

Dechert-Hampe & Company Employees' Savings and Profit Sharing Plan

Compensation & Capital's Financial Planning Commentary as of December 31, 2013

"Perception vs. Reality: An Open Letter to Mr. Market"

Dear Mr. Market:

Thank you very much for the happy surprise you put in my 401k Plan. My account went up SO MUCH last year! But well actually I was wondering why it didn't go up more? I'm not whining. Promise! But today my best friend told me that his \$4P – whatever that is - went up a lot more. So next year I would like more too.

Your new best friend Joey.

PS: Please say Hi to Santa Claus for me.

Yep! There's no doubt that the past year's worth of U.S. stock market results have given aggressively positioned investors – especially those that don't trust anyone from outside our borders - a lot of green reasons for being true believers! Fact is, a mere 12 months back, consensus among all those perennially smart-sounding economists and investment advisors had them projecting the U.S. stock market's return moderately below its historical 9% annual average. (So much for expert consensus...)

Fast-forward 12 months and the rear-view mirror's image shows an incredibly unexpected "moonshot" year for U.S. stocks with broadly-based near-historic returns in excess of 30%. Most U.S. stock indices hit new highs in 2013. The small-cap Russell 2000 and the tech-heavy NASDAQ each gained over 38%. The S&P 500: Up 32% giving it its best 1-year performance since 1997 and closing the year 20% above its 2007 peak. The Russell 2000 and S&P 500 both made new highs on the last day of the year and the DowJones Industrial Average celebrated 52 separate record daily closing highs during 2013. All in all, there were plenty of superlatives to go around.

Meanwhile, just about any financial market other than our headline U.S. stock market was acting like it had no business calling itself an "investment" when viewed through the lens of our American investor's glasses. Foreign stock market indices finished well behind their U.S. counterparts for the year with non-U.S. developed markets (primarily Europe and Japan) gaining [only?] about half as much (up about 16%) and still finishing well below their 2007 peaks. While emerging markets (primarily China and Brazil) lost ever more ground to U.S. stocks - down about 5% for 2013.

But 2013 was toughest for investors with conservative risk profiles and especially those who focus upon the interest income available from bonds to support their living expenses. The Barclays Aggregate Bond Index lost 2% and long-term U.S. Treasury bonds sank 13%.

The details of these last two paragraphs are at the heart of our intro's message. A 16% one-year gain by the average stock+bond combination fund looks pretty amazing. That is until one notices that the all-stock S&P 500 gained twice that amount! In the face of such stark comparisons, retirement plan investors that follow objective advice and appropriately diversify their retirement accounts across major asset classes (stocks and bonds) as well as across categories within those classes (like U.S. vs. non-U.S. stocks) could lose faith in diversification's wisdom. Don't.

And here's just one reason why: From November 2007 through March 2009, the all-stocks S&P 500 lost 47% - UGLY! – versus the "boring" stocks+bonds combo strategy's (as represented by the Vanguard Wellington Fund) loss of 36%. Since November 2007's previous stock market high, Wellington Fund has gained 45% versus the S&P 500's total return (including dividends) gain of 37%.

In investing as in much of life itself, holding an informed balance between faith and reality helps keep our losses, as well as our gains, within a reasonable range and thereby helps to strengthen our resolve to stay with that appropriately diversified strategy. Even when it seems like Santa just might be real.

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Compensation & Capital's December 31, 2013

Retirement Saving and Investing "Action Points"

Maintaining an Appropriate Perspective for Your Plan Account's Strategic Asset Allocation:

Human nature dictates that the investing decision is always a combination of intuition (potentially irrational) and analytical (hopefully rational) behaviors. Our job as financial advisors is to objectively lead clients to make their investing decisions with as little intuitive and as much analytical input as possible. Therefore, it's absolutely imperative to clearly state that our view of the 20+ year future of global economies and therefore asset values (stocks, bonds, commodities, and real estate) over that timeframe is, simply stated, cautiously positive but positive nonetheless. Since this basic premise (that is, are YOU positive, neutral, or negative on the outlook for long term global economic growth?) must frame YOUR portfolio's Strategic Asset Allocation (its "SAA" being its allocation to fixed income securities⁽¹⁾ vs. stocks) then "What Say You?"

DHC/MWC Plan participants who echo our positive sentiment AND can consistently marginalize the emotional impact of short-term disruptions like those discussed in our Page 1 *Commentary* are well-served by incorporating the Plans' Vanguard Select Funds Venue Sample Portfolios into their Plan account's SAA's. These Sample Portfolios properly match your investing timeframe with appropriate levels of investment risk using appropriate mixes of well-diversified assets in the form of mutual funds managed by high-quality portfolio managers.

On the other hand, DHC/MWC Plan participants who can't quite come to a whole-hearted affirmation of our long-term positive sentiment must personally temper their SAA's with the fact that exposure to more risky assets like stocks must be reduced from our Sample Portfolio SAA's, complemented by increased concentration in less volatile fixed income securities.

We believe the majority of DHC/MWC Plan participants already utilizing the Vanguard Select Funds Venue (or the Vanguard "Auto-Balanced" Funds Venue) "get" this fact. The foregoing message is directed not only to those Plan participants who do not utilize these guideline SAA's, but also to those of you who may occasionally question if seemingly dramatic short-term market events significantly alter our underlying constructive positive premise. The answer to that question is a resounding "No."

That's not to say that infrequent fine-tuning adjustments to fund mixes within the various Sample Portfolios are never warranted. They are and when so, they are executed as we deem necessary. Such adjustments are the carefully considered result of our continually evolving long-term perspectives on secular global changes in capital markets and economies as well as the availability of mutual funds from time-tested portfolio managers that can provide further diversification for your Plan accounts. The adjustments are NOT in response to risk reassessments of appropriate SAA's for various investing time horizons. Therefore, each of the four Sample Portfolio's mixes of the available Vanguard Select Venue Funds will, from time to time, change. But their SAA's (underlying allocation to fixed income vs. stocks) never change from their originally pegged proportions. Sample Portfolio details are available at <https://www.planspecs.com/dhc/pdf/DEC1GuidePorts.pdf>.

In summary, if your goals and risk profile (via time horizon) are unchanged, then it's a good idea to simply revisit your current mix of funds, say once annually. To see if your investments are still close to your originally determined SAA, log into your account at www.planspecs.com/dhc, click the *Fund Balances* tab on the left-hand side's navigation bar. Compare that table's values in the column marked "Mkt Value %" with your originally directed fund mix. If you find that any of the Mkt Value %'s deviate more than say 2% to 3% from your original directive, it's time to rebalance your Plan account back to that original directive. To do that, simply complete and submit a *Vanguard Funds Existing Balance Remix* form available under the *Fill-In Plan Forms* tab. As always, help with any plan-related question is always just a web click away at info@planspecs.com.

(1) "Fixed Income Securities" are bonds and money market funds whose primary source of investment return is interest. Though bonds can and do fluctuate in market value, the interest income acts to dampen that volatility. Therefore, fixed income securities will generally stabilize portfolio risk.

Dechert-Hampe & Co Employees' Savings and Profit Sharing Plan Vanguard Funds Performance Specifics and Comparatives

(All for periods ended December 31, 2013)

(1) A fund with a 13th Ranking outperformed 87% of its peers.

Remember: Past performance is absolutely NOT a guarantee of future performance!

(2) "OER" or Operating Expense Ratio: Annual % of fund assets paid for fund operations and mgmt.

NAME OF VANGUARD SELECT VENUE FUND <i>Morningstar Category Name</i>	Securities Type(s)	Morningstar™ Category Percentile ⁽¹⁾ Ranking Past		OER ⁽²⁾	Total Return Performance for		Average Annualized Total Return for:			
		3 Years	10 Years		Past Qtr	12 Mos	3 Yrs	5 Yrs	10 Yrs	15 Yrs
PRIME MONEY MARKET - VMMXX	Money Market	13th	15th	0.16%	0.0%	0.0%	0.0%	0.1%	1.7%	2.4%
<i>Money Market Funds >></i>		<i>Category Average >></i>		<i>0.17%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.1%</i>	<i>1.5%</i>	<i>2.1%</i>
TOTAL BOND MARKET INDEX SIGNAL - VBT SX	Bonds	67th	44th	0.10%	-0.2%	-2.2%	3.2%	4.4%	4.5%	5.1%
<i>Intermediate Bond Funds >></i>		<i>Category Average >></i>		<i>0.89%</i>	<i>0.3%</i>	<i>-1.4%</i>	<i>3.6%</i>	<i>6.3%</i>	<i>4.3%</i>	<i>5.0%</i>
INFLATION PROTECTED SECURITIES ADM - VAIPX	Bonds	17th	22nd	0.20%	-2.2%	-8.9%	3.3%	5.3%	4.6%	N/A
<i>Inflation-Protected Bond Funds >></i>		<i>Category Average >></i>		<i>0.80%</i>	<i>-1.7%</i>	<i>-7.9%</i>	<i>2.7%</i>	<i>4.8%</i>	<i>4.2%</i>	<i>5.9%</i>
WELLINGTON ADMIRAL - VWENX	Bonds & Stocks	7th	4th	0.17%	6.3%	19.8%	11.9%	13.8%	8.2%	7.6%
<i>Moderate Allocation Funds >></i>		<i>Category Average >></i>		<i>0.98%</i>	<i>5.4%</i>	<i>16.5%</i>	<i>9.2%</i>	<i>12.8%</i>	<i>6.1%</i>	<i>5.2%</i>
WINDSOR II ADMIRAL - VWNAX	Stocks	20th	21st	0.28%	9.5%	30.8%	16.2%	17.2%	8.0%	6.3%
<i>Large-Cap U.S. Value Stock Funds >></i>		<i>Category Average >></i>		<i>1.17%</i>	<i>9.3%</i>	<i>31.2%</i>	<i>14.5%</i>	<i>16.1%</i>	<i>7.0%</i>	<i>5.9%</i>
500 INDEX SIGNAL - VIFSX	Stocks	22nd	32nd	0.05%	10.5%	32.3%	16.1%	17.9%	7.4%	4.6%
<i>Large-Cap U.S. Blend Stock Funds >></i>		<i>Category Average >></i>		<i>1.11%</i>	<i>9.7%</i>	<i>31.5%</i>	<i>14.5%</i>	<i>17.1%</i>	<i>6.9%</i>	<i>5.0%</i>
SELECTED VALUE - VASVX	Stocks	7th	8th	0.43%	10.0%	42.0%	18.2%	21.9%	10.6%	10.4%
<i>Mid-Cap U.S. Value Stock Funds >></i>		<i>Category Average >></i>		<i>1.29%</i>	<i>9.0%</i>	<i>35.1%</i>	<i>14.8%</i>	<i>20.3%</i>	<i>9.0%</i>	<i>9.3%</i>
MORGAN GROWTH ADMIRAL – VMRAX	Stocks	50th	35th	0.25%	10.6%	34.9%	14.9%	19.7%	8.0%	5.6%
<i>Large-Cap U.S. Growth Stock Funds >></i>		<i>Category Average >></i>		<i>1.28%</i>	<i>10.3%</i>	<i>33.9%</i>	<i>14.9%</i>	<i>19.0%</i>	<i>7.6%</i>	<i>4.8%</i>
MID-CAP GROWTH INVESTOR - VMGRX	Stocks	23rd	39th	0.51%	8.3%	34.2%	15.9%	21.7%	9.8%	9.7%
<i>Mid-Cap U.S. Growth Stock Funds >></i>		<i>Category Average >></i>		<i>1.35%</i>	<i>8.3%</i>	<i>34.9%</i>	<i>14.1%</i>	<i>20.8%</i>	<i>9.0%</i>	<i>8.0%</i>
EXPLORER ADMIRAL - VEXRX	Stocks	26th	44th	0.34%	9.5%	44.6%	17.8%	23.3%	9.4%	9.7%
<i>Small-Cap U.S. Growth Stock Funds >></i>		<i>Category Average >></i>		<i>1.44%</i>	<i>8.2%</i>	<i>40.9%</i>	<i>15.8%</i>	<i>22.2%</i>	<i>9.2%</i>	<i>8.7%</i>
INTERNATIONAL GROWTH ADMIRAL - VWILX	Foreign Stocks	26th	44th	0.35%	7.3%	23.1%	8.5%	16.0%	8.9%	6.1%
<i>Foreign Large Growth Stock Funds >></i>		<i>Category Average >></i>		<i>1.44%</i>	<i>5.5%</i>	<i>18.6%</i>	<i>7.3%</i>	<i>13.7%</i>	<i>7.0%</i>	<i>5.3%</i>
EMERGING MARKETS INDEX SIGNAL - VERSX	Foreign Stocks	67th	45th	0.33%	1.6%	-5.2%	-3.0%	13.8%	10.4%	10.5%
<i>Diversified Emerging Markets Stock Funds >></i>		<i>Category Average >></i>		<i>1.60%</i>	<i>2.6%</i>	<i>-0.1%</i>	<i>-1.8%</i>	<i>14.2%</i>	<i>10.4%</i>	<i>11.0%</i>
ENERGY ADMIRAL - VGELX	Energy Stocks	37th	15th	0.31%	5.8%	18.1%	6.0%	13.3%	13.2%	14.3%
<i>Energy Sector Stock Funds >></i>		<i>Category Average >></i>		<i>1.6%</i>	<i>4.7%</i>	<i>22.9%</i>	<i>4.7%</i>	<i>13.5%</i>	<i>11.6%</i>	<i>12.8%</i>

Dechert-Hampe & Co Employees' Savings and Profit Sharing Plan Vanguard Funds Performance Specifics and Comparatives

(1) A fund with a 56th Ranking outperformed 44% of its peers.

(All for periods ended December 31, 2013)

Remember: Past performance is absolutely NOT a guarantee of future performance!

(2) "OER" or Operating Expense Ratio: Annual % of fund assets paid for fund operations and mgmt.

VANGUARD INDEXED AUTO-BALANCED FUND <i>Morningstar Category Name</i>	Securities Type(s)	Morningstar™ Category Percentile ⁽¹⁾ Ranking Past		OER ⁽²⁾	Total Return Performance for		Average Annualized Total Return for:			
		1 Year	5 Years		Past Qtr	12 Mos	3 Yrs	5 Yrs	10 Yrs	15 Yrs
TARGET RETIREMENT INCOME - VTINX	Target Date 2000-2010	56th	73rd	0.16%	2.4%	5.9%	6.4%	8.6%	5.5%	N/A
<i>Retirement Income Funds >></i>		<i>Category Average >></i>		1.07%	2.8%	7.4%	5.9%	9.8%	4.4%	3.9%
TARGET RETIREMENT 2010 - VTENX	Target Date 2000-2010	48th	53rd	0.16%	3.2%	9.1%	7.5%	10.6%	N/A	N/A
<i>Target Date 2000-2010 Funds >></i>		<i>Category Average >></i>		1.14%	3.1%	8.3%	6.3%	10.4%	4.8%	3.8%
TARGET RETIREMENT 2015 - VTXVX	Target Date 2011-2015	21st	40th	0.16%	4.3%	13.0%	8.6%	11.8%	6.2%	N/A
<i>Target Date 2011-2015 Funds >></i>		<i>Category Average >></i>		1.21%	3.6%	9.7%	7.0%	11.1%	4.9%	3.6%
TARGET RETIREMENT 2020 - VTENX	Target Date 2016-2020	18th	39th	0.16%	5.1%	15.9%	9.4%	12.8%	N/A	N/A
<i>Target Date 2016-2020 Funds >></i>		<i>Category Average >></i>		1.30%	4.1%	11.6%	7.6%	12.0%	5.4%	3.8%
TARGET RETIREMENT 2025 - VTXVX	Target Date 2021-2025	24th	41st	0.17%	5.8%	18.1%	10.1%	13.6%	6.5%	N/A
<i>Target Date 2021-2025 Funds >></i>		<i>Category Average >></i>		1.22%	5.1%	15.3%	9.0%	13.5%	5.7%	N/A
TARGET RETIREMENT 2030 - VTENX	Target Date 2026-2030	25th	28th	0.17%	6.5%	20.5%	10.8%	14.5%	N/A	N/A
<i>Target Date 2026-2030 Funds >></i>		<i>Category Average >></i>		1.35%	5.5%	16.7%	9.1%	13.8%	8.9%	3.9%
TARGET RETIREMENT 2035 - VTXVX	Target Date 2031-2035	23rd	29th	0.17%	7.1%	22.8%	11.4%	15.3%	7.0%	N/A
<i>Target Date 2031-2035 Funds >></i>		<i>Category Average >></i>		1.34%	6.4%	20.0%	10.3%	14.9%	5.8%	N/A
TARGET RETIREMENT 2040 - VTENX	Target Date 2036-2040	15th	27th	0.18%	7.6%	24.4%	11.9%	15.7%	N/A	N/A
<i>Target Date 2036-2040 Funds >></i>		<i>Category Average >></i>		1.43%	6.4%	20.0%	10.0%	14.8%	6.1%	3.6%
TARGET RETIREMENT 2045 - VTXVX	Target Date 2041-2045	26th	38th	0.18%	7.6%	24.4%	11.9%	15.7%	7.4%	N/A
<i>Target Date 2041-2045 Funds >></i>		<i>Category Average >></i>		1.38%	6.9%	22.0%	10.8%	15.4%	7.4%	N/A
TARGET RETIREMENT 2050 - VTENX	Target Date 2046-2050	30th	29th	0.18%	7.6%	24.4%	11.9%	15.7%	N/A	N/A
<i>Target Date 2046-2050 Funds >></i>		<i>Category Average >></i>		1.68%	6.7%	21.0%	10.3%	15.0%	6.6%	N/A
TARGET RETIREMENT 2055 - VTXVX	Target Date 2051+	36th	n/a	0.18%	7.6%	24.3%	12.0%	N/A	N/A	N/A
<i>Target Date 2051+ Funds >></i>		<i>Category Average >></i>		1.44%	7.3%	23.1%	10.9%	15.1%	N/A	N/A
LIFE STRATEGY CONSERVATIVE - VSCGX	Conservative Allocation	33rd	57th	0.15%	3.2%	9.1%	6.6%	9.5%	5.4%	5.0%
<i>Conservative Allocation Funds >></i>		<i>Category Average >></i>		1.36%	3.0%	7.2%	6.2%	10.0%	5.1%	5.0%
LIFE STRATEGY GROWTH - VASGX	Aggressive Allocation	53rd	51st	0.17%	6.7%	21.2%	10.7%	14.3%	6.7%	5.1%
<i>Aggressive Allocation Funds >></i>		<i>Category Average >></i>		1.48%	6.7%	21.3%	10.2%	14.4%	6.5%	5.4%