

CHALLENGE SCHOOL INC  
GRACE YEE  
1661 FASHION ISLAND BLVD  
SAN MATEO, CA 94404

# Retirement Savings

## PLAN STATEMENT

For the period April 1, 2020 - June 30, 2020



Every effort has been made to report information accurately. Should you notice any error, please advise your Benefits Department within **10** days so that records can be corrected.



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For transactional details, please visit the web site.

YUE LI  
2431 CARLMONT DR  
APT #20  
BELMONT, CA 94002

**Plan Number:** 282266 **Location:** IU2  
CHALLENGE SCHOOL INC 401K PLAN  
Employee Number: 0180 Date of Hire: 02/14/2020  
Vesting Start Date: 02/14/2020  
Pre-Tax Deduction: 6% Contribution rates as of 07/12/2020

### Your Account At A Glance

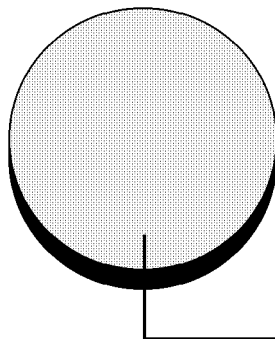
As of June 30, 2020

|                             | This Period   | Year to Date  |
|-----------------------------|---------------|---------------|
| <b>Beginning Balance</b>    | <b>0.00</b>   | <b>0.00</b>   |
| Contributions               | 406.78        | 406.78        |
| Dividends and Earnings      | 0.00          | 0.00          |
| Market Value Change         | 6.93          | 6.93          |
| Fees                        | -0.19         | -0.19         |
| <b>Total Ending Balance</b> | <b>413.52</b> | <b>413.52</b> |
| <b>Vested Balance</b>       | <b>325.78</b> |               |

This statement includes contributions through payroll date 06/19/2020.

### Current Asset Allocation

The 'Current Asset Allocation' illustration is how your account balance was invested as of the end of the statement period. For Future Contribution Allocations, see page 2.



Growth & Income

#### Account Allocation As of June 30, 2020

#### Investment Type

|                 |         |                   |
|-----------------|---------|-------------------|
| \$0.00          | 0.00%   | Income            |
| \$413.52        | 100.00% | Growth & Income   |
| \$0.00          | 0.00%   | Growth            |
| \$0.00          | 0.00%   | Aggressive Growth |
| <b>\$413.52</b> |         | <b>Total</b>      |

## Asset Allocation Details

The 'Account Allocation' column is how your current account balance is invested. The future Contribution Allocation column shows the latest investment elections you made regarding future contributions. You should periodically compare your Account Allocation to your Future Contribution Allocation to determine if the investment options and categories in your Account Allocation continue to reflect your investment objectives. To help achieve long-term retirement security, you should give careful consideration to the benefits of a well-balanced and diversified investment portfolio. Spreading your assets among different types of investments can help you achieve a favorable rate of return, while minimizing your overall risk of losing money. This is because market or other economic conditions that cause one category of assets, or one particular security, to perform very well often cause another asset category, or another particular security, to perform poorly. If you invest more than 20% of your retirement savings in any one company or industry, your savings may not be properly diversified. Although diversification is not a guarantee against loss, it is an effective strategy to help you manage investment risk. In deciding how to invest your retirement savings, you should take into account all of your assets, including any retirement savings outside of the Plan. No single approach is right for everyone because, among other factors, individuals have different financial goals, different time horizons for meeting their goals, and different tolerances for risk. It is also important to periodically review your investment portfolio, your investment objectives, and the investment options under the Plan to help ensure that your retirement savings will meet your retirement goals. For more information on individual investing and diversification of your account, please log on to the United States Department of Labor's website at [www.dol.gov/agencies/ebsa/laws-and-regulations/laws/pension-protection-act/investing-and-diversification](http://www.dol.gov/agencies/ebsa/laws-and-regulations/laws/pension-protection-act/investing-and-diversification)

| Investments                              | Account Allocation<br>As of June 30, 2020 |                  | Future Contribution<br>Allocation |
|--|---|------------------|-----------------------------------|
| <b>Income</b>                            | <b>\$0.00</b>                             | <b>0.00%</b>     | <b>0.00%</b>                      |
| Invesco Stable Asset - ADPZ              |   | \$0.00 0.00%     | 0.00%                             |
| BlackRock Total Return Fund - K          |   | \$0.00 0.00%     | 0.00%                             |
| Vanguard Intermediate Term Bond Index Fu |   | \$0.00 0.00%     | 0.00%                             |
| <b>Growth &amp; Income</b>               | <b>\$413.52</b>                           | <b>100.00%</b>   | <b>100.00%</b>                    |
| Vanguard TargetRetire Income Fund - Inv  |   | \$0.00 0.00%     | 0.00%                             |
| Vanguard TargetRetire 2015 Fund - Inv    |   | \$0.00 0.00%     | 0.00%                             |
| Vanguard TargetRetire 2020 Fund - Inv    |   | \$0.00 0.00%     | 0.00%                             |
| Vanguard TargetRetire 2025 Fund - Inv    |   | \$0.00 0.00%     | 0.00%                             |
| Vanguard TargetRetire 2030 Fund - Inv    |   | \$0.00 0.00%     | 0.00%                             |
| Vanguard TargetRetire 2035 Fund - Inv    |   | \$0.00 0.00%     | 0.00%                             |
| Vanguard TargetRetire 2040 Fund - Inv    |   | \$0.00 0.00%     | 0.00%                             |
| Vanguard TargetRetire 2045 Fund - Inv    |   | \$0.00 0.00%     | 0.00%                             |
| Vanguard TargetRetire 2050 Fund - Inv    |   | \$0.00 0.00%     | 0.00%                             |
| Vanguard TargetRetire 2055 Fund - Inv    |   | \$0.00 0.00%     | 0.00%                             |
| Vanguard TargetRetire 2060 Fund - Inv    |   | \$413.52 100.00% | 100.00%                           |
| Vanguard TargetRetire 2065 Fund - Inv    |   | \$0.00 0.00%     | 0.00%                             |
| MFS Total Return Fund - R6               |   | \$0.00 0.00%     | 0.00%                             |
| <b>Growth</b>                            | <b>\$0.00</b>                             | <b>0.00%</b>     | <b>0.00%</b>                      |
| State Street Equity 500 Index Fund - K   |   | \$0.00 0.00%     | 0.00%                             |
| T. Rowe Price Dividend Growth Fund - I   |   | \$0.00 0.00%     | 0.00%                             |
| <b>Aggressive Growth</b>                 | <b>\$0.00</b>                             | <b>0.00%</b>     | <b>0.00%</b>                      |
| Vanguard Small Cap Index Fund - Admiral  |   | \$0.00 0.00%     | 0.00%                             |
| Vanguard Strategic Sm Cp Eqty Fund - Inv |   | \$0.00 0.00%     | 0.00%                             |
| iShares MSCI EAFE International Index K  |   | \$0.00 0.00%     | 0.00%                             |
| T. Rowe Price Overseas Stock Fund - I    |   | \$0.00 0.00%     | 0.00%                             |
| <b>Total</b>                             | <b>\$413.52</b>                           |                  |                                   |

**Performance**

Average Annual Total Return Through the Quarter Ending June 30, 2020

Performance for all investment options offered in your plan.

| Investments                              | Inception Date | 3 Months | Year to Date | 1 Year  | 3 Years | 5 Years | 10 Years | Since Inception | EXP Ratio |
|--|----------------|----------|--------------|---------|---------|---------|----------|-----------------|-----------|
| <b>Income</b>                            |                |          |              |         |         |         |          |                 |           |
| Invesco Stable Asset - ADPZ              | 07/02/14       | 0.56%    | 1.17%        | 2.47%   | 2.36%   | 2.06%   | N/A      | 1.95%           | 0.31%     |
| BlackRock Total Return Fund - K          | 12/07/01       | 5.65%    | 5.13%        | 7.94%   | 5.13%   | 4.36%   | 4.81%    | 4.82%           | 0.44%     |
| Vanguard Intermediate Term Bond Index Fu | 11/12/01       | 4.66%    | 7.90%        | 10.40%  | 6.19%   | 5.02%   | 4.79%    | 5.36%           | 0.07%     |
| <b>Growth &amp; Income</b>               |                |          |              |         |         |         |          |                 |           |
| Vanguard TargetRetire Income Fund - Inv  | 10/27/03       | 7.84%    | 1.46%        | 5.69%   | 5.39%   | 4.93%   | 5.84%    | 5.30%           | 0.12%     |
| Vanguard TargetRetire 2015 Fund - Inv    | 10/27/03       | 8.90%    | 0.79%        | 5.45%   | 5.78%   | 5.47%   | 7.55%    | 6.11%           | 0.13%     |
| Vanguard TargetRetire 2020 Fund - Inv    | 06/07/06       | 11.40%   | -0.58%       | 5.09%   | 6.09%   | 5.96%   | 8.31%    | 6.19%           | 0.13%     |
| Vanguard TargetRetire 2025 Fund - Inv    | 10/27/03       | 13.20%   | -1.46%       | 4.82%   | 6.33%   | 6.29%   | 8.88%    | 6.67%           | 0.13%     |
| Vanguard TargetRetire 2030 Fund - Inv    | 06/07/06       | 14.58%   | -2.33%       | 4.40%   | 6.42%   | 6.47%   | 9.37%    | 6.48%           | 0.14%     |
| Vanguard TargetRetire 2035 Fund - Inv    | 10/27/03       | 15.90%   | -3.24%       | 3.94%   | 6.45%   | 6.62%   | 9.84%    | 7.18%           | 0.14%     |
| Vanguard TargetRetire 2040 Fund - Inv    | 06/07/06       | 17.29%   | -4.11%       | 3.46%   | 6.50%   | 6.76%   | 10.08%   | 6.77%           | 0.14%     |
| Vanguard TargetRetire 2045 Fund - Inv    | 10/27/03       | 18.70%   | -4.90%       | 2.97%   | 6.41%   | 6.79%   | 10.10%   | 7.52%           | 0.15%     |
| Vanguard TargetRetire 2050 Fund - Inv    | 06/07/06       | 18.67%   | -4.90%       | 3.02%   | 6.42%   | 6.79%   | 10.10%   | 6.81%           | 0.15%     |
| Vanguard TargetRetire 2055 Fund - Inv    | 08/18/10       | 18.64%   | -4.95%       | 2.95%   | 6.40%   | 6.77%   | N/A      | 9.55%           | 0.15%     |
| Vanguard TargetRetire 2060 Fund - Inv    | 01/19/12       | 18.61%   | -4.95%       | 2.95%   | 6.39%   | 6.76%   | N/A      | 9.16%           | 0.15%     |
| Vanguard TargetRetire 2065 Fund - Inv    | 07/12/17       | 18.59%   | -5.03%       | 2.84%   | N/A     | N/A     | N/A      | 6.17%           | 0.15%     |
| MFS Total Return Fund - R6               | 06/01/12       | 11.99%   | -3.78%       | 2.71%   | 5.07%   | 5.88%   | N/A      | 8.37%           | 0.40%     |
| <b>Growth</b>                            |                |          |              |         |         |         |          |                 |           |
| State Street Equity 500 Index Fund - K   | 09/17/14       | 20.52%   | -3.08%       | 7.47%   | 10.67%  | 10.63%  | N/A      | 9.98%           | 0.02%     |
| T. Rowe Price Dividend Growth Fund - I   | 12/17/15       | 15.98%   | -5.64%       | 3.17%   | 10.20%  | N/A     | N/A      | 11.55%          | 0.50%     |
| <b>Aggressive Growth</b>                 |                |          |              |         |         |         |          |                 |           |
| Vanguard Small Cap Index Fund - Admiral  | 11/13/00       | 26.66%   | -11.42%      | -5.60%  | 3.99%   | 5.40%   | 11.59%   | 8.29%           | 0.05%     |
| Vanguard Strategic Sm Cp Eqty Fund - Inv | 04/24/06       | 25.93%   | -17.60%      | -10.45% | -1.52%  | 2.00%   | 10.58%   | 5.41%           | 0.26%     |
| iShares MSCI EAFE International Index K  | 03/31/11       | 16.26%   | -10.81%      | -4.77%  | 0.96%   | 2.16%   | N/A      | 3.34%           | 0.03%     |
| T. Rowe Price Overseas Stock Fund - I    | 08/28/15       | 17.81%   | -11.35%      | -2.65%  | 0.71%   | N/A     | N/A      | 3.44%           | 0.66%     |

To obtain performance data current to the most recent month-end go to [www.mykplan.com](http://www.mykplan.com). If you do not have access to the internet, contact your plan administrator for this information. The returns shown represent past performance. Past performance does not guarantee future results, and current performance may be lower or higher than the data quoted above. Investment returns and principal value of an investment will fluctuate so that your investments, when redeemed, may be worth more or less than their original cost. An expense ratio is a fund's annual operating expenses expressed as a percentage of average net assets and includes management fees, administrative fees, and any marketing and distribution fees. Expense ratios directly reduce returns to investors. For publicly traded mutual funds, the net prospectus expense ratio is collected from the fund's most recent prospectus and provided by Morningstar. Commingled Fund expense ratios are provided by the investment managers. An investment in a Money Market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the fund. Money Market fund yields will fluctuate with changes in interest rates. There are different risks associated with investments. The fund's prospectus contains important information about the fund's investment objectives, risks and charges and expenses. It is important to read the prospectus carefully and consider important information that could affect the returns of investments before contributing to any investment in your retirement plan. Obtain fund prospectuses from [www.mykplan.com](http://www.mykplan.com) or call 1-888-822-9238. Collective Bank Trust investments do not have prospectuses and are not publicly traded. Performance data includes reinvestment of dividends and capital gains and assumes contributions were invested for the entire period. Your returns may vary because your contributions are made over time through payroll deductions. The investment manager has provided the performance data. Performance information for all publicly traded mutual funds, excluding Money Market funds, is provided by Morningstar\*. Performance information for Money Market funds and Collective Trust funds are provided by the respective fund manager.

**Important Message****Save Smart Election**

Congratulations! You have elected Save Smart, an automatic savings feature of your plan. Your before-tax contribution percentage will be automatically increased each year in April by 1% up to maximum of 10%.

## Investment Summary

Performance for the investments you have selected.

|                          | Vanguard<br>Target Retirement<br>2060<br>Fund - Inv | Totals        |
|--------------------------|---|---------------|
| <b>Beg. Price</b>        | <b>\$30.580000</b>                                  |               |
| <b>Beg. Units/Shares</b> | 0.0000  |               |
| <b>Beg. Balance</b>      | <b>0.00</b>   | <b>0.00</b>   |
| Contributions            | 406.78  | 406.78        |
| Dividends and Earnings   | 0.00  | 0.00          |
| Market Value Change      | 6.93  | 6.93          |
| Transfers                | 0.00  | 0.00          |
| Plan Administrative Fee  | -0.19   | -0.19         |
| <b>Ending Balance</b>    | <b>413.52</b>                                       | <b>413.52</b> |
| <b>Ending Price</b>      | <b>\$36.270000</b>                                  |               |
| <b>End. Units/Shares</b> | 11.4012   |               |

## Contribution Summary

| Activity By<br>Money Source | Employee<br>Before-Tax | Employer<br>Match<br>w/vesting | Total         |
|-----------------------------|------------------------|--------------------------------|---------------|
| <b>Beginning Balance</b>    | <b>0.00</b>            | <b>0.00</b>                    | <b>0.00</b>   |
| Contributions               | 319.81                 | 86.97                          | 406.78        |
| Dividends and Earnings      | 0.00                   | 0.00                           | 0.00          |
| Market Value Change         | 6.12                   | 0.81                           | 6.93          |
| Fees                        | -0.15                  | -0.04                          | -0.19         |
| <b>Ending Balance</b>       | <b>325.78</b>          | <b>87.74</b>                   | <b>413.52</b> |
| <b>Vested Balance</b>       | <b>325.78</b>          | <b>0.00</b>                    | <b>325.78</b> |
| <b>YTD Contributions</b>    | <b>319.81</b>          | <b>86.97</b>                   | <b>406.78</b> |

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Plan administrative fees are fees for services rendered to the plan such as legal, consulting, audit, accounting and recordkeeping services.

Many investment providers have established excessive trading policies. As a result, transactions in certain Plan investment options may result in a redemption fee, and a holding period may also apply to certain investment options offered in your Plan. In addition, your ability to conduct certain transactions in your Plan's investment options may be limited by these excessive trading policies. You may get information about such fees and restrictions on your Plan's Voice Response System or Participant Web site, as shown on this Statement. Participants who are identified by an investment provider or its affiliates as engaging in excessive trading also may be temporarily or permanently restricted from further purchases of and/or exchanges into those options (and, in some instances, other options offered by the investment company).

## Transaction Detail

|               | Transaction<br>Date | Transaction<br>Type      | # of<br>Shares | Share<br>Price     | Transaction<br>Amount |
|---------------|---------------------|--------------------------|----------------|--------------------|-----------------------|
| Vanguard      | <b>04/01/2020</b>   | <b>Beginning Balance</b> | <b>0.0000</b>  | <b>\$30.580000</b> | <b>\$0.00</b>         |
| Target Retire | 05/22/2020          | Contribution - EEBT401K  | 4.3135         | \$34.130000        | 147.22                |
| 2060 - Inv    | 05/22/2020          | Contribution - ERMTCH    | 0.8626         | \$34.130000        | 29.44                 |
|               | 05/26/2020          | Plan Administrative Fee  | 0.0017         | \$34.710000        | -0.06                 |
|               | 06/09/2020          | Contribution - EEBT401K  | 2.2154         | \$37.240000        | 82.50                 |
|               | 06/09/2020          | Contribution - ERMTCH    | 0.7385         | \$37.240000        | 27.50                 |
|               | 06/23/2020          | Contribution - EEBT401K  | 2.4574         | \$36.660000        | 90.09                 |
|               | 06/23/2020          | Contribution - ERMTCH    | 0.8191         | \$36.660000        | 30.03                 |
|               | 06/24/2020          | Plan Administrative Fee  | 0.0036         | \$35.840000        | -0.13                 |
|               | 06/30/2020          | Unrealized Gain/Loss     | 0.0000         | \$0.000000         | 6.93                  |
|               | <b>06/30/2020</b>   | <b>Ending Balance</b>    | <b>11.4012</b> | <b>\$36.270000</b> | <b>\$413.52</b>       |

Note: The total # of shares may be slightly off due to rounding.