

+ 401(k) Audit

An objective 401(k) evaluation
for XYZ Company, Inc.

Prepared for:

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401(k) Audit Issued:

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Statement of Confidentiality

This audit and supporting materials contain confidential and proprietary business information of XYZ Company, Inc. These materials may be printed or photocopied for use in evaluating the XYZ Company, Inc. 401(k), but are not to be shared with other parties.

Current Plan Information

As of:

12/31/2017

XYZ Company, Inc. 401(k) Plan

Plan Provider	John Hancock Life Insurance Company U.S.A.
Plan TPA	TPA Financial
Effective Date	4/1/1997
Plan Assets	\$1,028,788.84
# of Participants	17
Estimated TPA Fee	\$1,337.43
Estimated Cost of Recordkeeping Services	\$7,715.92
Estimated Weighted Average of Fund Expenses	\$12,693.57
Estimated Investment Advisor Fee	\$2,263.34

* All costs are estimated on an annual basis

Fee/Cost Analysis

For the period between:

1/1/2017 - 12/31/2017

Unbundled 401(k) Fee Analysis For 17 Participants

Existing Fund Name	Assets	Expense Ratio	Current Cost
JH Multi-Index 2035 Lifetime	\$2,091.63	1.02%	\$21.33
JH Multi-Index 2030 Lifetime	\$298,840.12	1.04%	\$3,107.94
JH Multi-Index 2025 Lifetime	\$2,752.74	1.05%	\$28.90
JH Multimanager Growth LS	\$285,153.37	1.34%	\$3,821.06
JH Multimanager Balanced LS	\$129,482.84	1.30%	\$1,683.28
JH Multimanager Moderate LS	\$79,112.44	1.26%	\$996.82
JH Multimanager Conserv LS	\$60,252.33	1.22%	\$735.08
EuroPacific Growth Fund	\$23,571.38	1.34%	\$315.86
Financial Industries Fund	\$18,314.85	1.52%	\$278.39
New World Fund	\$15,326.61	1.50%	\$229.90
Royce Opportunity	\$173.65	1.84%	\$3.20
Small Cap Value Fund	\$171.86	1.52%	\$2.61
SMALLCAP World Fund	\$26,941.64	1.55%	\$417.60
Vanguard Energy Fund	\$12,397.46	1.18%	\$146.29
Capital World Growth & Income	\$24,973.14	1.30%	\$324.65
The Growth Fund of America	\$48,873.98	1.18%	\$576.71
Investment Company of America	\$111.13	1.14%	\$1.27
Strategic Income Opp Fund	\$247.67	1.09%	\$2.70

Totals	\$1,028,788.84	1.23%	\$12,693.57
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Mapping to	Ticker	Expense Ratio	Total Cost
Vanguard Inst'l Target Retirement 2035	VITFX	0.10%	\$2.09
Vanguard Inst'l Target Retirement 2030	VTTWX	0.10%	\$298.84
Vanguard Inst'l Target Retirement 2025	VRIVX	0.10%	\$2.75
Vanguard Growth Index Adm	VIGAX	0.06%	\$171.09
Vanguard Balanced Index Fund Adm	VBIAX	0.07%	\$90.64
Vanguard LifeStrategy Moderate Gr Inv	VSMGX	0.14%	\$110.76
Vanguard LifeStrategy Conserv Growth Inv	VSCGX	0.13%	\$78.33
Vanguard European Stock Index Adm	VEUSX	0.10%	\$23.57
Vanguard Financials Index Adm	VFAIX	0.10%	\$18.31
Vanguard Emerging Mkt Stk Index Adm	VEMAX	0.14%	\$21.46
Vanguard Small-Cap Value Index Adm	VSIAX	0.07%	\$0.12
Vanguard Small-Cap Value Index Adm	VSIAX	0.07%	\$0.12
Van FTSE All-World ex-US S/C Index Inst	VFSNX	0.12%	\$32.33
Vanguard Energy Adm	VGELX	0.31%	\$38.43
Vanguard International Growth Adm	VWILX	0.33%	\$82.41
Vanguard U.S. Growth Adm	VWUAX	0.32%	\$156.40
Vanguard 500 Index Adm	VFIAX	0.14%	\$0.16
Vanguard LifeStrategy Income Inv	VASIX	0.12%	\$0.30

Totals	0.11%	\$1,128.11
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Current John Hancock Plan Expense & All-In Fee Summary

	Amount	% of Plan Assets
Annual Base Plan and Per Participant Fees ¹	\$7,715.92	0.75%
Annual Investment Advisor Fee	\$2,263.34	0.22%
Annual TPA Fees	\$1,337.43	0.13%
Weighted-Average of Fund Expenses	\$12,693.57	1.23%

Total Plan Costs & All-In Fee	\$24,010.24	2.33%
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¹ Asset based fee

Vanguard Plan Expense & All-In Fee Summary

	Amount	% of Plan Assets
Annual Base Plan and Per Participant Fees ²	\$2,640.00	0.26%
Annual Investment Advisor Fee	\$7,201.52	0.70%
Annual TPA Fees	\$1,337.43	0.13%
Weighted-Average of Fund Expenses	\$1,128.11	0.11%

Total Plan Costs & All-In Fee	\$12,307.06	1.01%
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² Fixed flat dollar fee

Plan Comparison Summary (\$)

	Current	Vanguard	Difference
Annual Base Plan and Per Participant Fees	\$7,715.92	\$2,640.00	\$5,075.92
Annual Investment Advisor Fee	\$2,263.34	\$7,201.52	\$(4,938.19)
TPA Fees	\$1,337.43	\$1,337.43	\$ -
Weighted-Average of Fund Expenses	\$12,693.57	\$1,128.11	\$11,565.46

Total Plan Costs & All-In Fee	\$24,010.24	\$12,307.06	\$11,703.19
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Plan Comparison Summary (%)

	Current	Vanguard	Difference
Annual Base Plan and Per Participant Fees	0.75%	0.26%	0.49%
Annual Investment Advisor Fee	0.22%	0.70%	(0.48)%
TPA Fees	0.13%	0.13%	- %
Weighted-Average of Fund Expenses	1.23%	0.11%	1.12%

Total Plan Costs & All-In Fee	2.33%	1.20%	1.13%
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Fund Lineup Performance Analysis

As of:

3/31/2018

Investment Options	Inception Date	Returns as of March 31, 2018				As of March 31, 2018
		1 Year	3 Year	5 Year	10 Year	Expense Ratio
JH Multi-Index 2035 Lifetime	5/2/2014	9.63%	6.84%	-	-	1.02%
Vanguard Inst'l Target Retirement 2035	6/26/2015	12.24%	-	-	-	0.10%
JH Multi-Index 2030 Lifetime	5/2/2014	8.37%	6.25%	-	-	1.04%
Vanguard Inst'l Target Retirement 2030	6/26/2015	11.25%	-	-	-	0.10%
JH Multi-Index 2025 Lifetime	5/2/2014	6.92%	5.53%	-	-	1.05%
Vanguard Inst'l Target Retirement 2025	6/26/2015	10.18%	-	-	-	0.10%
JH Multimanager Growth LS	10/2/1997	10.02%	6.34%	7.99%	5.80%	1.34%
Vanguard Growth Index Adm	11/13/2000	17.98%	11.07%	14.30%	10.79%	0.06%
JH Multimanager Balanced LS	10/2/1997	7.22%	5.17%	6.37%	5.39%	1.30%
Vanguard Balanced Index Fund Adm	11/13/2000	8.74%	6.65%	8.52%	7.58%	0.07%
JH Multimanager Moderate LS	10/2/1997	4.07%	3.83%	4.62%	5.03%	1.26%
Vanguard LifeStrategy Moderate Gr Inv	9/30/1994	9.60%	6.03%	7.38%	6.01%	0.14%
JH Multimanager Conserv LS	10/2/1997	1.47%	2.44%	2.94%	4.36%	1.22%
Vanguard LifeStrategy Conserv Growth Inv	9/30/1994	6.91%	4.53%	5.64%	5.11%	0.13%
EuroPacific Growth Fund	5/2/2003	12.08%	5.79%	7.28%	3.41%	1.34%
Vanguard European Stock Index Adm	8/13/2001	16.19%	5.59%	6.94%	2.52%	0.10%
Financial Industries Fund	4/27/2001	15.50%	9.29%	10.46%	6.86%	1.52%
Vanguard Financials Index Adm	2/4/2004	16.70%	14.26%	14.93%	6.38%	0.10%
New World Fund	7/25/2008	13.12%	6.95%	5.47%	2.61%	1.50%
Vanguard Emerging Mkt Stk Index Adm	6/23/2006	20.97%	7.49%	4.47%	2.62%	0.14%
Royce Opportunity	5/14/2004	20.02%	11.42%	10.63%	9.30%	1.84%
Vanguard Small-Cap Value Index Adm	9/27/2011	7.35%	7.96%	11.66%	-	0.07%
Small Cap Value Fund	5/6/2005	11.12%	7.95%	9.64%	9.35%	1.52%
Vanguard Small-Cap Value Index Adm	9/27/2011	7.35%	7.96%	11.66%	-	0.07%