



DAP

A lifelong retirement plan

Heads Up

Directed Account Plan Year-End Review

January 2014

Sound Familiar?...”I think I can do better for you!”

This is a familiar quote our participants hear from Advisors/Brokers soliciting potential new clients to roll their funds out of the DAP and let the Advisors/Brokers invest the funds for them. There are really only three ways for any investor to do better with their investment accounts which are: better service, lower fees and better performance. Usually better service and lower fees do not come in the same package. Since this “Heads Up” newsletter traditionally gives you a more detailed accounting of the fees in your DAP, I thought I would try to give a more detailed explanation of what is a very complex subject - understanding Investment Fees and Expenses.

Fees are usually quoted as basis point (bps). A basis point is a unit equal to 1/100th of 1%, so a 1% charge = 100 basis points (bps). The chart on this page shows five different scenarios of fees and their impact on the growth of \$10,000 invested over 20 years. Fees can be broken down into two components: Administration/Advisor Fees and Investment Manager Fees.

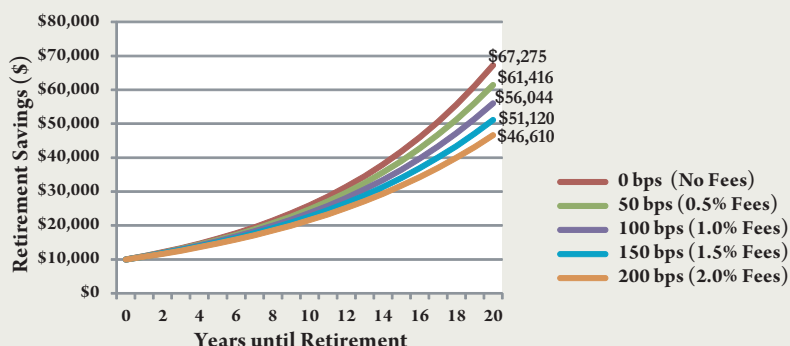
401(k) Plans

Plans such as the DAP have administrative costs associated with operating the Plan. Administrative costs would include such items as recordkeeping, Trustee Fees to a custodian, personnel, communications, and facilities. In the DAP, the cost of these services (Administration costs) comes to 12bps of plan assets. According to BrightScope, Administrative fees can range from 0.13bps to 100bps. Large plans such as the DAP, come in at the lower end of that range.

Financial Advisors/Brokers

If you use a Financial Adviser/Broker, you can expect to pay for that person or persons to manage your assets. The difficult part is how the person/persons are compensated. Some are fee or management only where the fee is upfront and transparent. If an Advisor uses a platform for selecting mutual funds, Exchange Traded Funds (ETFs) or portfolios of individual managers, then there is usually a flat fee (sometimes called a wrap fee) on the total assets. Advisors using these platforms will be compensated a portion of the fee they charge with the remainder going to the brokerage firm and, in the case of separate accounts, to the manager of the separate account. If Mutual Funds or Exchange Traded Funds (ETFs) are used as the investment vehicles in the platform, then those investments will have fees in addition to the wrap fee and will be taken out of the Mutual Fund or ETF assets, and will lower the return reported to the investor.

Growth of Initial \$10,000 Invested over 20 Years under five different fee scenarios



Note: This chart shows 5 different scenarios of how fees can affect your long-term performance. The net performance shown in this chart is calculated by taking the annual market performance (assumes 10% per year) minus the total annual expenses paid (5 different scenarios of expenses varying from 0% - 2%). Each line assumes an initial \$10,000 was invested in year one and increased annually by this net performance over 20 years.

Investment Management Fees

Whether you are in a 401(k) Plan such as the DAP, or use a Financial Adviser that uses Annuities, Mutual Funds, ETFs and separate accounts, you will pay Investment Management Fees. The DAP costs of Investment Management Fees depends on where its participants are invested. In our year-end review, we give total investment fees paid by the Plan (53 bps of total assets). In addition, we give the Expense Ratios for each of the Plan's Investment Options and Models.

As I mentioned at the beginning of this article, fees for financial services is a complex subject, and this article is not intended to be an end-all. Investors, including our participants, still have difficulty figuring out what they are paying for financial services, whether it be in our DAP Plan or through an Advisor. Our annual Expense Overview, along with the mailing of the SAR to participants, is intended to help our participants know more about the expenses of the DAP. In addition, for 20+ years, the DAP office has been available to answer questions from participants about the expenses of the Plan. And yes, from time to time, we do get asked to help a participant decipher the expenses of an investment they are considering outside of the DAP. When comparing apples to apples, we have yet to find an investment offered by an Advisor outside of the DAP with a lower expense.

We also know for some DAP participants, advice on where to invest their DAP assets may be helpful. For that reason, the DAP recently looked at offering Advisory service to our participants. This feature is still under consideration by the DAP Board and could be offered in the future. However, the cost of the service would need to be borne by those who use it and possibly could be paid out of a participant's DAP account. Also, please keep in mind that if you are constantly solicited by any investment firm and are not interested in their products, an easy way to end the solicitation is to ask to be placed on their “do not call” list.

Next issue, I'll tackle risk-adjusted returns.

- Marty Zygmund, Executive Director - The Directed Account Plan

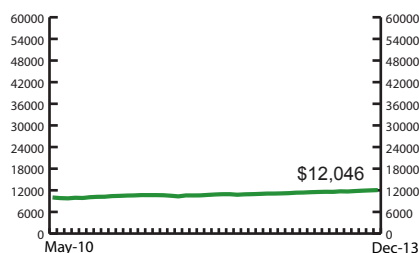
Reviewing the DAP Investment Options - performance as of 12/31/13

THE MODEL PORTFOLIOS - The model portfolios have been created for the participant who does not want to determine his or her own account asset allocation. The DAP Board of Directors has provided an appropriate asset allocation of the DAP investment options based on varying degrees of risk. Rebalancings occur periodically to maintain the target allocations for the options and models.

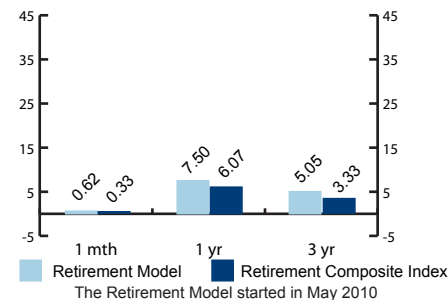
Retirement Model Portfolio

This model is designed for the retiree or participant who desires current income and preservation of purchasing power and to a lesser degree, to lessen currency risk. The target allocation is 80% in the Stable Value Option, as an inflation hedge, 10% in the Equity Index Option, 5% in the Value Stock Option and 5% in the International Stock Option to help guard against currency risk.

Growth of \$ 10,000



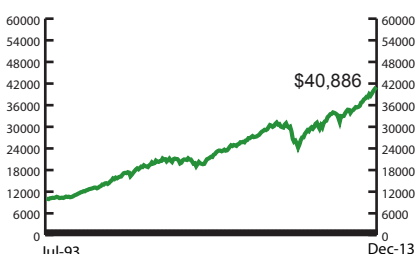
Performance



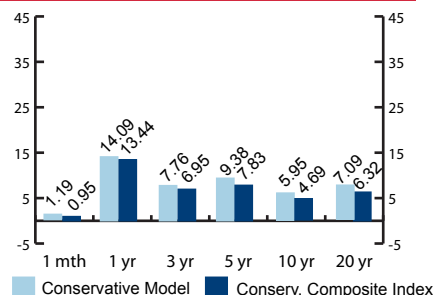
Conservative Model Portfolio

This model is designed for the retiree or participant who desires income and capital preservations. The target allocation is 60% in the Stable Value Option as an inflation hedge, 20% in the Value Stock Option and 20% in the Equity Index Option.

Growth of \$ 10,000



Performance



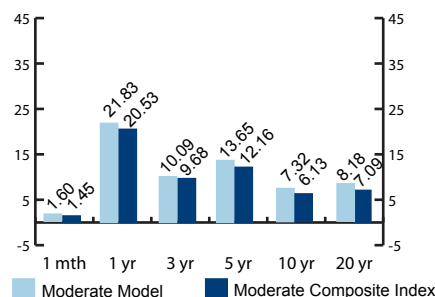
Moderate Model Portfolio

This model is designed for the majority of the participants to provide a balanced long-term asset allocation. The objective of this portfolio is capital growth and income. The target allocation is 35% in the Stable Value Option, 15% in the Value Stock Option, 15% in the Equity Index Option, 15% in the Growth Stock Option, 10% in the International Stock Option and 10% in the Diversified Small Co. Stock Option.

Growth of \$ 10,000



Performance



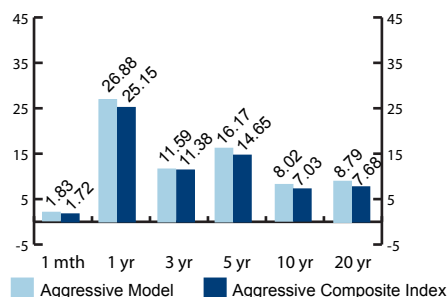
Aggressive Model Portfolio

This model is suitable for younger participants and those who are willing to accept more risk and higher volatility in their investments. The objective of this portfolio is capital accumulation. The target allocation is 20% in the Stable Value Option, 15% in the Value Stock Option, 15% in the Equity Index Option, 15% in the Growth Stock Option, 15% in the International Stock Option and 20% in the Diversified Small Co. Stock Option.

Growth of \$ 10,000



Performance

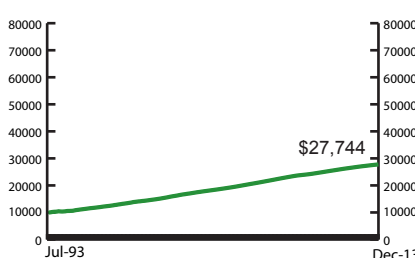


THE INVESTMENT OPTIONS - The DAP Board of Directors applies their investment expertise and careful analysis to select a diversified group of managers that fit the objective for each of the following investment options.

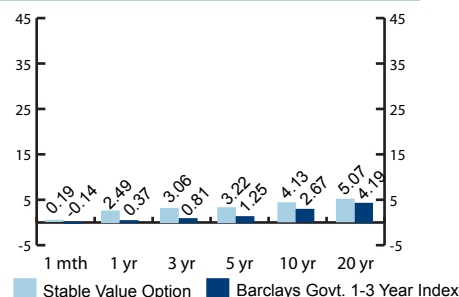
Stable Value Option

This option is designed to provide investors with a return comparable to that of high quality bonds with less volatility. It invests in a combination of traditional investment contracts, security-backed investment contracts, actively managed bonds, CDs and cash. The benchmark is the Barclays Govt. 1-3 Year Index.

Growth of \$ 10,000

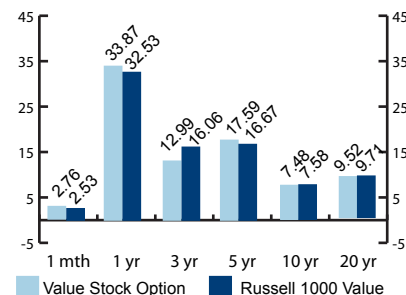
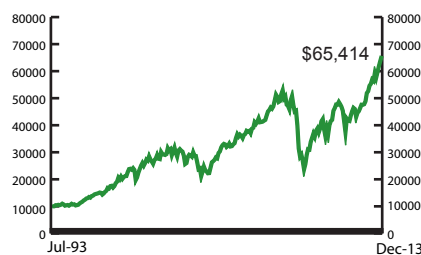


Performance

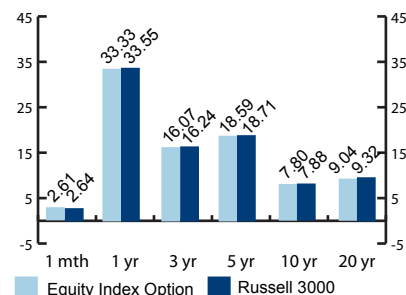


Value Stock Option**Growth of \$ 10,000****Performance**

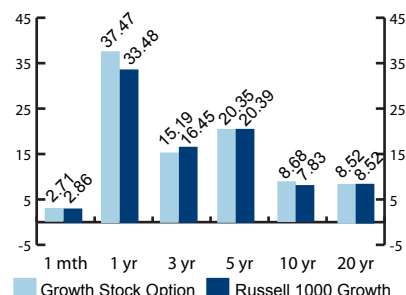
This option is designed to provide long-term growth of capital and may include a range of value investment managers. These value managers look for large or mid-cap stocks that are undervalued in the marketplace in relation to factors such as the company's assets, sales, earnings, book value, growth potential, cash flow, or in relation to securities of other companies in the same industry. The benchmark is the Russell 1000 Value Index.

**Equity Index Option****Growth of \$ 10,000****Performance**

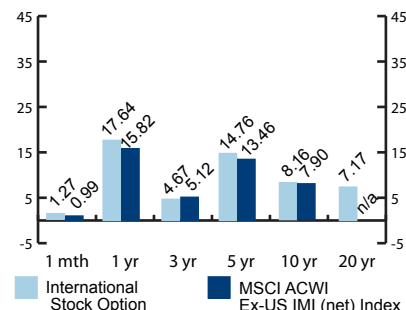
This option is designed to provide a return similar to the Russell 3000 Index. The target allocation is 100% in the BlackRock U.S. Equity Index. The investment manager attempts to replicate the investment results of the target index by holding all, or in the case of a very broad index, a representative sample of the index. The benchmark for this option is the Russell 3000 Index.

**Growth Stock Option****Growth of \$ 10,000****Performance**

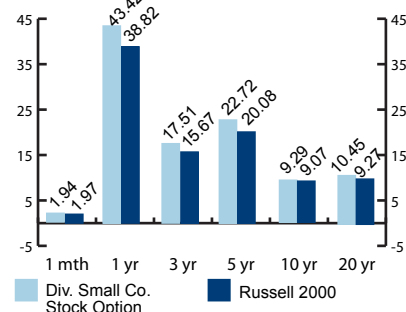
This option is designed to provide capital appreciation and may include a range of investment managers who invest in the stock of companies that produce high earnings or have the potential to generate earnings growth in the future. The benchmark for this option is the Russell 1000 Growth Index.

**International Stock Option****Growth of \$ 10,000****Performance**

This option is designed to provide long-term growth of capital through a diversified portfolio of world securities. Investment is in common stocks of foreign and some U.S. companies. Funds in this category involve greater risk and the risk of currency fluctuation. The benchmark for this option is the MSCI ACWI Ex-US IMI (net) Index.

**Diversified Small Co. Stock Option****Growth of \$ 10,000****Performance**

This option is designed to provide capital appreciation and contains portfolios that typically include growth and value stocks of small to medium companies. Funds in this category tend to be more volatile than other equity investments. The benchmark for this option is the Russell 2000 Total Index.





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January 2014

2013 Directed Account Plan Expense Overview

The information below is based on un-audited actual expense numbers in addition to estimates of investment manager fees for 2013. The basis points listed below are not charged directly to you but taken as an adjustment to the daily NAV of each DAP Option.

Average Plan Assets in 2013	\$752,038,645
Total Operating Expenses (Recordkeeping, Trustee, Administration, Personnel, Communication)	\$864,949
Operating Expenses as a percent of assets	12 bps
Approximate Investment Manager Fees *	37 bps
Other Mutual Fund Expenses **	4 bps
Total DAP Fees and Expenses as a percent of assets -	53 bps

* mutual fund investment management fee average

** includes mutual fund transaction fees, 12b-1 fees, administrative fees, and all other asset-based costs incurred by the funds. Does not include transaction costs of participant activity, which is reflected in each BlackRock NAV, lowering BlackRock fund performance.

Basis Point (bps) - one basis point is equal to 1/100th of one percent.

DAP Option and Model Expense Ratios

DAP Options/Models	Option [^] (bps)	Morningstar Average (bps)
Stable Value Option	36	n/a
Value Stock Option	96	88 Large Value 100 Mid Value
Equity Index Option	18	n/a
Growth Stock Option	77	98 Large Growth 110 Mid Growth
International Stock Option	91	161
Div. Small Co. Stock Option	97	108
Retirement Model	40	62 ^{^^}
Conservative Model	44	64 ^{**}
Moderate Model	60	76 ^{**}
Aggressive Model	69	97 ^{**}

[^] expense ratio includes operating expenses and investment manager fees.

^{**} from Morningstar model portfolios

^{^^} from an advisor recommended asset allocation model

Plan News

The Growth Stock Option

The Board selected Broad Run Mid Cap Growth as the replacement fund for Turner Mid Cap Growth that was terminated and removed from the Growth Stock Option. Broad Run Mid Cap Growth was added to the Growth Stock Option on 12/12/13.

The International Stock Option

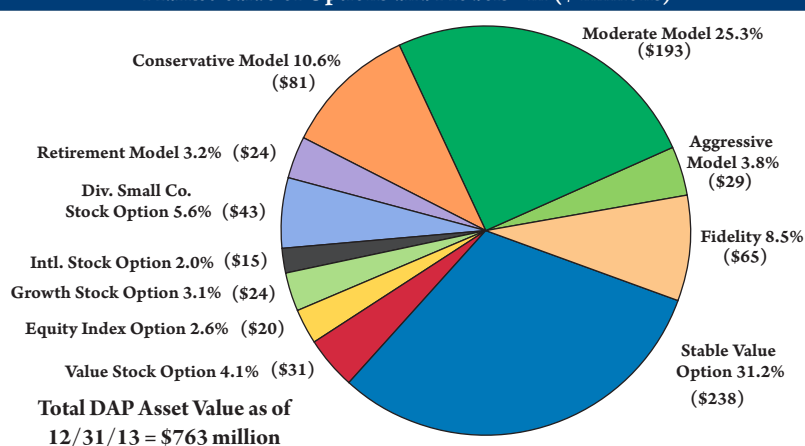
The Board selected Brandes International Small Cap Equity as the replacement fund for Royce Global Value that was terminated and removed from the International Stock Option. Brandes International Small Cap Equity was added to the International Stock Option on 12/20/13.

The new target allocations for the Growth Stock Option and the International Stock Option are displayed in the Target Allocation box on right of this page.

DAP Options and Models Asset Allocation Chart

as of December 31, 2013

Participant Asset Allocation - in percentages
Market Value of Options and Models - in (\$ millions)



More Information and Plan Contacts

To get daily NAVs, account balance information, or to make transfers, you may call the DAP Service Center telephone voice response system, available 24 hours a day. Customer service representatives are available 8:30 a.m. to midnight Eastern time Monday through Friday (excluding New York Stock Exchange holidays). Call 1-877-4TWADAP (1-877-489-2327) or dial the AT&T direct country code and 877-833-9900 (call collect) outside the U.S. Use your Social Security number and PIN to access your account.

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Informational Web Site:
www.dapretirement.com

Interactive Web Site:
www.401k.com

The intent of this communication is to provide useful information, not investment advice. Each participant in the Directed Account Plan is ultimately responsible to make his or her own investment decisions.

Information was provided by the Directed Account Plan. Fidelity Investments is not responsible for its content.

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DAP Option and Model Target Allocations as of December 31, 2013

Retirement Model

80% Stable Value
5% Value Stock
10% Equity Index
5% International Stock

Conservative Model

60% Stable Value
20% Value Stock
20% Equity Index

Moderate Model

35% Stable Value
15% Value Stock
15% Equity Index
15% Growth Stock
10% International Stock
10% Diversified Small Co. Stock

Aggressive Model

20% Stable Value
15% Value Stock
15% Equity Index
15% Growth Stock
15% International Stock
20% Diversified Small Co. Stock

Stable Value Option

46% Invesco Interest Income
40% Wellington Core Bond
10% BlackRock Instl. Money Market
4% CDs

Value Stock Option

20% Neuberger Berman Large Cap Value
20% T. Rowe Price Value
15% JP Morgan Equity Income
15% Goldman Sachs Mid Cap Value Instl.
10% Sequoia
20% BlackRock Value Index

Equity Index Option

100% BlackRock US Equity Index

Growth Stock Option

20% Marsico Focus
20% T. Rowe Price Growth Stock
20% Primecap Odyssey Growth
10% Wellington Mid Cap Opportunities
10% Broad Run Mid Cap Growth
20% BlackRock Growth Index

International Stock Option

12% Templeton Intl. Foreign Equity
12% Thornburg International Value
10% American Century Intl. Growth
10% MFS International Value
8% Dimensional Emerging Markets Value
8% TCW International Small Cap
6% Brandes Intl. Small Cap Equity
34% BlackRock ACWI Ex-US IMI Index

Diversified Small Co. Stock

15% Dimensional US Micro Cap Portfolio
15% Royce Opportunity
15% Brown Capital Mgmt. Small Co. Instl.
10% Buffalo Small Cap
10% Deutsche Small Cap Value
10% Mutual of America Disciplined Small Cap Value
5% Walthausen Small Cap Value
20% BlackRock Small Co. Index