordance with the instructions to the Form 5500.</b></p> | OMB Nos. 1210-0110<br>1210-0089<br><br><div style="text-align: center; font-size: 1.5em; font-weight: bold;">2014</div><br><br><b>This Form is Open to Public Inspection</b> |
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|                                                                                                          |                                                                                                                                                                                                                                                                                                                                                 |
|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part I</b>                                                                                            | <b>Annual Report Identification Information</b>                                                                                                                                                                                                                                                                                                 |
| For calendar plan year 2014 or fiscal plan year beginning <u>01/01/2014</u> and ending <u>12/31/2014</u> |                                                                                                                                                                                                                                                                                                                                                 |
| A This return/report is for:                                                                             | <input type="checkbox"/> a multiemployer plan; <input type="checkbox"/> a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or<br><input checked="" type="checkbox"/> a single-employer plan; <input type="checkbox"/> a DFE (specify) _____ |
| B This return/report is:                                                                                 | <input type="checkbox"/> the first return/report; <input type="checkbox"/> the final return/report;<br><input type="checkbox"/> an amended return/report; <input type="checkbox"/> a short plan year return/report (less than 12 months).                                                                                                       |
| C If the plan is a collectively-bargained plan, check here. ....                                         | <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                        |
| D Check box if filing under:                                                                             | <input checked="" type="checkbox"/> Form 5558; <input type="checkbox"/> automatic extension; <input type="checkbox"/> the DFVC program;<br><input type="checkbox"/> special extension (enter description)                                                                                                                                       |

|                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                        |                                                                     |                                                                  |                                                             |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|------------------------------------------------------------------|-------------------------------------------------------------|--|
| <b>Part II</b>                                                                                                                                                                                                               | <b>Basic Plan Information—enter all requested information</b>                                                                                                                                                                                                                                                                                                                          |                                                                     |                                                                  |                                                             |  |
| <b>1a</b> Name of plan<br><u>COVESTIC, INC. 401(K) PROFIT SHARING PLAN &amp; TRUST</u>                                                                                                                                       | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;"><b>1b</b> Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2"><b>1c</b> Effective date of plan<br/><u>01/01/2001</u></td> </tr> </table>                                                                        | <b>1b</b> Three-digit plan number (PN) ▶                            | <u>001</u>                                                       | <b>1c</b> Effective date of plan<br><u>01/01/2001</u>       |  |
| <b>1b</b> Three-digit plan number (PN) ▶                                                                                                                                                                                     | <u>001</u>                                                                                                                                                                                                                                                                                                                                                                             |                                                                     |                                                                  |                                                             |  |
| <b>1c</b> Effective date of plan<br><u>01/01/2001</u>                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                        |                                                                     |                                                                  |                                                             |  |
| <b>2a</b> Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)<br><u>COVESTIC, INC</u><br><br><u>5555 LAKEVIEW DRIVE</u><br><u>SUITE 100</u><br><u>KIRKLAND, WA 98033</u> | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td><b>2b</b> Employer Identification Number (EIN)<br/><u>91-2141220</u></td> </tr> <tr> <td><b>2c</b> Plan Sponsor's telephone number<br/><u>425-250-0628</u></td> </tr> <tr> <td><b>2d</b> Business code (see instructions)<br/><u>541512</u></td> </tr> <tr> <td style="height: 40px;"></td> </tr> </table> | <b>2b</b> Employer Identification Number (EIN)<br><u>91-2141220</u> | <b>2c</b> Plan Sponsor's telephone number<br><u>425-250-0628</u> | <b>2d</b> Business code (see instructions)<br><u>541512</u> |  |
| <b>2b</b> Employer Identification Number (EIN)<br><u>91-2141220</u>                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                        |                                                                     |                                                                  |                                                             |  |
| <b>2c</b> Plan Sponsor's telephone number<br><u>425-250-0628</u>                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                        |                                                                     |                                                                  |                                                             |  |
| <b>2d</b> Business code (see instructions)<br><u>541512</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.

|                                                                                                            |                                                   |            |                                                              |
|------------------------------------------------------------------------------------------------------------|---------------------------------------------------|------------|--------------------------------------------------------------|
| <b>SIGN HERE</b>                                                                                           | Filed with authorized/valid electronic signature. | 10/15/2015 | PEGGY BALL                                                   |
|                                                                                                            | Signature of plan administrator                   | Date       | Enter name of individual signing as plan administrator       |
| <b>SIGN HERE</b>                                                                                           |                                                   |            |                                                              |
|                                                                                                            | Signature of employer/plan sponsor                | Date       | Enter name of individual signing as employer or plan sponsor |
| <b>SIGN HERE</b>                                                                                           |                                                   |            |                                                              |
|                                                                                                            | 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)                       |

|                                                                                                                                                                                                                                                                                                                                                                                                                    |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| <b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor                                                                                                                                                                                                                                                                                                           |  | <b>3b</b> Administrator's EIN                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |     |
|                                                                                                                                                                                                                                                                                                                                                                                                                    |  | <b>3c</b> Administrator's telephone number                                                                                                                                                                                                                                                                                                                                                                                                                                                        |     |
|                                                                                                                                                                                                                                                                                                                                                                                                                    |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |     |
| <b>4</b> 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:<br><b>a</b> Sponsor's name                                                                                                                                                                                                  |  | <b>4b</b> EIN                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |     |
|                                                                                                                                                                                                                                                                                                                                                                                                                    |  | <b>4c</b> PN                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |     |
| <b>5</b> Total number of participants at the beginning of the plan year                                                                                                                                                                                                                                                                                                                                            |  | <b>5</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 192 |
| <b>6</b> Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines <b>6a(1)</b> , <b>6a(2)</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ).                                                                                                                                                                                                                   |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |     |
| <b>a(1)</b> Total number of active participants at the beginning of the plan year .....                                                                                                                                                                                                                                                                                                                            |  | <b>6a(1)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 169 |
| <b>a(2)</b> Total number of active participants at the end of the plan year .....                                                                                                                                                                                                                                                                                                                                  |  | <b>6a(2)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 189 |
| <b>b</b> Retired or separated participants receiving benefits .....                                                                                                                                                                                                                                                                                                                                                |  | <b>6b</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 0   |
| <b>c</b> Other retired or separated participants entitled to future benefits.....                                                                                                                                                                                                                                                                                                                                  |  | <b>6c</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 26  |
| <b>d</b> Subtotal. Add lines <b>6a(2)</b> , <b>6b</b> , and <b>6c</b> . .....                                                                                                                                                                                                                                                                                                                                      |  | <b>6d</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 215 |
| <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. ....                                                                                                                                                                                                                                                                                                         |  | <b>6e</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 0   |
| <b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> . .....                                                                                                                                                                                                                                                                                                                                                          |  | <b>6f</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 215 |
| <b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) .....                                                                                                                                                                                                                                                                    |  | <b>6g</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 62  |
| <b>h</b> Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....                                                                                                                                                                                                                                                                         |  | <b>6h</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 0   |
| <b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....                                                                                                                                                                                                                                                                                |  | <b>7</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |     |
| <b>8a</b> If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:<br>2E 2F 2G 2J 2T 3D                                                                                                                                                                                                                                  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |     |
| <b>b</b> If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:                                                                                                                                                                                                                                                        |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |     |
| <b>9a</b> Plan funding arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor                                                                                                                      |  | <b>9b</b> Plan benefit arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor                                                                                                                                                                                                     |     |
| <b>10</b> Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)                                                                                                                                                                                                                                                  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |     |
| <b>a Pension Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)<br>(2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary<br>(3) <input type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary |  | <b>b General Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information)<br>(2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan)<br>(3) <input type="checkbox"/> <b>A</b> (Insurance Information)<br>(4) <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information)<br>(5) <input type="checkbox"/> <b>D</b> (DFE/Participating Plan Information)<br>(6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules) |     |

**Part III****Form M-1 Compliance Information (to be completed by welfare benefit plans)**

**11a** If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

**11b** Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

**11c** Enter the Receipt Confirmation Code for the 2014 Form M-1 annual report. If the plan was not required to file the 2014 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code \_\_\_\_\_

|                                                                                                                                                                                                                           |                                                                                                                                                                                                                        |                                                |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|
| <b>SCHEDULE C</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Service Provider Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br><br>▶ <b>File as an attachment to Form 5500.</b> | OMB No. 1210-0110                              |
|                                                                                                                                                                                                                           |                                                                                                                                                                                                                        | <b>2014</b>                                    |
|                                                                                                                                                                                                                           |                                                                                                                                                                                                                        | <b>This Form is Open to Public Inspection.</b> |

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

|                                                                                       |                                                                    |
|---------------------------------------------------------------------------------------|--------------------------------------------------------------------|
| <b>A</b> Name of plan<br><u>COVESTIC, INC. 401(K) PROFIT SHARING PLAN &amp; TRUST</u> | <b>B</b> Three-digit plan number (PN) ▶ <u>001</u>                 |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>COVESTIC, INC</u> | <b>D</b> Employer Identification Number (EIN)<br><u>91-2141220</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

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 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

AMERICAN FUNDS DISTRIBUTORS, INC.

95-2769620

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

BLACKROCK INVESTMENTS, INC.

23-2784752

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

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COLUMBIA

ONE FINANCIAL CENTER  
MA5-515-14-01  
BOSTON, MA 02111

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

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HARTFORD INVESTMENT FINANCIAL SERVI

201 HOPMEADOW STREET  
SIMSBURY, CT 06089

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

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J.P. MORGAN INVESTMENT MANAGEMENT I

13-3200244

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

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JANUS DISTRIBUTORS, LLC

151 DETROIT STREET  
DENVER, CO 80206

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

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MFS FUND DISTRIBUTORS, INC.

04-2747644

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

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OPPENHEIMER FUNDS INC.

13-2527171

---

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

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PIONEER INVESTMENT MANAGEMENT, INC

13-1961193

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

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PRUDENTIAL INVESTMENTS LLC

22-3468527

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

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PUTNAM RETAIL MANAGEMENT

ONE POST OFFICE SQUARE  
BOSTON, MA 02109

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

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VICTORY CAPITAL MANAGEMENT

13-2700161

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

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

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

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

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

MERRILL LYNCH PIERCE FENNER & SMITH

13-5674085

| <b>(b)</b><br>Service Code(s) | <b>(c)</b><br>Relationship to employer, employee organization, or person known to be a party-in-interest | <b>(d)</b><br>Enter direct compensation paid by the plan. If none, enter -0-. | <b>(e)</b><br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | <b>(f)</b><br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | <b>(g)</b><br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | <b>(h)</b><br>Did the service provider give you a formula instead of an amount or estimated amount? |
|-------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| 52 59 60 63                   | INVESTMENT ADVISOR                                                                                       | 0                                                                             | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                         | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                                                   | 14581                                                                                                                                                                                  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                 |

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

ADP, LLC

13-3036745

| <b>(b)</b><br>Service Code(s) | <b>(c)</b><br>Relationship to employer, employee organization, or person known to be a party-in-interest | <b>(d)</b><br>Enter direct compensation paid by the plan. If none, enter -0-. | <b>(e)</b><br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | <b>(f)</b><br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | <b>(g)</b><br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | <b>(h)</b><br>Did the service provider give you a formula instead of an amount or estimated amount? |
|-------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| 37 50 15 64                   | RECORD KEEPER                                                                                            | 642                                                                           | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                         | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                                                   | 0                                                                                                                                                                                      | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                 |

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

ADP BROKER-DEALER

22-3319984

| <b>(b)</b><br>Service Code(s) | <b>(c)</b><br>Relationship to employer, employee organization, or person known to be a party-in-interest | <b>(d)</b><br>Enter direct compensation paid by the plan. If none, enter -0-. | <b>(e)</b><br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | <b>(f)</b><br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | <b>(g)</b><br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | <b>(h)</b><br>Did the service provider give you a formula instead of an amount or estimated amount? |
|-------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| 49 99                         | RECORD KEEPER                                                                                            | 0                                                                             | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                         | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                                                   | 0                                                                                                                                                                                      | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                 |

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

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

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

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

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

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

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

**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<br>(see instructions)           | (c) Enter amount of indirect compensation                                                                                                                                                                               |
|---------------------------------------------------------------------|---------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| MERRILL LYNCH PIERCE FENNER & SMITH                                 | 52 59 60 63                                       | 14581                                                                                                                                                                                                                   |
| (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.                                                      |
| UNAVAILABLE                                                         | UNAVAILABLE<br>UNAVAILABLE, CA 91367              | INVESTMENT MANAGEMENT FEES PAID INDIRECTLY BY<br>PLAN SHAREHOLDER SERVICING FEES SUB-TRANSFER<br>AGENCY FEES DISTRIBUTION (12B-1) FEES                                                                                  |
|                                                                     |                                                   |                                                                                                                                                                                                                         |
| (a) Enter service provider name as it appears on line 2             | (b) Service Codes<br>(see instructions)           | (c) Enter amount of indirect compensation                                                                                                                                                                               |
| ADP BROKER-DEALER                                                   | 99                                                | 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.                                                      |
| ALLIANZ GLOBAL INVESTORS DISTRIBUTO                                 | 1345 AVENUE OF THE AMERICAS<br>NEW YORK, NY 10105 | ANNUAL RATE 0.00260 OF AVERAGE DAILY ASSETS-A<br>SHRS ANNUAL RATE 0.00325 OF AVERAGE DAILY<br>ASSETS-C SHRS ANNUAL RATE 0.00150 OF AVERAGE<br>DAILY ASSETS-I SHRS ANNUAL RATE 0.00275 OF<br>AVERAGE DAILY ASSETS-R SHRS |
|                                                                     |                                                   |                                                                                                                                                                                                                         |
| (a) Enter service provider name as it appears on line 2             | (b) Service Codes<br>(see instructions)           | (c) Enter amount of indirect compensation                                                                                                                                                                               |
| ADP BROKER-DEALER                                                   | 99                                                | 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.                                                      |
| ALLIANZ GLOBAL INVESTORS DISTRIBUTO                                 | 1345 AVENUE OF THE AMERICAS<br>NEW YORK, NY 10105 | ANNUAL RATE 0.00260 OF AVERAGE DAILY ASSETS-A<br>SHRS ANNUAL RATE 0.00325 OF AVERAGE DAILY<br>ASSETS-C SHRS ANNUAL RATE 0.00150 OF AVERAGE<br>DAILY ASSETS-I SHRS ANNUAL RATE 0.00275 OF<br>AVERAGE DAILY ASSETS-R SHRS |

**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<br>(see instructions)                                                                                                                                                                     | (c) Enter amount of indirect compensation |
|---------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| ADP BROKER-DEALER                                                         | 99                                                                                                                                                                                                          | 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.                                          |                                           |
| AMERICAN FUNDS DISTRIBUTORS, INC.<br><br>95-2769620                       | ANNUAL RATE 0.00260 OF AVERAGE DAILY ASSETS-A SHRS ANNUAL RATE 0.00325 OF AVERAGE DAILY ASSETS-C SHRS ANNUAL RATE 0.00150 OF AVERAGE DAILY ASSETS-I SHRS ANNUAL RATE 0.00275 OF AVERAGE DAILY ASSETS-R SHRS |                                           |
| (a) Enter service provider name as it appears on line 2                   | (b) Service Codes<br>(see instructions)                                                                                                                                                                     | (c) Enter amount of indirect compensation |
| ADP BROKER-DEALER                                                         | 99                                                                                                                                                                                                          | 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.<br><br>23-2784752                             | ANNUAL RATE 0.00260 OF AVERAGE DAILY ASSETS-A SHRS ANNUAL RATE 0.00325 OF AVERAGE DAILY ASSETS-C SHRS ANNUAL RATE 0.00150 OF AVERAGE DAILY ASSETS-I SHRS ANNUAL RATE 0.00275 OF AVERAGE DAILY ASSETS-R SHRS |                                           |
| (a) Enter service provider name as it appears on line 2                   | (b) Service Codes<br>(see instructions)                                                                                                                                                                     | (c) Enter amount of indirect compensation |
| ADP BROKER-DEALER                                                         | 99                                                                                                                                                                                                          | 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.                                          |                                           |
| COLUMBIA<br><br>ONE FINANCIAL CENTER<br>MA5-515-14-01<br>BOSTON, MA 02111 | ANNUAL RATE 0.00260 OF AVERAGE DAILY ASSETS-A SHRS ANNUAL RATE 0.00325 OF AVERAGE DAILY ASSETS-C SHRS ANNUAL RATE 0.00150 OF AVERAGE DAILY ASSETS-I SHRS ANNUAL RATE 0.00275 OF AVERAGE DAILY ASSETS-R SHRS |                                           |

**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<br>(see instructions) | (c) Enter amount of indirect compensation                                                                                                                                                                               |
|--------------------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ADP BROKER-DEALER                                                              | 99                                      | 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<br>SIMSBURY, CT 06089 |                                         | ANNUAL RATE 0.00260 OF AVERAGE DAILY ASSETS-A<br>SHRS ANNUAL RATE 0.00325 OF AVERAGE DAILY<br>ASSETS-C SHRS ANNUAL RATE 0.00150 OF AVERAGE<br>DAILY ASSETS-I SHRS ANNUAL RATE 0.00275 OF<br>AVERAGE DAILY ASSETS-R SHRS |
| (a) Enter service provider name as it appears on line 2                        | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation                                                                                                                                                                               |
| ADP BROKER-DEALER                                                              | 99                                      | 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<br><br>13-3200244                          |                                         | ANNUAL RATE 0.00260 OF AVERAGE DAILY ASSETS-A<br>SHRS ANNUAL RATE 0.00325 OF AVERAGE DAILY<br>ASSETS-C SHRS ANNUAL RATE 0.00150 OF AVERAGE<br>DAILY ASSETS-I SHRS ANNUAL RATE 0.00275 OF<br>AVERAGE DAILY ASSETS-R SHRS |
| (a) Enter service provider name as it appears on line 2                        | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation                                                                                                                                                                               |
| ADP BROKER-DEALER                                                              | 99                                      | 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<br>DENVER, CO 80206                 |                                         | ANNUAL RATE 0.00260 OF AVERAGE DAILY ASSETS-A<br>SHRS ANNUAL RATE 0.00325 OF AVERAGE DAILY<br>ASSETS-C SHRS ANNUAL RATE 0.00150 OF AVERAGE<br>DAILY ASSETS-I SHRS ANNUAL RATE 0.00275 OF<br>AVERAGE DAILY ASSETS-R SHRS |

**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<br>(see instructions) | (c) Enter amount of indirect compensation |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-------------------------------------------|
| ADP BROKER-DEALER                                                                                                                                                                                                                                                                                                                                                                            | 99                                      | 0                                         |
| <p>(d) Enter name and EIN (address) of source of indirect compensation</p> <p>MFS FUND DISTRIBUTORS, INC.</p> <p>04-2747644</p>                                                                                                                                                                                                                                                              |                                         |                                           |
| <p>(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.</p> <p>ANNUAL RATE 0.00260 OF AVERAGE DAILY ASSETS-A SHRS ANNUAL RATE 0.00325 OF AVERAGE DAILY ASSETS-C SHRS ANNUAL RATE 0.00150 OF AVERAGE DAILY ASSETS-I SHRS ANNUAL RATE 0.00275 OF AVERAGE DAILY ASSETS-R SHRS</p> |                                         |                                           |
| ADP BROKER-DEALER                                                                                                                                                                                                                                                                                                                                                                            | 99                                      | 0                                         |
| <p>(d) Enter name and EIN (address) of source of indirect compensation</p> <p>OPPENHEIMER FUNDS INC.</p> <p>13-2527171</p>                                                                                                                                                                                                                                                                   |                                         |                                           |
| <p>(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.</p> <p>ANNUAL RATE 0.00260 OF AVERAGE DAILY ASSETS-A SHRS ANNUAL RATE 0.00325 OF AVERAGE DAILY ASSETS-C SHRS ANNUAL RATE 0.00150 OF AVERAGE DAILY ASSETS-I SHRS ANNUAL RATE 0.00275 OF AVERAGE DAILY ASSETS-R SHRS</p> |                                         |                                           |
| ADP BROKER-DEALER                                                                                                                                                                                                                                                                                                                                                                            | 99                                      | 0                                         |
| <p>(d) Enter name and EIN (address) of source of indirect compensation</p> <p>PIONEER INVESTMENT MANAGEMENT, INC</p> <p>13-1961193</p>                                                                                                                                                                                                                                                       |                                         |                                           |
| <p>(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.</p> <p>ANNUAL RATE 0.00260 OF AVERAGE DAILY ASSETS-A SHRS ANNUAL RATE 0.00325 OF AVERAGE DAILY ASSETS-C SHRS ANNUAL RATE 0.00150 OF AVERAGE DAILY ASSETS-I SHRS ANNUAL RATE 0.00275 OF AVERAGE DAILY ASSETS-R SHRS</p> |                                         |                                           |

**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<br>(see instructions)                                                                                                                                                                     | (c) Enter amount of indirect compensation |
|------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
| ADP BROKER-DEALER                                                      | 99                                                                                                                                                                                                          | 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<br><br>22-3468527                           | ANNUAL RATE 0.00260 OF AVERAGE DAILY ASSETS-A SHRS ANNUAL RATE 0.00325 OF AVERAGE DAILY ASSETS-C SHRS ANNUAL RATE 0.00150 OF AVERAGE DAILY ASSETS-I SHRS ANNUAL RATE 0.00275 OF AVERAGE DAILY ASSETS-R SHRS |                                           |
| (a) Enter service provider name as it appears on line 2                | (b) Service Codes<br>(see instructions)                                                                                                                                                                     | (c) Enter amount of indirect compensation |
| ADP BROKER-DEALER                                                      | 99                                                                                                                                                                                                          | 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.                                          |                                           |
| PUTNAM RETAIL MANAGEMENT<br>ONE POST OFFICE SQUARE<br>BOSTON, MA 02109 | ANNUAL RATE 0.00260 OF AVERAGE DAILY ASSETS-A SHRS ANNUAL RATE 0.00325 OF AVERAGE DAILY ASSETS-C SHRS ANNUAL RATE 0.00150 OF AVERAGE DAILY ASSETS-I SHRS ANNUAL RATE 0.00275 OF AVERAGE DAILY ASSETS-R SHRS |                                           |
| (a) Enter service provider name as it appears on line 2                | (b) Service Codes<br>(see instructions)                                                                                                                                                                     | (c) Enter amount of indirect compensation |
| ADP BROKER-DEALER                                                      | 99                                                                                                                                                                                                          | 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.                                          |                                           |
| VICTORY CAPITAL MANAGEMENT<br><br>13-2700161                           | ANNUAL RATE 0.00260 OF AVERAGE DAILY ASSETS-A SHRS ANNUAL RATE 0.00325 OF AVERAGE DAILY ASSETS-C SHRS ANNUAL RATE 0.00150 OF AVERAGE DAILY ASSETS-I SHRS ANNUAL RATE 0.00275 OF AVERAGE DAILY ASSETS-R SHRS |                                           |

**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)

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                              |                                                                                           |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| <b>SCHEDULE H</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small><br><br><small>Pension Benefit Guaranty Corporation</small> | <b>Financial Information</b><br><br>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).<br><br><b>► File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><b>2014</b><br><br><b>This Form is Open to Public Inspection</b> |
| For calendar plan year 2014 or fiscal plan year beginning <u>01/01/2014</u> and ending <u>12/31/2014</u>                                                                                                                                                                 |                                                                                                                                                                                                                                                                              |                                                                                           |
| <b>A</b> Name of plan<br><u>COVESTIC, INC. 401(K) PROFIT SHARING PLAN &amp; TRUST</u>                                                                                                                                                                                    | <b>B</b> Three-digit plan number (PN) <span style="float: right;">►</span>                                                                                                                                                                                                   | <u>001</u>                                                                                |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>COVESTIC, INC</u>                                                                                                                                                                                    | <b>D</b> Employer Identification Number (EIN)<br><u>91-2141220</u>                                                                                                                                                                                                           |                                                                                           |

| Part I                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Asset and Liability Statement |                       |                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|-----------------------|-----------------|
| <b>1</b> 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. <b>Round off amounts to the nearest dollar.</b> MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions. |                               |                       |                 |
| Assets                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                               | (a) Beginning of Year | (b) End of Year |
| <b>a</b> Total noninterest-bearing cash .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>1a</b>                     |                       |                 |
| <b>b</b> Receivables (less allowance for doubtful accounts):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                               |                       |                 |
| <b>(1)</b> Employer contributions.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>1b(1)</b>                  |                       |                 |
| <b>(2)</b> Participant contributions .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1b(2)</b>                  |                       |                 |
| <b>(3)</b> Other.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>1b(3)</b>                  |                       |                 |
| <b>c</b> General investments:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                               |                       |                 |
| <b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>1c(1)</b>                  |                       |                 |
| <b>(2)</b> U.S. Government securities .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>1c(2)</b>                  |                       |                 |
| <b>(3)</b> Corporate debt instruments (other than employer securities):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                               |                       |                 |
| <b>(A)</b> Preferred .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(3)(A)</b>               |                       |                 |
| <b>(B)</b> All other .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(3)(B)</b>               |                       |                 |
| <b>(4)</b> Corporate stocks (other than employer securities):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                               |                       |                 |
| <b>(A)</b> Preferred .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(4)(A)</b>               |                       |                 |
| <b>(B)</b> Common.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>1c(4)(B)</b>               |                       |                 |
| <b>(5)</b> Partnership/joint venture interests .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | <b>1c(5)</b>                  |                       |                 |
| <b>(6)</b> Real estate (other than employer real property).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>1c(6)</b>                  |                       |                 |
| <b>(7)</b> Loans (other than to participants) .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>1c(7)</b>                  |                       |                 |
| <b>(8)</b> Participant loans.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>1c(8)</b>                  | 33885                 | 3178            |
| <b>(9)</b> Value of interest in common/collective trusts .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>1c(9)</b>                  |                       |                 |
| <b>(10)</b> Value of interest in pooled separate accounts .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>1c(10)</b>                 |                       |                 |
| <b>(11)</b> Value of interest in master trust investment accounts .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>1c(11)</b>                 |                       |                 |
| <b>(12)</b> Value of interest in 103-12 investment entities.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>1c(12)</b>                 |                       |                 |
| <b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1c(13)</b>                 | 1366380               | 1686882         |
| <b>(14)</b> Value of funds held in insurance company general account (unallocated contracts).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>1c(14)</b>                 |                       |                 |
| <b>(15)</b> Other.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>1c(15)</b>                 |                       |                 |

**1d** Employer-related investments:

|                                                                      |              | (a) Beginning of Year | (b) End of Year |
|----------------------------------------------------------------------|--------------|-----------------------|-----------------|
| (1) Employer securities .....                                        | <b>1d(1)</b> |                       |                 |
| (2) Employer real property .....                                     | <b>1d(2)</b> |                       |                 |
| <b>e</b> Buildings and other property used in plan operation .....   | <b>1e</b>    |                       |                 |
| <b>f</b> Total assets (add all amounts in lines 1a through 1e) ..... | <b>1f</b>    | 1400265               | 1690060         |

**Liabilities**

|                                                                           |           |   |   |
|---------------------------------------------------------------------------|-----------|---|---|
| <b>g</b> Benefit claims payable .....                                     | <b>1g</b> |   |   |
| <b>h</b> Operating payables .....                                         | <b>1h</b> |   |   |
| <b>i</b> Acquisition indebtedness .....                                   | <b>1i</b> |   |   |
| <b>j</b> Other liabilities .....                                          | <b>1j</b> |   |   |
| <b>k</b> Total liabilities (add all amounts in lines 1g through 1j) ..... | <b>1k</b> | 0 | 0 |

**Net Assets**

|                                                           |           |         |         |
|-----------------------------------------------------------|-----------|---------|---------|
| <b>l</b> Net assets (subtract line 1k from line 1f) ..... | <b>1l</b> | 1400265 | 1690060 |
|-----------------------------------------------------------|-----------|---------|---------|

**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 |
|------------------------------------------------------------------------------------------------------------|-----------------|------------|-----------|
| <b>a Contributions:</b>                                                                                    |                 |            |           |
| (1) Received or receivable in cash from: <b>(A)</b> Employers .....                                        | <b>2a(1)(A)</b> |            |           |
| <b>(B)</b> Participants .....                                                                              | <b>2a(1)(B)</b> | 363710     |           |
| <b>(C)</b> Others (including rollovers) .....                                                              | <b>2a(1)(C)</b> | 17544      |           |
| (2) Noncash contributions .....                                                                            | <b>2a(2)</b>    |            |           |
| (3) Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> ..... | <b>2a(3)</b>    |            | 381254    |
| <b>b Earnings on investments:</b>                                                                          |                 |            |           |
| (1) Interest:                                                                                              |                 |            |           |
| <b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit) .....       | <b>2b(1)(A)</b> |            |           |
| <b>(B)</b> U.S. Government securities .....                                                                | <b>2b(1)(B)</b> |            |           |
| <b>(C)</b> Corporate debt instruments .....                                                                | <b>2b(1)(C)</b> |            |           |
| <b>(D)</b> Loans (other than to participants) .....                                                        | <b>2b(1)(D)</b> |            |           |
| <b>(E)</b> Participant loans .....                                                                         | <b>2b(1)(E)</b> | 1023       |           |
| <b>(F)</b> Other .....                                                                                     | <b>2b(1)(F)</b> |            |           |
| (G) Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....                                     | <b>2b(1)(G)</b> |            | 1023      |
| (2) Dividends: <b>(A)</b> Preferred stock .....                                                            | <b>2b(2)(A)</b> |            |           |
| <b>(B)</b> Common stock .....                                                                              | <b>2b(2)(B)</b> |            |           |
| <b>(C)</b> Registered investment company shares (e.g. mutual funds) .....                                  | <b>2b(2)(C)</b> | 121020     |           |
| (D) Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> .....                         | <b>2b(2)(D)</b> |            | 121020    |
| (3) Rents .....                                                                                            | <b>2b(3)</b>    |            |           |
| (4) Net gain (loss) on sale of assets: <b>(A)</b> Aggregate proceeds .....                                 | <b>2b(4)(A)</b> |            |           |
| <b>(B)</b> Aggregate carrying amount (see instructions) .....                                              | <b>2b(4)(B)</b> |            |           |
| <b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result .....                  | <b>2b(4)(C)</b> |            | 0         |
| (5) Unrealized appreciation (depreciation) of assets: <b>(A)</b> Real estate .....                         | <b>2b(5)(A)</b> |            |           |
| <b>(B)</b> Other .....                                                                                     | <b>2b(5)(B)</b> |            |           |
| (C) Total unrealized appreciation of assets. Add lines <b>2b(5)(A)</b> and <b>(B)</b> .....                | <b>2b(5)(C)</b> |            | 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) |            | -41665    |
| c Other income .....                                                                            | 2c     |            |           |
| d Total income. Add all <b>income</b> amounts in column (b) and enter total .....               | 2d     |            | 461632    |

**Expenses**

|                                                                                      |       |        |        |
|--------------------------------------------------------------------------------------|-------|--------|--------|
| e Benefit payment and payments to provide benefits:                                  |       |        |        |
| (1) Directly to participants or beneficiaries, including direct rollovers .....      | 2e(1) | 171194 |        |
| (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) |        | 171194 |
| f Corrective distributions (see instructions) .....                                  | 2f    |        |        |
| g Certain deemed distributions of participant loans (see instructions) .....         | 2g    |        |        |
| h Interest expense .....                                                             | 2h    |        |        |
| i Administrative expenses: (1) Professional fees .....                               | 2i(1) |        |        |
| (2) Contract administrator fees .....                                                | 2i(2) |        |        |
| (3) Investment advisory and management fees .....                                    | 2i(3) |        |        |
| (4) Other .....                                                                      | 2i(4) | 643    |        |
| (5) Total administrative expenses. Add lines 2i(1) through (4) .....                 | 2i(5) |        | 643    |
| j Total expenses. Add all <b>expense</b> amounts in column (b) and enter total ..... | 2j    |        | 171837 |

**Net Income and Reconciliation**

|                                                          |       |  |        |
|----------------------------------------------------------|-------|--|--------|
| k Net income (loss). Subtract line 2j from line 2d ..... | 2k    |  | 289795 |
| l Transfers of assets:                                   |       |  |        |
| (1) To this plan .....                                   | 2l(1) |  | 0      |
| (2) From this plan .....                                 | 2l(2) |  | 0      |

**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: **VWC, P.S**

(2) EIN: **91-1007261**

**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 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|--------|
| <b>c</b> 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  |        |
| <b>4c</b>                                                                                                                                                                                                                     |     |    |        |
| <b>d</b> 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  |        |
| <b>4d</b>                                                                                                                                                                                                                     |     |    |        |
| <b>e</b> Was this plan covered by a fidelity bond? .....                                                                                                                                                                      | X   |    | 500000 |
| <b>4e</b>                                                                                                                                                                                                                     |     |    |        |
| <b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? .....                                                                                       |     | X  |        |
| <b>4f</b>                                                                                                                                                                                                                     |     |    |        |
| <b>g</b> 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  |        |
| <b>4g</b>                                                                                                                                                                                                                     |     |    |        |
| <b>h</b> 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  |        |
| <b>4h</b>                                                                                                                                                                                                                     |     |    |        |
| <b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) .....                                                                | X   |    |        |
| <b>4i</b>                                                                                                                                                                                                                     |     |    |        |
| <b>j</b> 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  |        |
| <b>4j</b>                                                                                                                                                                                                                     |     |    |        |
| <b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? .....                                                           |     | X  |        |
| <b>4k</b>                                                                                                                                                                                                                     |     |    |        |
| <b>l</b> Has the plan failed to provide any benefit when due under the plan?.....                                                                                                                                             |     | X  |        |
| <b>4l</b>                                                                                                                                                                                                                     |     |    |        |
| <b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) .....                                                                                                  |     | X  |        |
| <b>4m</b>                                                                                                                                                                                                                     |     |    |        |
| <b>n</b> 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. ....                                      |     |    |        |
| <b>4n</b>                                                                                                                                                                                                                     |     |    |        |

**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)

|                         |                       |
|-------------------------|-----------------------|
| <b>6a</b> Name of trust | <b>6b</b> Trust's EIN |
|                         |                       |

|                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                 |                                                                                                 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| <div>SCHEDULE R<br/>(Form 5500)<br/><br/>Department of the Treasury<br/>Internal Revenue Service<br/><br/>Department of Labor<br/>Employee Benefits Security Administration<br/><br/>Pension Benefit Guaranty Corporation</div> | <div>Retirement Plan Information</div> <div>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).</div> <div>▶ File as an attachment to Form 5500.</div> | <div>OMB No. 1210-0110</div> <div>2014</div> <div>This Form is Open to Public Inspection.</div> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|

For calendar plan year 2014 or fiscal plan year beginning 01/01/2014 and ending 12/31/2014

|                                                                                     |                                                                  |
|-------------------------------------------------------------------------------------|------------------------------------------------------------------|
| <div>A Name of plan<br/>COVESTIC, INC. 401(K) PROFIT SHARING PLAN &amp; TRUST</div> | <div>B Three-digit plan number (PN) ▶</div> <div>001</div>       |
| <div>C Plan sponsor's name as shown on line 2a of Form 5500<br/>COVESTIC, INC</div> | <div>D Employer Identification Number (EIN)<br/>91-2141220</div> |

|        |               |
|--------|---------------|
| 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 | 0 |
| 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):<br><br>EIN(s): 57-1198022 |   |   |
| 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)?.....                                                                                                                                                                                                                                         | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> 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 _____<br>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?.....                                                                                                                                                                                                                                                           | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> 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?.....                                                                                  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A |

|          |            |
|----------|------------|
| Part III | Amendments |
|----------|------------|

|   |                                                                                                                                                                                                                   |                                   |                                   |                               |                             |
|---|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-------------------------------|-----------------------------|
| 9 | If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... | <input type="checkbox"/> Increase | <input type="checkbox"/> Decrease | <input type="checkbox"/> Both | <input type="checkbox"/> No |
|---|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-------------------------------|-----------------------------|

|         |                                                                                                                                            |
|---------|--------------------------------------------------------------------------------------------------------------------------------------------|
| Part IV | ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part. |
|---------|--------------------------------------------------------------------------------------------------------------------------------------------|

|    |                                                                                                                                                                                      |                              |                             |
|----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------|
| 10 | Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? .....                                                        | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 11 | a Does the ESOP hold any preferred stock? .....                                                                                                                                      | <input type="checkbox"/> Yes | <input type="checkbox"/> 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.)..... | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 12 | Does the ESOP hold any stock that is not readily tradable on an established securities market?.....                                                                                  | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

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

Schedule R (Form 5500) 2014  
v. 140124

**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:

|                                                                          |            |  |
|--------------------------------------------------------------------------|------------|--|
| <b>a</b> The current year .....                                          | <b>14a</b> |  |
| <b>b</b> The plan year immediately preceding the current plan year ..... | <b>14b</b> |  |
| <b>c</b> The second preceding plan year .....                            | <b>14c</b> |  |

- 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:

|                                                                                                       |            |  |
|-------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> The corresponding number for the plan year immediately preceding the current plan year ..... | <b>15a</b> |  |
| <b>b</b> The corresponding number for the second preceding plan year .....                            | <b>15b</b> |  |

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

|                                                                                                                                                                        |            |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> Enter the number of employers who withdrew during the preceding plan year .....                                                                               | <b>16a</b> |  |
| <b>b</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 ..... | <b>16b</b> |  |

- 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): \_\_\_\_\_

**Covestic, Inc.**  
**401(k) Profit Sharing Plan & Trust**  
Financial Statements  
and Supplemental Schedule

December 31, 2014 and 2013

**Covestic, Inc. 401(k) Profit Sharing Plan & Trust**  
Contents

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## ***Independent Auditors' Report***

### **Plan Administrator Covestic, Inc. 401(k) Profit Sharing Plan & Trust**

#### ***Report on the Financial Statements***

We were engaged to audit the accompanying financial statements of Covestic, Inc. 401(k) Profit Sharing Plan & Trust (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2014 and 2013, and the related statement of changes in net assets available for benefits for the year ended December 31, 2014, and the related notes to the financial statements.

#### ***Management's Responsibility for the Financial Statements***

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

#### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on conducting the 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 (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by Reliance Trust Company, the trustee of the Plan, except for comparing such 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 a certification from the trustee as of December 31, 2014 and 2013, and for the year ended December 31, 2014, 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 for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient, appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

***Other Matter***

The supplemental schedule of assets (held at end of year) as of December 31, 2014, is required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule referred to above.

***Report on Form and Content in Compliance With DOL's Rules and Regulations***

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

VWC, P.S.

September 29, 2015

**Covestic, Inc. 401(k) Profit Sharing Plan & Trust**

## Statements of Net Assets Available for Benefits

December 31, 2014 and 2013

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|                                                 | <u>2014</u>         | <u>2013</u>         |
|-------------------------------------------------|---------------------|---------------------|
| <b><i>Assets</i></b>                            |                     |                     |
| Investments at fair value                       | \$ 1,686,882        | \$ 1,366,380        |
| Receivables:                                    |                     |                     |
| Notes receivable from participants              | 3,178               | 33,885              |
| Participant salary deferral contributions       | <u>-</u>            | <u>11,775</u>       |
| Total assets                                    | 1,690,060           | 1,412,040           |
| <b><i>Liabilities</i></b>                       | <u>-</u>            | <u>-</u>            |
| <b><i>Net Assets Available for Benefits</i></b> | <u>\$ 1,690,060</u> | <u>\$ 1,412,040</u> |

See accompanying notes to the financial statements.

**Covestic, Inc. 401(k) Profit Sharing Plan & Trust**  
Statement of Changes in Net Assets Available for Benefits  
Year Ended December 31, 2014

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***Additions***

|                                                           |                 |
|-----------------------------------------------------------|-----------------|
| Investment income (loss):                                 |                 |
| Dividends                                                 | \$ 121,020      |
| Net depreciation in fair value of investments             | <u>(41,665)</u> |
|                                                           | 79,355          |
| <br>Interest income on notes receivable from participants | <br>1,023       |
| <br>Contributions:                                        |                 |
| Participant salary deferrals                              | 351,935         |
| Participant rollover from another qualified plan          | <u>17,544</u>   |
| Total additions, net                                      | <u>449,857</u>  |

***Deductions***

|                               |                |
|-------------------------------|----------------|
| Benefits paid to participants | 171,194        |
| Administrative expenses       | <u>643</u>     |
| Total deductions              | <u>171,837</u> |

***Net Increase***

278,020

***Net Assets Available for Benefits***

|                   |                     |
|-------------------|---------------------|
| Beginning of year | <u>1,412,040</u>    |
| End of year       | <u>\$ 1,690,060</u> |

See accompanying notes to the financial statements.

## **Covestic, Inc. 401(k) Profit Sharing Plan & Trust**

### Notes to Financial Statements

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#### ***1. Description of Plan***

The following description of the Covestic, Inc. 401(k) Profit Sharing Plan & Trust (the Plan) provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

#### ***General***

The Plan is a defined contribution plan covering all eligible employees of Covestic, Inc. (the Employer) who are 21 years of age or older. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan's Investment Committee, maintained by the Employer, determines the appropriateness of the Plan's investment offerings and monitors investment performance. The Employer is the Plan's sponsor and administrator. The Plan's trustee is Reliance Trust Company (the Trustee). The Plan's third party administrator is Automatic Data Processing, Inc. (ADP).

#### ***Participant Contributions***

Plan participants may contribute up to 50% of their compensation to the Plan on a pre-tax basis, subject to certain limitations as defined by the Internal Revenue Code (the Code). An employee participates by making voluntary contributions to the Plan through payroll deductions. These contributions are funded to the Plan following each pay date. Participants may elect to categorize a portion or all of their contribution under the Plan's Roth deferral feature subject to certain limitations as defined by the Code. Eligible participants may make "catch-up" contributions subject to certain limitations as defined by the Code. Participants may also make rollover contributions from other qualified plans.

#### ***Employer Contributions***

The Employer may elect, at its discretion, to make profit sharing contributions to the Plan. There have been no profit sharing contributions to the Plan from inception through 2014.

#### ***Participant Accounts***

Each participant's account is credited with the participant's contributions, as well as an allocation of the Employer's contributions, if any, and plan earnings. Participant accounts are charged with an allocation of administrative expenses that are paid by the Plan. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. Participants may direct the investment of their account balances to any combination of the Plan's investment options. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

#### ***Vesting***

Participants are vested immediately in their contributions plus actual earnings thereon.

## **Covestic, Inc. 401(k) Profit Sharing Plan & Trust**

### **Notes to Financial Statements**

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#### ***1. Description of Plan, continued***

##### ***Notes Receivable from Participants***

Participants may borrow from their accounts a minimum of \$500 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account. The loan interest rate, determined quarterly, is set at 2% above the prime rate, as defined. Principal and interest is paid ratably through payroll deductions.

##### ***Payment of Benefits***

Upon termination of service, including termination due to death, disability, or retirement, a participant (or beneficiary) with vested benefits of \$5,000 or less will be paid out in a lump-sum distribution. Vested benefits larger than \$5,000 will be distributed, at the participant's or beneficiary's direction, either in a lump-sum payment or installments. Distributions may also be made in installments to comply with required minimum distribution rules required by the Code. The Plan permits in-service withdrawals to participants meeting certain requirements.

#### ***2. Summary of Accounting Policies***

##### ***Basis of Accounting***

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

##### ***Use of Estimates***

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires plan management to make estimates and assumptions that affect reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

##### ***Investment Valuation and Income Recognition***

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 7 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Net depreciation includes the Plan's gains and losses on investments bought and sold during the year as well as those held at year end.

##### ***Notes Receivable from Participants***

Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. Related fees are recorded as administrative expenses and are expensed when they are incurred. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

## Covestic, Inc. 401(k) Profit Sharing Plan & Trust

### Notes to Financial Statements

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## **2. Summary of Accounting Policies, continued**

### **Benefit Payments**

Benefits are recorded when paid.

### **Administrative Expenses**

Certain expenses of maintaining the Plan are paid directly by the Employer and are excluded from these financial statements. Administrative expenses consist of fees charged on notes receivable from participants and withdrawal fees and are charged directly to the participant's account. In addition, investment related expenses are deducted directly from each participant's investment return.

### **Subsequent Events**

The Plan has evaluated subsequent events through September 29, 2015, the date the financial statements were available to be issued.

## **3. Investments**

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

|                                           | December 31, |         |
|-------------------------------------------|--------------|---------|
|                                           | 2014         | 2013    |
| Mutual funds:                             |              |         |
| BlackRock Aggressive Prepared Portfolio   | \$ 254,021   | \$ -    |
| BlackRock Conservative Prepared Portfolio | 177,253      | 248,423 |
| American Funds New Perspective            | 150,538      | 152,753 |
| BlackRock Global Allocation               | 109,938      | 115,243 |
| Victory Small Company Opportunity         | 108,139      | 89,014  |
| Ready Assets Prime Money                  | 103,926      | 101,827 |
| BlackRock S&P 500 Fund                    | 91,092       | -       |
| Victory Established Value                 | -            | 96,537  |
| Putnam Global Income                      | -            | 86,585  |
| BlackRock Equity Dividend                 | -            | 73,284  |

## **Covestic, Inc. 401(k) Profit Sharing Plan & Trust**

### Notes to Financial Statements

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#### **4. Certified Information**

The plan administrator has elected the method of compliance as permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the plan administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to the following information certified by the Trustee, except for comparing such information certified by the Trustee to information included in the Plan's financial statements and supplemental schedule.

Statements of net assets available for benefits:

|                                    | December 31, |              |
|------------------------------------|--------------|--------------|
|                                    | 2014         | 2013         |
| Mutual funds                       | \$ 1,686,882 | \$ 1,366,380 |
| Notes receivable from participants | 3,178        | 33,885       |

Statement of changes in net assets available for benefits:

|                                                       | 2014       |
|-------------------------------------------------------|------------|
| Dividends                                             | \$ 121,020 |
| Interest income on notes receivable from participants | 1,023      |
| Net depreciation in fair value of investments         | (41,665)   |

#### **5. Related-Party and Party-In-Interest Transactions**

Notes receivable from participants held by the Plan are party-in-interest transactions under ERISA. In addition, expenses paid by the Plan are to parties-in-interest as defined by ERISA. Furthermore, as described in Note 9, the Employer has adopted a prototype 401(k) and profit sharing plan sponsored by ADP.

#### **6. Plan Termination**

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

## **Covestic, Inc. 401(k) Profit Sharing Plan & Trust**

### Notes to Financial Statements

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#### **7. Fair Value Measurements**

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3).

The three levels of the fair value hierarchy are described as follows:

- Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.
- Level 2: Inputs to the valuation methodology include:
  - quoted prices for similar assets or liabilities in active markets;
  - quoted prices for identical or similar assets or liabilities in inactive markets;
  - inputs other than quoted prices that are observable for the asset or liability;
  - inputs that are derived principally from or corroborated by observable market data by correlation or other means.If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2014 and 2013.

- Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

**Covestic, Inc. 401(k) Profit Sharing Plan & Trust**

## Notes to Financial Statements

**7. Fair Value Measurements, continued**

The following tables set forth by level, within the fair value hierarchy, the Plan's fair value measurements:

| Assets at Fair Value as of December 31, 2014 |                     |             |             |                     |
|----------------------------------------------|---------------------|-------------|-------------|---------------------|
|                                              | Level 1             | Level 2     | Level 3     | Total               |
| Mutual funds:                                |                     |             |             |                     |
| Large Cap                                    | \$ 569,389          | \$ -        | \$ -        | \$ 569,389          |
| International                                | 278,253             | -           | -           | 278,253             |
| Tactical                                     | 209,978             | -           | -           | 209,978             |
| Bonds                                        | 195,480             | -           | -           | 195,480             |
| Small Cap                                    | 166,179             | -           | -           | 166,179             |
| Money Market                                 | 103,926             | -           | -           | 103,926             |
| Mid Cap                                      | 96,764              | -           | -           | 96,764              |
| Moderate                                     | 66,913              | -           | -           | 66,913              |
|                                              | <u>\$ 1,686,882</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,686,882</u> |

| Assets at Fair Value as of December 31, 2013 |                     |             |             |                     |
|----------------------------------------------|---------------------|-------------|-------------|---------------------|
|                                              | Level 1             | Level 2     | Level 3     | Total               |
| Mutual funds:                                |                     |             |             |                     |
| Large Cap                                    | \$ 277,814          | \$ -        | \$ -        | \$ 277,814          |
| International                                | 276,144             | -           | -           | 276,144             |
| Tactical                                     | 263,433             | -           | -           | 263,433             |
| Bonds                                        | 145,464             | -           | -           | 145,464             |
| Small Cap                                    | 138,729             | -           | -           | 138,729             |
| Mid Cap                                      | 132,368             | -           | -           | 132,368             |
| Money Market                                 | 101,827             | -           | -           | 101,827             |
| Moderate                                     | 30,601              | -           | -           | 30,601              |
|                                              | <u>\$ 1,366,380</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,366,380</u> |

**8. Risks and Uncertainties**

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

## **Covestit, Inc. 401(k) Profit Sharing Plan & Trust**

### Notes to Financial Statements

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#### **9. Tax Status**

The Plan has adopted a prototype 401(k) and profit sharing plan sponsored by ADP that received an opinion letter dated March 31, 2008, in which the Internal Revenue Service (IRS) stated that the prototype plan, as designed, complied with the applicable requirements of the Code.

Accounting principles generally accepted in the United States of America require the Plan's management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by the IRS; however, there are currently no audits for any tax periods in progress.

#### **10. Reconciliation of Financial Statements to Form 5500**

The Plan's financial statements are prepared on the accrual basis of accounting. The Form 5500 is prepared on the cash basis. Accordingly, the following is a reconciliation of net assets available for benefits and changes in net assets available for benefits per the financial statements to the Form 5500:

|                                                                                | December 31,        |                     |
|--------------------------------------------------------------------------------|---------------------|---------------------|
|                                                                                | 2014                | 2013                |
| Net assets available for benefits per the financial statements                 | \$ 1,690,060        | \$ 1,412,040        |
| Less participant salary deferral contributions receivable                      | -                   | (11,775)            |
| Net assets available for benefits per the Form 5500                            | <u>\$ 1,690,060</u> | <u>\$ 1,400,265</u> |
| Changes in net assets available for benefits:                                  |                     |                     |
|                                                                                | 2014                |                     |
| Net increase in net assets available for benefits per the financial statements | \$ 278,020          |                     |
| Add change in participant salary deferral contributions receivable             | 11,775              |                     |
| Net income per Form 5500                                                       | <u>\$ 289,795</u>   |                     |

***Supplemental Schedule***

**Covestic, Inc. 401(k) Profit Sharing Plan & Trust**  
Schedule H, Line 4i - Schedule of Assets (Held at End of Year)  
December 31, 2014

EIN: 91-2141220  
Plan Number: 001

| (a) Identity of Issue, Borrower, Lessor or Similar Party | (c)<br>Description of Investment, including<br>Maturity Date, Rate of Interest,<br>Collateral, Par or Maturity Value | (d)<br>Cost | (e)<br>Current Value |
|----------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|-------------|----------------------|
| BlackRock Aggressive Prepared Portfolio                  | Mutual Fund                                                                                                          | **          | \$ 254,021           |
| BlackRock Conservative Prepared Portfolio                | Mutual Fund                                                                                                          | **          | 177,253              |
| American Funds New Perspective                           | Mutual Fund                                                                                                          | **          | 150,538              |
| BlackRock Global Allocation                              | Mutual Fund                                                                                                          | **          | 109,938              |
| Victory Small Company Opportunity                        | Mutual Fund                                                                                                          | **          | 108,139              |
| Ready Assets Prime Money                                 | Mutual Fund                                                                                                          | **          | 103,926              |
| BlackRock S&P 500                                        | Mutual Fund                                                                                                          | **          | 91,092               |
| Putnam Global Income                                     | Mutual Fund                                                                                                          | **          | 76,879               |
| Victory Established Value                                | Mutual Fund                                                                                                          | **          | 72,804               |
| MFS Mass Investors Growth Stock                          | Mutual Fund                                                                                                          | **          | 70,378               |
| BlackRock Equity Dividend                                | Mutual Fund                                                                                                          | **          | 68,508               |
| BlackRock Growth Prepared Portfolio                      | Mutual Fund                                                                                                          | **          | 66,913               |
| Janus Triton                                             | Mutual Fund                                                                                                          | **          | 58,040               |
| JPMorgan Large Cap Growth                                | Mutual Fund                                                                                                          | **          | 45,124               |
| MFS Value                                                | Mutual Fund                                                                                                          | **          | 40,266               |
| BlackRock Moderate Prepared Portfolio                    | Mutual Fund                                                                                                          | **          | 32,725               |
| AllianzGI High Yield Bond                                | Mutual Fund                                                                                                          | **          | 29,486               |
| Pioneer Strategic Income                                 | Mutual Fund                                                                                                          | **          | 27,625               |
| Prudential Jennison Mid-Cap Growth                       | Mutual Fund                                                                                                          | **          | 23,960               |
| Oppenheimer Core Bond                                    | Mutual Fund                                                                                                          | **          | 22,589               |
| MFS Research International                               | Mutual Fund                                                                                                          | **          | 17,777               |
| Pimco RealReturn Strategy                                | Mutual Fund                                                                                                          | **          | 17,105               |
| Columbia Inflation Protected Secs                        | Mutual Fund                                                                                                          | **          | 12,400               |
| Prudential Short-Term Corporate Bond                     | Mutual Fund                                                                                                          | **          | 9,396                |
|                                                          |                                                                                                                      |             | 1,686,882            |
| Interest rates of 5.25% due through November 2015        |                                                                                                                      | -           | 3,178                |
| * Participant Loans                                      |                                                                                                                      |             | \$ 1,690,060         |

\* Represents a party-in-interest to the Plan.

\*\* Cost information for participant directed investments is not required to be disclosed.

### 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.

**Attachment to 2014 Form 5500**  
**Schedule H, line 4i - Schedule of Assets (Held at End of Year)**

**Plan Name** COVESTIC, INC. 401(K) PROFIT SHARING PLAN & TRUST  
**Plan Sponsor's Name** COVESTIC, INC

**EIN:** 91-2141220  
**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 |
|-----|-----------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|----------|-------------------|
|     | MFS MASS INVEST GRWTH STOCK-R2                            | REGISTERED INVESTMENT COMPANY                                                                                |          | 70,378            |
|     | MFS RESEARCH INTL - R2                                    | REGISTERED INVESTMENT COMPANY                                                                                |          | 17,777            |
|     | OPPENHEIMER CORE BOND R                                   | REGISTERED INVESTMENT COMPANY                                                                                |          | 22,589            |
|     | BLACKROCK CONSERV PREP - R                                | REGISTERED INVESTMENT COMPANY                                                                                |          | 177,253           |
|     | AMERICAN FUNDS NEW PERSPECT R2                            | REGISTERED INVESTMENT COMPANY                                                                                |          | 150,538           |
|     | JANUS TRITON R                                            | REGISTERED INVESTMENT COMPANY                                                                                |          | 58,040            |
|     | BLACKROCK S&P 500 STOCK A                                 | REGISTERED INVESTMENT COMPANY                                                                                |          | 91,092            |

**Attachment to 2014 Form 5500**  
**Schedule H, line 4i - Schedule of Assets (Held at End of Year)**

**Plan Name** COVESTIC, INC. 401(K) PROFIT SHARING PLAN & TRUST  
**Plan Sponsor's Name** COVESTIC, INC

**EIN:** 91-2141220  
**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 |
|-----|-----------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|----------|-------------------|
|     | PIM COMM REAL RETURN STRAT - R                            | REGISTERED INVESTMENT COMPANY                                                                                |          | 17,105            |
|     | BLACKROCK GROWTH PREP PORT -R                             | REGISTERED INVESTMENT COMPANY                                                                                |          | 66,913            |
|     | PUTNAM GLOBAL INCOME TRUST - R                            | REGISTERED INVESTMENT COMPANY                                                                                |          | 76,879            |
|     | VICTORY SMALL CO OPPORTUNITY R                            | REGISTERED INVESTMENT COMPANY                                                                                |          | 108,139           |
|     | BLACKROCK EQUITY DIVIDEND - R                             | REGISTERED INVESTMENT COMPANY                                                                                |          | 68,508            |
|     | PRU SHORT-TERM CORP BOND - R                              | REGISTERED INVESTMENT COMPANY                                                                                |          | 9,396             |
|     | JPMORGAN LG CP GR - R2                                    | REGISTERED INVESTMENT COMPANY                                                                                |          | 45,124            |

**Attachment to 2014 Form 5500**  
**Schedule H, line 4i - Schedule of Assets (Held at End of Year)**

**Plan Name** COVESTIC, INC. 401(K) PROFIT SHARING PLAN & TRUST  
**Plan Sponsor's Name** COVESTIC, INC

**EIN:** 91-2141220  
**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 |
|-----|-----------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|----------|-------------------|
|     | JENNISON MID-CAP GROWTH - R                               | REGISTERED INVESTMENT COMPANY                                                                                |          | 23,960            |
|     | PIONEER STRATEGIC INCOME - R                              | REGISTERED INVESTMENT COMPANY                                                                                |          | 27,625            |
|     | BLACKROCK MOD PREPARED PORT -R                            | REGISTERED INVESTMENT COMPANY                                                                                |          | 32,725            |
|     | VICTORY ESTABLISHED VALUE R                               | REGISTERED INVESTMENT COMPANY                                                                                |          | 72,804            |
|     | READY ASSETS PRIME MONEY                                  | REGISTERED INVESTMENT COMPANY                                                                                |          | 103,926           |
|     | BLACKROCK AGGRESSIVE GRO - R                              | REGISTERED INVESTMENT COMPANY                                                                                |          | 254,021           |
|     | MFS VALUE FUND - R2                                       | REGISTERED INVESTMENT COMPANY                                                                                |          | 40,266            |

**Attachment to 2014 Form 5500**  
**Schedule H, line 4i - Schedule of Assets (Held at End of Year)**

**Plan Name** COVESTIC, INC. 401(K) PROFIT SHARING PLAN & TRUST  
**Plan Sponsor's Name** COVESTIC, INC

**EIN:** 91-2141220  
**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 |
|-----|-----------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|----------|-------------------|
|     | BLACKROCK GLOBAL ALLOCATION R                             | REGISTERED INVESTMENT COMPANY                                                                                |          | 109,938           |
|     | COLUMBIA INFLAT PROTECT SEC R                             | REGISTERED INVESTMENT COMPANY                                                                                |          | 12,400            |
|     | ALLIANZGI HIGH YIELD BOND R                               | REGISTERED INVESTMENT COMPANY                                                                                |          | 29,486            |
|     | PARTICIPANT LOANS                                         | INTEREST RATES ( 5.25% TO 5.25%)                                                                             |          | 3,178             |
|     |                                                           |                                                                                                              |          |                   |
|     |                                                           |                                                                                                              |          |                   |
|     |                                                           |                                                                                                              |          |                   |
|     |                                                           |                                                                                                              |          |                   |