



Independent Assessment Report

ABC Inc.

CEFEX Retirement Plan Service Provider Certification



Service Provider Definitions

Recordkeeping: Bookkeeping for retirement plans' trading transactions and individuals' accounts (the major activity in recordkeeping).

Administration: Administrative functions including compliance testing against relevant pension and tax laws and filing of government reports such as form 5500.

ASPPA: American Society of Pension Professionals and Actuaries.

SECTION 1 – COMPANY INFORMATION

CEFEX File No.: CFX10434
Company Name: ABC Inc.
Address: 123 Any Street, Any Town PA 12345 US
Phone: +1 416 123-4567

SECTION 2 – ASSESSMENT DETAILS

Date of Registration: 2018.03.13
Assessment Number: R2
Assessment Team:

Position	Name	Company
Analyst	Richard Carpenter	USVI Pensions Inc.
Client	Joe Fiduciary	ABC Advisors, LLC

CEFEX Registration Committee (CRC)

The CEFEX Registration Committee is responsible for ensuring the consistency, impartiality and technical merit of CEFEX assessments. Members of the CRC include: Blaine F. Aikin, CFP®, CFA, AIFA® Executive Chairman, Fi360 Inc and CEFEX, J. Richard Lynch, AIFA®, Director Fi360, David A. Vriesenga, Senior Partner Vriesport Consulting Services, Kimberly St. Pierre, APA, President Setaway, LLC, Matthew Boyle, AIFA® Director of Operations, CEFEX and Carlos Panksep, Managing Director, CEFEX.

Attestation

The Lead Analyst is independent of the registered firm. He/she has not been employed or compensated by the registered firm for a period of at least 2 years prior and 6 months following this assessment, for the purposes of providing consulting services for this certification.

The Lead Analyst has the expertise and proficiency to perform this assessment. The Analyst must also hold at least one of the following ASPPA designations: Qualified 401(k) Administrator (QKA), Qualified Pension Consultant (QPA), Certified Pension Consultant (CPC) or Fellow, Society of Pension Actuaries (FSPA).

Purpose and Scope of this Assessment:

To evaluate the firm's conformance to the practices and associated criteria as defined in the document "Standard of Practice for Retirement Plan Service Providers" (the Standard) for the declared scope of registration. A full copy of the Standard which is the basis for this assessment, can be found in the Standard here. (http://www.cefex.org/downloads/ASPPA_Standard_of_Practice.pdf)

The scope of registration is as follows:

Recordkeeping and administration services

Summary of Assessment Methodology:

The assessment requires that the Analyst plan and perform a review of a representative sample of the firm's written records, interviews with appropriate personnel of the firm and, on a test basis, evidence supporting the actions taken by the firm in providing services to its clients. Assessment elements include:

- Document review including organization chart, financial statements, partnership agreements, mission statement, business plan, succession plan, client materials, risk management policy, service agreements, vendor agreements, operational flow charts, policy manuals, Conflict of Interest manual, SOC Type 2 or SSAE16 audit report (if applicable), sales/marketing policy, proof of insurance, and trading procedures.
- Historical review of operations including number of vehicles and staff turnover.
- Review of client types including concentration.
- Review of affiliations and/or alliances with other Service Providers.
- Review of Information Technology including record retention policy, maintenance plan, development plan, disaster recovery plan, and security measures.
- Review of human resource functions including job descriptions, staff credentials and training programs.
- Financial statement analysis, as described in Section 3 below.

SECTION 3 - ASSESSMENT FINDINGS

The following Practices were assessed within the 3 months prior to the Date of Registration shown above and found to be in conformity.

No.	Practice	Status
1.1	Senior management demonstrates expertise	Conformity
1.2	Clear authority, mission, ops, resources are coherent.	Conformity
1.3	Organization has capacity to service client base.	Conformity
1.4	IT has strong infrastructure, staff support and security.	Conformity
1.5	Developed programs to attract, retain, train and motivate employees.	Conformity

1.6	Effective procedural and operational oversight.	Conformity
1.7	Effective risk-management process.	Conformity
2.1	Disclosures demonstrate there are adequate resources to sustain operations.	Conformity
2.2	Defined business strategies support competitive positioning.	Conformity
2.3	Process for managing internal and external resources and vendors.	Conformity
2.4	Adequate disclosure of service fees.	Conformity
2.5	Ethical reporting, marketing, and sales practices.	Conformity
3.1	Trading and cashiering systems are defined and documented.	Conformity
3.2	Trade processing and cashiering done in a timely and accurate manner.	Conformity
3.3	Recordkeeping and administrative information is readily available.	Conformity
3.4	Administration activities are performed in a timely and accurate manner.	Conformity
4.1	Process to periodically review effectiveness in meeting its client responsibilities.	Conformity

SECTION 4 - ASSESSMENT CONCLUSIONS AND RECOMMENDATION

Based on the findings obtained during the Assessment, the Company is in substantial conformity to the Standard, and is recommended for CEFEX registration.

This assessment has been reviewed by the CEFEX Registration Committee to maintain impartiality and consistency in the registration process. For details on the complete assessment process, please visit www.cefex.org (<http://www.cefex.org>)

Note to Report

The information contained in this report is a summary of an assessment conducted by CEFEX, Centre for Fiduciary Excellence, LLC and is valid for 1 year from the Date of Registration shown. The report is suitable for public distribution at the discretion of the certified firm. To confirm the registration of this firm, please visit www.cefex.org (<http://www.cefex.org>), where a listing of all currently registered firms can be viewed. For any questions related to this report, please contact CEFEX at admin@cefex.org.

The certification is not a source of legal or investment advice, a financial audit or expression of opinion regarding the

completeness or accuracy of financial statements, a compliance or regulatory audit, a guarantee that the firm is in compliance with applicable fiduciary laws or standards, or a guarantee that the firm is adhering to the standard with respect to any specific client.