



**401k Enginuity™  
Basic System Flow Chart**

(1) Processes contributions from payroll and from participants, and generates an ACH request.

(2) Monitors contribution inflows and outflows to be sure they conform to governmental regulations. Contributions sent to Custodian in EFT. Enginuity never takes constructive receipt of any cash or mutual fund shares.

(3) Confirmation of EFT transactions. Aggregates approved transactions by plan, investment type and trade type (buy or sell).

(4) Enginuity aggregates all buys and sells for all mutual funds, for all Plan Participants, for all plans on the system, then it sends ONE file to the Plan Custodian for processing. Performs ad hoc compliance testing.

(5) Performs all recordkeeping and reporting functions. Plan Custodian clears and settles all buy and sell transactions through interaction with NSCC, the securities industry's primary forum for all mutual fund share processing.

(6) Transactions confirmed back to Enginuity along with files that report updated share pricing and, in the event the Custodian encounters errors, those reports as well. Enginuity then updates all records and allocates earnings and losses across all Plan Participant records. Errors are also resolved.