

**APPENDIX to §2550.404a-5 – Model Comparative Chart**

**ABC Corporation 401k Retirement Plan**

Investment Options – January 1, 20XX

This document includes important information to help you compare the investment options under your retirement plan. If you want additional information about your investment options, you can go to the specific Internet Web site address shown below or you can contact [insert name of plan administrator or designee] at [insert telephone number and address]. A free paper copy of the information available on the Web site[s] can be obtained by contacting [insert name of plan administrator or designee] at [insert telephone number].

**Document Summary**

This document has 3 parts. Part I consists of performance information for plan investment options. This part shows you how well the investments have performed in the past. Part II shows you the fees and expenses you will pay if you invest in an option. Part III contains information about the annuity options under your retirement plan.

**Part I. Performance Information**

**Table 1** focuses on the performance of investment options that do not have a fixed or stated rate of return. Table 1 shows how these options have performed over time and allows you to compare them with an appropriate benchmark for the same time periods. Past performance does not guarantee how the investment option will perform in the future. Your investment in these options could lose money. Information about an option's principal risks is available on the Web site[s].

| <b>Table 1—Variable Return Investments</b>       |                                               |       |        |                    |           |       |       |                    |
|--------------------------------------------------|-----------------------------------------------|-------|--------|--------------------|-----------|-------|-------|--------------------|
| Name/<br>Type of Option                          | Average Annual Total Return<br>as of 12/31/XX |       |        |                    | Benchmark |       |       |                    |
|                                                  | 1yr.                                          | 5yr.  | 10yr.  | Since<br>Inception | 1yr.      | 5yr.  | 10yr. | Since<br>Inception |
| <b>Equity Funds</b>                              |                                               |       |        |                    |           |       |       |                    |
| A Index Fund/ S&P<br>500<br>www. website address | 26.5%                                         | .34%  | -1.03% | 9.25%              | 26.46%    | .42%  | -.95% | 9.30%              |
| B Fund/ Large Cap<br>www. website address        | 27.6%                                         | .99%  | N/A    | 2.26%              | 27.80%    | 1.02% | N/A   | 2.77%              |
| C Fund/ Int'l Stock<br>www. website address      | 36.73%                                        | 5.26% | 2.29%  | 9.37%              | 40.40%    | 5.40% | 2.40% | 12.09%             |
| D Fund/ Mid Cap<br>www. website address          | 40.22%                                        | 2.28% | 6.13%  | 3.29%              | 46.29%    | 2.40% | -.52% | 4.16%              |
| <b>Bond Funds</b>                                |                                               |       |        |                    |           |       |       |                    |
| E Fund/ Bond Index<br>www. website address       | 6.45%                                         | 4.43% | 6.08%  | 7.08%              | 5.93%     | 4.97% | 6.33% | 7.01%              |
| <b>Other</b>                                     |                                               |       |        |                    |           |       |       |                    |
| F Fund/ GICs                                     | .72%                                          | 3.36% | 3.11%  | 5.56%              | 1.8%      | 3.1%  | 3.3%  | 5.75%              |

## Employee Benefits Security Admin., Labor

§ 2550.404a-5

|                                                             |        |       |       |       |                                   |         |      |       |
|-------------------------------------------------------------|--------|-------|-------|-------|-----------------------------------|---------|------|-------|
| www. website address                                        |        |       |       |       | 3-month US T-Bill Index           |         |      |       |
| G Fund/ Stable Value<br>www. website address                | 4.36%  | 4.64% | 5.07% | 3.75% | 1.8%                              | 3.1%    | 3.3% | 4.99% |
| Generations 2020/<br>Lifecycle Fund<br>www. website address | 27.94% | N/A   | N/A   | 2.45% | 26.46%                            | N/A     | N/A  | 3.09% |
|                                                             |        |       |       |       |                                   | S&P 500 |      |       |
|                                                             |        |       |       |       | 23.95%                            | N/A     | N/A  | 3.74% |
|                                                             |        |       |       |       | Generations 2020 Composite Index* |         |      |       |

\*Generations 2020 composite index is a combination of a total market index and a US aggregate bond index proportional to the equity/bond allocation in the Generations 2020 Fund.

**Table 2** focuses on the performance of investment options that have a fixed or stated rate of return. Table 2 shows the annual rate of return of each such option, the term or length of time that you will earn this rate of return, and other information relevant to performance.

| Table 2—Fixed Return Investments                                                 |              |           |                                                                                                                                                                                                                                   |
|----------------------------------------------------------------------------------|--------------|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name/<br>Type of Option<br>www. website address                                  | Return       | Term      | Other                                                                                                                                                                                                                             |
| H 200X/ GIC<br>www. website address                                              | 4%           | 2 Yr.     | The rate of return does not change during the stated term.                                                                                                                                                                        |
| I LIBOR Plus/ Fixed-<br>Type Investment<br>Account<br>www. website address       | LIBOR<br>+2% | Quarterly | The rate of return on 12/31/xx was 2.45%. This rate is fixed quarterly, but will never fall below a guaranteed minimum rate of 2%. Current rate of return information is available on the option's Web site or at 1-800-yyy-zzzz. |
| J Financial Services<br>Co./ Fixed Account<br>Investment<br>www. website address | 3.75%        | 6 Mos.    | The rate of return on 12/31/xx was 3.75%. This rate of return is fixed for six months. Current rate of return information is available on the option's Web site or at 1-800-yyy-zzzz.                                             |

**Part II. Fee and Expense Information**

**Table 3** shows fee and expense information for the investment options listed in Table 1 and Table 2. Table 3 shows the Total Annual Operating Expenses of the options in Table 1. Total Annual Operating Expenses are expenses that reduce the rate of return of the investment option. Table 3 also shows Shareholder-type Fees. These fees are in addition to Total Annual Operating Expenses.

| Table 3—Fees and Expenses |                                                                         |         |                                                                                                             |
|---------------------------|-------------------------------------------------------------------------|---------|-------------------------------------------------------------------------------------------------------------|
| Name /<br>Type of Option  | Total Annual<br>Operating<br>Expenses<br>As a      Per<br>%      \$1000 |         | Shareholder-Type Fees                                                                                       |
| Equity Funds              |                                                                         |         |                                                                                                             |
| A Index Fund/<br>S&P 500  | 0.18%                                                                   | \$1.80  | \$20 annual service charge subtracted from investments held in this option if valued at less than \$10,000. |
| B Fund/<br>Large Cap      | 2.45%                                                                   | \$24.50 | 2.25% deferred sales charge subtracted from amounts withdrawn within 12 months of purchase.                 |
| C Fund/ International     | 0.79%                                                                   | \$7.90  | 5.75% sales charge subtracted from amounts invested.                                                        |

|                                                 |       |         |                                                                                                                                         |
|-------------------------------------------------|-------|---------|-----------------------------------------------------------------------------------------------------------------------------------------|
| Stock                                           |       |         |                                                                                                                                         |
| D Fund/<br>Mid Cap ETF                          | 0.20% | \$2.00  | 4.25% sales charge subtracted from amounts withdrawn.                                                                                   |
| <b>Bond Funds</b>                               |       |         |                                                                                                                                         |
| E Fund/<br>Bond Index                           | 0.50% | \$5.00  | N/A                                                                                                                                     |
| <b>Other</b>                                    |       |         |                                                                                                                                         |
| F Fund/<br>GICs                                 | 0.46% | \$4.60  | 10% charge subtracted from amounts withdrawn within 18 months of initial investment.                                                    |
| G Fund/<br>Stable Value                         | 0.65% | \$6.50  | Amounts withdrawn may not be transferred to a competing option for 90 days after withdrawal.                                            |
| Generations 2020/<br>Lifecycle Fund             | 1.50% | \$15.00 | Excessive trading restricts additional purchases (other than contributions and loan repayments) for 85 days.                            |
| <b>Fixed Return Investments</b>                 |       |         |                                                                                                                                         |
| H 200X / GIC                                    | N/A   |         | 12% charge subtracted from amounts withdrawn before maturity.                                                                           |
| I LIBOR Plus/ Fixed-Type Invest Account         | N/A   |         | 5% contingent deferred sales charge subtracted from amounts withdrawn; charge reduced by 1% on 12-month anniversary of each investment. |
| J Financial Serv Co. / Fixed Account Investment | N/A   |         | 90 days of interest subtracted from amounts withdrawn before maturity.                                                                  |

The cumulative effect of fees and expenses can substantially reduce the growth of your retirement savings. Visit the Department of Labor's Web site for an example showing the long-term effect of fees and expenses at [http://www.dol.gov/ebsa/publications/401k\\_employee.html](http://www.dol.gov/ebsa/publications/401k_employee.html). Fees and expenses are only one of many factors to consider when you decide to invest in an option. You may also want to think about whether an investment in a particular option, along with your other investments, will help you achieve your financial goals.

### Part III. Annuity Information

**Table 4** focuses on the annuity options under the plan. Annuities are insurance contracts that allow you to receive a guaranteed stream of payments at regular intervals, usually beginning when you retire and lasting for your entire life. Annuities are issued by insurance companies. Guarantees of an insurance company are subject to its long-term financial strength and claims-paying ability.

| Table 4—Annuity Options                            |                                                                                                                                                                                                                 |                                                                                                                                                                       |                                                                                                                                                           |
|----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name                                               | Objectives / Goals                                                                                                                                                                                              | Pricing Factors                                                                                                                                                       | Restrictions / Fees                                                                                                                                       |
| Lifetime Income Option<br><br>www. website address | To provide a guaranteed stream of income for your life, based on shares you acquire while you work. At age 65, you will receive monthly payments of \$10 for each share you own, for your life. For example, if | The cost of each share depends on your age and interest rates when you buy it. Ordinarily the closer you are to retirement, the more it will cost you to buy a share. | Payment amounts are based on your life expectancy only and would be reduced if you choose a spousal joint and survivor benefit.<br><br>You will pay a 25% |

|                                                                      |                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                   |
|----------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                      | you own 30 shares at age 65, you will receive \$300 per month over your life.                                                                                                                                                                                                  | The cost includes a guaranteed death benefit payable to a spouse or beneficiary if you die before payments begin. The death benefit is the total amount of your contributions, less any withdrawals.                                                                                                                                                                                                                                                                                                                                                                                                | surrender charge for any amount you withdraw before annuity payments begin.<br><br>If your income payments are less than \$50 per month, the option's issuer may combine payments and pay you less frequently, or return to you the larger of your net contributions or the cash-out value of your income shares. |
| Generations 2020 Variable Annuity Option<br><br>www. website address | To provide a guaranteed stream of income for your life, or some other period of time, based on your account balance in the Generations 2020 Lifecycle Fund.<br><br>This option is available through a variable annuity contract that your plan has with ABC Insurance Company. | You have the right to elect fixed annuity payments in the form of a life annuity, a joint and survivor annuity, or a life annuity with a term certain, but the payment amounts will vary based on the benefit you choose. The cost of this right is included in the Total Annual Operating Expenses of the Generations 2020 Lifecycle Fund, listed in Table 3 above.<br><br>The cost also includes a guaranteed death benefit payable to a spouse or beneficiary if you die before payments begin. The death benefit is the greater of your account balance or contributions, less any withdrawals. | Maximum surrender charge of 8% of account balance.<br><br>Maximum transfer fee of \$30 for each transfer over 12 in a year.<br><br>Annual service charge of \$50 for account balances below \$100,000.                                                                                                            |

Please visit [www.ABCPlanglossary.com](http://www.ABCPlanglossary.com) for a glossary of investment terms relevant to the investment options under this plan. This glossary is intended to help you better understand your options.

[75 FR 64937, Oct. 20, 2010, as amended at 76 FR 42542, July 19, 2011; 80 FR 14304, Mar. 19, 2015]

**§ 2550.404b-1 Maintenance of the indicia of ownership of plan assets outside the jurisdiction of the district courts of the United States.**

(a) No fiduciary may maintain the indicia of ownership of any assets of a plan outside the jurisdiction of the dis-

trict courts of the United States, unless:

(1) Such assets are:

(i) Securities issued by a person, as defined in section 3(9) of the Employee Retirement Income Security Act of 1974 (Act) (other than an individual), which is not organized under the laws of the United States or a State and