

## Opinion on Use of Computer Model

Daniel T. Notartomaso  
LPL Financial  
4828 Parkway Plaza  
Charlotte, NC 28217

July 8, 2013

Dear Mr. Notartomaso:

We have evaluated the Morningstar® Retirement Manager<sup>SM</sup> computer model developed and maintained by Morningstar Associates, LLC. and offered by LPL Financial as a managed account through the Employee Advice Solution ("Computer Model"). The evaluation consisted of tests to determine consistency with ERISA requirements for prudent selection and monitoring of designated investment options, generally accepted investment principles and reasonable investment practices.

Morningstar Associates, LLC. provided results using its own participant profiles to produce a wide range of strategic asset allocations. Based on evaluations concluded on June 19, 2013, with the observation that standard participant profiles were replaced by profiles provided by Morningstar Associates, LLC. and tests showed that the model favors equity investments, it is our opinion that:

- The use of the Computer Model by LPL Financial within the Employee Advice Solution is in compliance with ERISA Section 3(38).
- Based on DALBAR's understanding of the services provided by Morningstar® Retirement Manager<sup>SM</sup> to LPL Financial for its Employee Advice Solution, Morningstar is not acting as an investment manager as defined by ERISA section 3(38).

Detailed findings from our evaluations are available from DALBAR and may be obtained from the website [www.DALBAR.com](http://www.DALBAR.com).

Our opinion regarding the LPL Financial use of the Computer Model is based on information provided by LPL Financial and Morningstar Associates, LLC. and confirmed through public sources where possible. Any material change or discrepancy in this information could reverse our opinion.

Very truly yours,

*DALBAR, Inc.*



**DALBAR, Inc.**

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