

Revasum, Inc. 401(k) Plan

FEE AND INVESTMENT NOTICE

July 2019

**INSIDE**

**Account Management**  
**Your Investment Options**  
**Plan Fees and Expenses**

**Revasum, Inc. 401(k) Plan**  
**FEE AND INVESTMENT NOTICE**

**CONTACT US:** Colleen Bunch  
825 Buckley Rd  
San Luis Obispo CA 93401  
805-541-6424

What fees do I pay when participating in my employer sponsored retirement plan? For many participants, that question may come as a surprise. There's an assumption that the answer is, "None."

In fact, there are costs associated with your participation in the plan. Participants pay for the cost of the plan's administration. There are also other costs that plan participants pay, and those expenses have an impact on the size of your account balance at retirement.

The information that follows is intended to provide you with a better understanding of expenses associated with your participation in the plan. You'll learn:

- 1) What fees are associated with our plan's investment options.
- 2) How administration expenses are handled.
- 3) What costs are associated with elective plan features (e.g., taking out a loan).

In addition, you'll learn about rights you may have with respect to the plan's operation, how the plan's investments' performance compares to broad-based benchmarks, and where to go for additional information concerning the plan's investments .

The fees and expenses associated with our plan are not unusual . Almost all 401(k) plans have such costs, and the fees and expenses associated with our plan are reviewed regularly to make sure that they are competitive and reasonable . The objective of this communication is simply to provide you with more and better information for making investment and other plan-related decisions.

Remember, too, that investment-related fees should be placed in context . A somewhat higher fee may be perfectly appropriate if an investment better suits your needs and goals.

## **Your Investment Options**

The Plan is intended to be an ERISA Section 404(c) plan. This simply means you "exercise control" over some or all of the investments in your Plan account. The fiduciaries of the Plan may be relieved of liability or responsibility for any losses that you may experience as a direct result of your investment decisions.

The Comparative Chart focuses on the performance of investment options that do not have a fixed or stated rate of return . This chart 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 .

### **Benchmarking**

Each investment in the chart also has a "benchmark." The benchmark allows you to compare an investment's performance to the performance of a widely used collection of investments. While you cannot invest in a benchmark, the performance of the benchmark will give you an idea of how well the investment did in the same time period .

### Comparative Chart

Investment Name Ticker Inception Date Website Benchmark	Average Annual Total return as of 12/31/2018				Benchmark			
	1 Yr	5 Yr	10 Yr	Since Inception	1 Yr	5 Yr	10 Yr	Since Inception
<b>Diversified Emerging Mkts</b>								
DFA Emerg Mkts Core Equity P DFCEX 04/05/2005 <a href="http://www.morningstar.com/funds/xnas/dfcex/quote.html">http://www.morningstar.com/funds/xnas/dfcex/quote.html</a> MSCI ACWI Ex USA NR USD	-15.25%	1.87%	8.77%	6.99%	-14.20%	0.68%	6.57%	4.26%
<b>Foreign Large Blend</b>								
DFA Intl Core Equity I DFIEX 09/15/2005 <a href="http://www.morningstar.com/funds/xnas/dfiex/quote.html">http://www.morningstar.com/funds/xnas/dfiex/quote.html</a> MSCI ACWI Ex USA NR USD	-17.40%	0.89%	7.51%	4.04%	-14.20%	0.68%	6.57%	3.69%
<b>Global Real Estate</b>								
DFA Global Real Estate Sec Por DFGEX 06/04/2008 <a href="http://www.morningstar.com/funds/xnas/dfgex/quote.html">http://www.morningstar.com/funds/xnas/dfgex/quote.html</a> MSCI ACWI NR USD	-4.15%	6.63%	11.19%	4.71%	-9.41%	4.26%	9.46%	3.84%
<b>Intermediate Core Bond</b>								
Vanguard Ttl Bd Mkt Idx Admr VBTLX 11/12/2001 <a href="http://www.morningstar.com/funds/xnas/vbtlx/quote.html">http://www.morningstar.com/funds/xnas/vbtlx/quote.html</a> BBgBarc US Agg Bond TR USD	-0.03%	2.46%	3.42%	3.95%	0.01%	2.52%	3.48%	4.09%
<b>Intermediate Core-Plus Bond</b>								
Doubleline Core Fxd Inc I DBLFX 06/01/2010 <a href="http://www.morningstar.com/funds/XNAS/DBLFX/quote.html">http://www.morningstar.com/funds/XNAS/DBLFX/quote.html</a> BBgBarc US Agg Bond TR USD	-0.02%	3.22%	0.00%	4.84%	0.01%	2.52%	3.48%	2.92%
<b>Large Blend</b>								
Schwab S&P 500 Index SWPPX 05/19/1997 <a href="https://www.morningstar.com/funds/xnas/swppx/quote.html">https://www.morningstar.com/funds/xnas/swppx/quote.html</a> S&P 500 TR USD	-4.42%	8.41%	13.02%	7.13%	-4.38%	8.49%	13.12%	7.22%
Vanguard 500 Idx Admr VFIAX 11/13/2000 <a href="http://www.morningstar.com/funds/xnas/vfiac/quote.html">http://www.morningstar.com/funds/xnas/vfiac/quote.html</a> S&P 500 TR USD	-4.43%	8.46%	13.10%	5.51%	-4.38%	8.49%	13.12%	5.53%

**Large Growth**

Principal Large Cap Growth I PLGIX 12/06/2000 <a href="http://www.morningstar.com/funds/xnas/plgix/quote.html">http://www.morningstar.com/funds/xnas/plgix/quote.html</a> S&P 500 TR USD	3.67%	10.47%	16.90%	5.79%	-4.38%	8.49%	13.12%	5.55%
Vanguard Growth Idx Admr VIGAX 11/13/2000 <a href="http://www.morningstar.com/funds/xnas/vigax/quote.html">http://www.morningstar.com/funds/xnas/vigax/quote.html</a> S&P 500 TR USD	-3.34%	9.00%	14.52%	5.37%	-4.38%	8.49%	13.12%	5.53%

**Large Value**

DFA US Lge Cap Val Portfolio DFLVX 02/19/1993 <a href="http://www.morningstar.com/funds/xnas/dfvlx/quote.html">http://www.morningstar.com/funds/xnas/dfvlx/quote.html</a> S&P 500 TR USD	-11.65%	5.83%	13.17%	9.60%	-4.38%	8.49%	13.12%	9.16%
--	---------	-------	--------	-------	--------	-------	--------	-------

**Mid-Cap Blend**

Vanguard Mid Cap Idx Admr VIMAX 11/12/2001 <a href="http://www.morningstar.com/funds/xnas/vimax/quote.html">http://www.morningstar.com/funds/xnas/vimax/quote.html</a> S&P 500 TR USD	-9.23%	6.21%	13.87%	9.01%	-4.38%	8.49%	13.12%	6.96%
---	--------	-------	--------	-------	--------	-------	--------	-------

**Small Blend**

DFA US Small Cap I DFSTX 03/19/1992 <a href="http://www.morningstar.com/funds/xnas/dfstx/quote.html">http://www.morningstar.com/funds/xnas/dfstx/quote.html</a> S&P 500 TR USD	-13.13%	3.87%	13.39%	9.79%	-4.38%	8.49%	13.12%	9.18%
--	---------	-------	--------	-------	--------	-------	--------	-------

**Target-Date 2015**

Vanguard Tgt Retire 2015 Inv VTXVX 10/27/2003 <a href="http://www.morningstar.com/funds/xnas/vtxvx/quote.html">http://www.morningstar.com/funds/xnas/vtxvx/quote.html</a> Morningstar Mod Tgt Risk TR USD	-2.97%	4.03%	7.84%	5.71%	-4.76%	4.08%	7.97%	6.49%
---	--------	-------	-------	-------	--------	-------	-------	-------

**Target-Date 2020**

Vanguard Tgt Retire 2020 Inv VTWVX 06/07/2006 <a href="http://www.morningstar.com/funds/xnas/vtwvx/quote.html">http://www.morningstar.com/funds/xnas/vtwvx/quote.html</a> Morningstar Mod Tgt Risk TR USD	-4.24%	4.44%	8.53%	5.63%	-4.76%	4.08%	7.97%	5.68%
---	--------	-------	-------	-------	--------	-------	-------	-------

**Target-Date 2025**

Vanguard Tgt Retire 2025 Inv VTTVX 10/27/2003 <a href="http://www.morningstar.com/funds/xnas/vttvx/quote.html">http://www.morningstar.com/funds/xnas/vttvx/quote.html</a> Morningstar Mod Tgt Risk TR USD	-5.15%	4.66%	9.06%	6.19%	-4.76%	4.08%	7.97%	6.49%
<b>Target-Date 2030</b>								
Vanguard Tgt Retire 2030 Inv VTHRX 06/07/2006 <a href="http://www.morningstar.com/funds/xnas/vthrx/quote.html">http://www.morningstar.com/funds/xnas/vthrx/quote.html</a> Morningstar Mod Tgt Risk TR USD	-5.86%	4.82%	9.57%	5.86%	-4.76%	4.08%	7.97%	5.68%
<b>Target-Date 2035</b>								
Vanguard Tgt Retire 2035 Inv VTTHX 10/27/2003 <a href="http://www.morningstar.com/funds/xnas/vtthx/quote.html">http://www.morningstar.com/funds/xnas/vtthx/quote.html</a> Morningstar Mod Tgt Risk TR USD	-6.58%	4.99%	10.04%	6.72%	-4.76%	4.08%	7.97%	6.49%
<b>Target-Date 2040</b>								
Vanguard Tgt Retire 2040 Inv VFORX 06/07/2006 <a href="http://www.morningstar.com/funds/xnas/vforx/quote.html">http://www.morningstar.com/funds/xnas/vforx/quote.html</a> Morningstar Mod Tgt Risk TR USD	-7.32%	5.10%	10.26%	6.14%	-4.76%	4.08%	7.97%	5.68%
<b>Target-Date 2045</b>								
Vanguard Tgt Retire 2045 Inv VTIVX 10/27/2003 <a href="http://www.morningstar.com/funds/xnas/vtivx/quote.html">http://www.morningstar.com/funds/xnas/vtivx/quote.html</a> Morningstar Mod Tgt Risk TR USD	-7.90%	5.13%	10.26%	7.07%	-4.76%	4.08%	7.97%	6.49%
<b>Target-Date 2050</b>								
Vanguard Tgt Retire 2050 Inv VFIFX 06/07/2006 <a href="http://www.morningstar.com/funds/xnas/vfifx/quote.html">http://www.morningstar.com/funds/xnas/vfifx/quote.html</a> Morningstar Mod Tgt Risk TR USD	-7.90%	5.12%	10.27%	6.19%	-4.76%	4.08%	7.97%	5.68%
<b>Target-Date 2055</b>								
Vanguard Tgt Retire 2055 Inv VFFVX 08/18/2010 <a href="http://www.morningstar.com/funds/xnas/vffvx/quote.html">http://www.morningstar.com/funds/xnas/vffvx/quote.html</a> Morningstar Mod Tgt Risk TR USD	-7.89%	5.10%	0.00%	9.09%	-4.76%	4.08%	7.97%	6.81%

Target-Date 2060+								
Vanguard Tgt Retire 2065 Inv VLXVX 07/12/2017 <a href="https://www.morningstar.com/funds/xnas/vlxvx/quote.html">https://www.morningstar.com/funds/xnas/vlxvx/quote.html</a> Morningstar Mod Tgt Risk TR USD	-7.95%	0.00%	0.00%	0.45%	-4.76%	4.08%	7.97%	1.07%
Vanguard Tgt Retire 2060 Inv VTTSX 01/19/2012 <a href="http://www.morningstar.com/funds/xnas/vttsx/quote.html">http://www.morningstar.com/funds/xnas/vttsx/quote.html</a> Morningstar Mod Tgt Risk TR USD	-7.87%	5.10%	0.00%	8.52%	-4.76%	4.08%	7.97%	6.18%
Target-Date Retirement								
Vanguard Tgt Retire Inc Fd VTINX 10/27/2003 <a href="http://www.morningstar.com/funds/xnas/vtinx/quote.html">http://www.morningstar.com/funds/xnas/vtinx/quote.html</a> Morningstar Mod Tgt Risk TR USD	-1.99%	3.35%	5.92%	4.88%	-4.76%	4.08%	7.97%	6.49%
World Bond-USD Hedged								
DFA Five Year Global Fxd Inc P DFGBX 11/06/1990 <a href="http://www.morningstar.com/funds/xnas/dfgbx/quote.html">http://www.morningstar.com/funds/xnas/dfgbx/quote.html</a> BBgBarc US Agg Bond TR USD	1.68%	1.95%	2.80%	5.11%	0.01%	2.52%	3.48%	5.79%

### Morningstar

© 2018 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

### MSCI

Copyright MSCI. [2018 data were provided to Distributor]. All Rights Reserved. Unpublished. PROPRIETARY TO MSCI

Copyright MSCI [2018 data were provided to Distributor]. All Rights Reserved. Without prior written permission of MSCI, this information and any other MSCI intellectual property may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used to create any financial instruments or products or any indices. This information is provided on an "as is" basis, and the user of this information assumes the entire risk of any use made of this information. Neither MSCI nor any third party involved in or related to the computing or compiling of the data makes any express or implied warranties, representations or guarantees concerning the MSCI index-related data, and in no event will MSCI or any third party have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) relating to any use of this information.

### Wilshire

Licensee hereby acknowledges that the data are a proprietary product of Wilshire. Licensee further acknowledges that Wilshire shall maintain exclusive ownership of and rights to the data. Licensee further acknowledges that the data were compiled, prepared, revised, selected and arranged through the application of methods and standards of judgment developed and applied through the expenditure of substantial time and effort, and money by Wilshire and constitute valuable commercial property and/or trade secrets of Wilshire. Licensee agrees that it will not remove any copyright notice or other notification or trade name or marks of Wilshire that may appear in the data and that any reproduction and/or distribution of the data shall contain such notices and/or marks as they appear in the data.

Licensee acknowledges and agrees that the data are provided for informational purposes only. Under no circumstances should it be used or considered as an offer to sell or a solicitation of any offer to buy the securities or other instruments mentioned in it. The information in the data has been obtained from various sources, but Wilshire does not represent that it is accurate or complete and it should not be relied upon as such. Opinions expressed in the data are subject to change without notice. The products mentioned in it may not be eligible for sale in some states or countries, nor suitable for all types of investors; their value and the income they produce may fluctuate and/or be adversely affected by exchange rates.

### **Dow Jones**

Licensee shall ensure that the following notice is visible in close proximity to any data from the Indexes that Subscribers may access from time to time in the its Products (i.e. If the Indexes are used on a web site, the below notice may be posted on the same page of the web site on which the Indexes are displayed or via a hypertext link from such page): "© 2018 Dow Jones & Company, Inc."

### **Barclays Capital**

Licensee hereby acknowledges that the Barclays Capital Indices are a proprietary product of Barclays Capital (Barclays). Licensee further acknowledges that Barclays shall maintain exclusive ownership of and rights to the Indices. Licensee further acknowledges that the Indices were compiled, prepared, revised, selected and arranged through the application of methods and standards of judgment developed and applied through the expenditure of substantial time, effort, and money by Barclays and constitute valuable commercial property and /or trade secrets of Barclays. Licensee agrees that it will not remove any copyright notice or other notification or trade name or marks of Barclays that may appear in the Indices and that any reproduction and /or distribution of the Indices shall contain such notices and/or marks as they appear in the Indices.

Licensee acknowledges and agrees that the Indices are provided for informational purposes only. Under no circumstances should they be used or considered as an offer to sell or a solicitation of any offer to buy the securities or other instruments mentioned in them. The information in the Indices has been obtained from various sources, but Barclays does not represent that it is accurate or complete and it should not be relied upon as such. Opinions expressed in the Indices are subject to change without notice. The products mentioned in it may not be eligible for sale in some states or countries, not suitable for all types of investors; their value and the income they produce may fluctuate and/or be adversely affected by exchange rates.

### **Investment Fees and Expenses**

The investment chart shows fee and expense information for the investment options available in your plan, as well as Total Annual Operating Expenses. Total Annual Operating Expenses are expenses that reduce the rate of return of the investment option. This chart may also show Shareholder type Fees. These fees are in addition to Total Annual Operating Expenses.

## Investment Expense, Restrictions and Fees

Investment Name	Operating Expense as a Percent*	Operating Expense per \$1000*	Restrictions	Fees
DFA Emerg Mkts Core Equity P	0.52 %	\$ 5.20		
DFA Intl Core Equity I	0.30 %	\$ 3.00		
DFA Global Real Estate Sec Por	0.24 %	\$ 2.40		
Vanguard Ttl Bd Mkt Idx Admr	0.05 %	\$ 0.50		
Doubleline Core Fxd Inc I	0.48 %	\$ 4.80		
Schwab S&P 500 Index	0.02 %	\$ 0.20		
Vanguard 500 Idx Admr	0.04 %	\$ 0.40		
Principal Large Cap Growth I	0.67 %	\$ 6.70		
Vanguard Growth Idx Admr	0.05 %	\$ 0.50		
DFA US Lge Cap Val Portfolio	0.27 %	\$ 2.70		
Vanguard Mid Cap Idx Admr	0.05 %	\$ 0.50		
DFA US Small Cap I	0.37 %	\$ 3.70		
Vanguard Tgt Retire 2015 Inv	0.13 %	\$ 1.30		
Vanguard Tgt Retire 2020 Inv	0.13 %	\$ 1.30		
Vanguard Tgt Retire 2025 Inv	0.13 %	\$ 1.30		
Vanguard Tgt Retire 2030 Inv	0.14 %	\$ 1.40		
Vanguard Tgt Retire 2035 Inv	0.14 %	\$ 1.40		
Vanguard Tgt Retire 2040 Inv	0.14 %	\$ 1.40		
Vanguard Tgt Retire 2045 Inv	0.15 %	\$ 1.50		
Vanguard Tgt Retire 2050 Inv	0.15 %	\$ 1.50		
Vanguard Tgt Retire 2055 Inv	0.15 %	\$ 1.50		
Vanguard Tgt Retire 2065 Inv	0.15 %	\$ 1.50		
Vanguard Tgt Retire 2060 Inv	0.15 %	\$ 1.50		
Vanguard Tgt Retire Inc Fd	0.12 %	\$ 1.20		
DFA Five Year Global Fxd Inc P	0.27 %	\$ 2.70		

## Schwab Bank Savings

FDIC-Insured Money Market Deposit Account -

Schwab Bank Savings ("SBS") is a capital preservation option that is not subject to market risk and bears a stated interest rate set on a monthly basis, which remains in effect at least until the last Business Day of the month. Schwab Bank may adjust the rate prospectively on the day following the last Business Day of the month. A "Business Day" is any Monday through Friday that is not a Federal Reserve Bank or New York Stock Exchange holiday.

Interest compounds daily and is credited monthly on the last Business Day of each month. The annual percentage yield ("APY") is the percentage that reflects the total amount of interest paid on an account, based on the annual percentage rate ("APR") and compounding frequency for a 365-day period. Current rate and yield information may be obtained at your retirement plan website. There are no operating expenses, shareholder-type fees, or restrictions applied to your holdings in Schwab Bank Savings. (0515-2591)

Product Name	Rate As of 07/01/2019	Restrictions/Fees
Schwab Bank Savings	<b>Rate:</b> 1.50% <b>Yield:</b> 1.51%	N/A

### SCHWAB BANK SAVINGS AND FDIC COVERAGE

Schwab Bank Savings ("SBS") is a money market deposit account ("MMDA") established by your Plan at Charles Schwab Bank ("Schwab Bank").

The portion of your Plan account that you allocate to SBS is eligible for Federal Deposit Insurance Corporation ("FDIC") insurance up to \$250,000 subject to the FDIC rules concerning aggregation of deposit accounts you hold in the same capacity with Schwab Bank. You are responsible for monitoring the total amount of deposits you maintain directly with Schwab Bank in an individual retirement account or self-directed employee benefit plan account. Because the deposit insurance rules are complex, you may want to contact the FDIC or use the FDIC's online tool, Electronic Deposit Estimator (<https://fdic.gov/edie/>), to estimate your total coverage.(0515-2591)

## **Plan Fees and Expenses**

Retirement Plans have different type of expenses.

### Administration expenses

These are charges for services such as a legal, accounting and recordkeeping expenses . In our Plan, these expenses are paid partly by Revasum and partly by participants . A participant's share of these expenses is often allocated on a Pro Rata basis . Pro rata allocations are based on the value of your account balance over the total assets in the Plan .

Annual TPA Base Fee \$2,350.00

Annual TPA Per Participant Fee \$50.00

Annual Evolve Retirement Plan Solutions per participant recordkeeping fee is \$75 per participant per year, charged \$18.75 per quarter. This fee is not allocated on a Pro Rata basis, it is the same amount for each participant .

Annual Schwab Bank & Trust Company custodial fee is 0.025% (Minimum \$400) of your total plan assets, assessed quarterly and paid pro rata.

The Garcia Wealth Management Group, Inc., advisory fees are calculated on the total plan assets, assessed quarterly and paid pro rata based on the following schedule:

0.15% -- On all assets.

### Individual expenses

These are expenses you may incur if you take advantage of certain Plan features .

### Loans

The following loan-related expenses will be charged to your account :

A \$150 Recordkeeper processing fee and a \$60 annual maintenance fee for each loan

A \$75 TPA\* administrative fee for each new loan and a \$50 annual maintenance fee for each loan

### Distributions (including Hardships and In-Service)

The following distribution-related expenses will be charged to your account:

A \$75 Recordkeeper processing fee for each distribution requested

A \$125 TPA\* administrative fee for each distribution

A \$125 TPA\* administrative fee for Hardship or In-Service distributions

A \$25 Recordkeeper charge for overnight mail or wire fee

Other Recordkeeper Expenses - You may incur certain charges for:

A \$25 Recordkeeper Check reissuance charge

Recordkeeper Hard Copy Statement: \$3.00

\*TPA administrative fees are assessed by and paid to Plan's Third Party Administrator (TPA), Associated Pension Services

## **Notes and FAQs**

### **Glossary**

Distribution - A sale of mutual fund shares with the intent on withdrawing retirement plan assets.

ERISA - The Employee Retirement Income Security Act of 1974 (ERISA) protects the retirement assets of Americans by implementing rules that qualified plans must follow to ensure that plan fiduciaries do not misuse plan assets.

Expense Ratio - A measure of what it costs an investment company to operate a mutual fund . An expense ratio is determined through an annual calculation, where a fund's operating expenses are divided by the average dollar value of its assets under management . Operating expenses are taken out of a fund's assets and lower the return to a fund's investors .

Fiduciary - A person legally appointed and authorized to hold assets in trust for another person . The fiduciary manages the assets for the benefit of the other person rather than for his or her own profit.

Mutual Fund Timing - A legal, but frowned-upon practice, whereby traders attempt to gain short-term profits from buying and selling mutual funds to benefit from the differences between the daily closing prices . Don't confuse market timing with mutual fund timing. Market timing is a very acceptable practice of trying to predict the best time to buy and sell stocks .

Position - The number of shares owned of a particular security.

Pro Rata - A proportionate allocation of a fee based upon the individual account balance divided by the entire plan account balance.