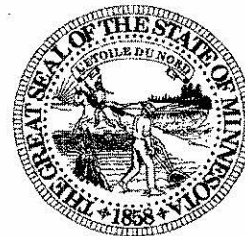




**Office of the Minnesota Secretary of State**  
**Minnesota Public Benefit Corporation / Annual Benefit Report**  
*Minnesota Statutes, Chapter 304A*



Read the instructions before completing this form  
 Must be filed by March 31  
 Filing Fee: \$55 for expedited service in-person, \$35 if submitted by mail

The Annual Benefit Report covers the 12 month period ending on December 31 of the previous year.  
 Notice: Failure to file this form by March 31 of this year will result in the revocation of the corporation's public benefit status without further notice from the Secretary of State, pursuant to Minnesota Statutes, Section 304A.301

1. Corporate Name: (Required) Check the Ticker SBC

2. The public benefit corporation's board of directors has reviewed and approved this report.

3. In the field below, enter the information required by section 304A.301 subd. 2 or 3 for the period covered by this report, (see instructions for further information): Note: Use additional sheets if needed. (Required)

See Attached.

4. I, the undersigned, certify that I am the chief executive officer of this public benefit corporation. I further certify that I have signed this document no more than 30 days before the document is delivered to the secretary of state for filing, and that this document is current when signed. I further certify that I have completed all required fields, and that the information in this document is true and correct and in compliance with the applicable chapter of Minnesota Statutes. I understand that by signing this document I am subject to the penalties of perjury as set forth in Section 609.48 as if I had signed this document under oath.

Susan Seltzer  
 Signature of Public Benefit Corporation's Chief Executive Officer

March 15, 2018  
 Date (Must be dated within 30 days before the report is delivered to the Secretary of State for Filing)

**Email Address for Official Notices**

Enter an email address to which the Secretary of State can forward official notices required by law and other notices:

SUSAN SELTZER@checktheticker.com

Check here to have your email address excluded from requests for bulk data, to the extent allowed by Minnesota law.

List a name and daytime phone number of a person who can be contacted about this form:

SUSAN Seltzer                      952 926-4602  
 Contact Name                                      Phone Number

**Entities that own, lease, or have any financial interest in agricultural land or land capable of being farmed must register with the MN Dept. of Agriculture's Corporate Farm Program.**

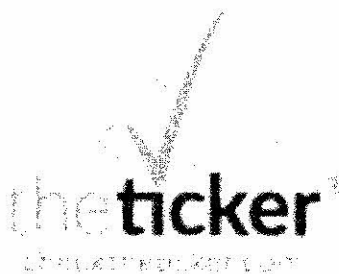
Does this entity own, lease, or have any financial interest in agricultural land or land capable of being farmed?  
 Yes  No

# Check the Ticker SBC

A Minnesota Specific Benefit Corporation

## Second Annual Benefit Report

March 15, 2018



The Digital eLearning Retirement Solution

March 2018

**Check the Ticker SBC** was incorporated on February 26, 2016 as a Specific Benefit Corporation with a Specific Public Benefit under Minnesota’s Public Benefit Corporation Act (the “Act”). Pursuant to Section 304A.101 of the Act, Check the Ticker SBC Articles of Incorporation state its public benefit as follows:

*An independent business entity—unaffiliated with any financial services firm, broker or fund manager—the Company provides objective, independently created and independently delivered educational resources to retirement investors. These technical education resources are designed to enable retirement investors*

- 1. To better evaluate fund managers against established criteria and*
- 2. More effectively access fund managers through increased understanding of product fees and distribution costs.*

The net positive benefit that Check the Ticker provides is to enable corporate defined contribution plans to train their corporate staff and plan participants how to incorporate socially responsible investing to promote social change, based on SEC disclosures and to provide greater resources to retirement investors through elimination of redundant and costly distribution systems for investment product.

### **Pursuit of Specific Benefit**

With regard to the period covered for this report, January 1, 2017 to December 31, 2017, Check the Ticker pursued the stated specific benefit in its Articles of Incorporation as follows:

1. A robust, targeted, independent eLearning curriculum was written, designed and tested for readability and comprehension for a broad range of retirement investor.
2. Online tools, research and regulatory data, accessed through API’s, were incorporated into the curriculum.
3. The curriculum incorporates both a gamification element in every module and a monthly The Ticker Checker practicum that builds a community and ongoing engagement. It provides the subscriber ongoing understanding of “advice” analysis, financial news analysis, and the option to include Environmental, Social and Corporate Governance (ESG) considerations analysis at the Corporate defined contribution plan level and the participant level.

4. Check the Ticker website was designed, hosted and publicly available at launch, April 1, 2017.
5. Check the Ticker eLearning modules are offered to:
  - i) Small businesses, state governments and non-profits that seek to implement immediately direct employee retirement plans and employee education that engages the employee or independent contractor in direct plans, with a life-long learning alternative to understand and manage the investment selection process and ESG investment selections.
  - ii) Corporate 401(k) and University or school 403(b) plans that choose to implement immediately an independent education option to empower their employees to engage in their retirement future and invest in the time to understand the questions to determine what investment option is in their best interest. Check the Ticker provides an immediate alternative to corporations' concerns with conflicted in-house retirement education and potential fiduciary liability questions. Currently offered education, designed to sell more products for the financial services firms, breaches a fiduciary duty to provide employees bona-fide independent education.

In sum, Check the Ticker eLearning modules eliminate the intermediary costs that add no value, through a curriculum that promotes socially responsible investing through

- Transparency
- Training on SEC disclosures
- Informed choice based on relevant data and holdings analysis that permits selection based on Environmental Social and Governance (ESG) concerns and SEC registered investment company/money manager written objectives
- A systematic framework for analyzing such data
- Online tools that employ API's at costs that permit competitive pricing of visualization tools that foster actionable plans

### Successes

Check the Ticker was introduced to the public on April 1, 2017.

Check the Ticker has begun offering technical training on SEC disclosures, sustainability analysis, and holdings to assist corporate plans in their investment product selection with Environmental Social and Governance (ESG) parameters, while at the same time access to publicly available tools and training on how to eliminate redundant costs at the plan and participant level.

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March 15, 2018

## Challenges

The following are challenges in 2017 that prevented us from achieving all aspects of the specific benefit purpose.

1. As a 2015 Public Investors Bar Association - PIABA<sup>1</sup> study, “**MAJOR INVESTOR LOSSES DUE TO CONFLICTED ADVICE: BROKERAGE INDUSTRY ADVERTISING CREATES THE ILLUSION OF A FIDUCIARY DUTY**” demonstrated, advertising by financial services firms is false and misleading. Without sufficient advertising dollars, Check the Ticker is limited in reaching the number of corporate defined contribution providers and individual participants with the message: The US capital markets are based on SEC disclosures. Without this training, corporate defined contribution plans and IRA investors may pay more than necessary directly impacting the size of retirement savings.
2. Financial services’ firms, their self-regulatory organization, financial services lobbying firms, and U.S. Universities write the only available curriculum for retirement investors which is designed to limit understanding of SEC disclosures to prohibit an informed choice by retirement investors as to what is in their best interest. This curriculum is the only curriculum offered in workplaces and secondary schools today. Check the Ticker is making inroads into certain corporations, but change is too slow to impact the millions of Americans that only have access to a curriculum that benefits financial services firms, not the retirement investor.
3. Many defined contribution plans permit revenue sharing (“pay to play”) that incentivize corporate defined contribution plans to use conflicted education provided by service providers, since they receive payments to do so. Such payment conflicts make it difficult for independent firms access in corporate defined contribution plans.

## Looking Ahead

Check the Ticker eLearning digital retirement solution provides an immediate new alternative to the current costly and problematic retirement distribution channels.

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<sup>1</sup> <https://piaba.org/sites/default/files/newsroom/2015-03/PIABA%20Conflicted%20Advice%20Report.pdf>

Check the Ticker eLearning in the workplace can reach millions of retirement investors that are empowered to understand their retirement investments, holding, and money manager objectives so they can engage and put their life savings to work for the future of our society, for our children, by permitting retirement investors to direct their savings to ESG investment alternatives.

1. The delay of the Department of Labor fiduciary rule makes independent training in the workplace and secondary schools ever more critical. Check the Ticker is meeting this need.

2. The Parkland, Florida school shooting in February 2018, raised a new consciousness of where retirement savings are invested. Thousands viewed Check the Ticker social media Twitter posts concerning disclosures about money managers holding gun stocks and sale of AR-15 rifles. Children have shown their actions make a difference.<sup>2</sup> These children know they have no choice but to act to protect their own lives and their future. In addition to their lobbying efforts, retirement investors are supporting their efforts and learning through Check the Ticker how to invest in a manner that protects our children's future and that of society overall. Retirement investors are learning the value of training in SEC disclosure holdings to they can support these children, whose lives were forever changed by that February shooting.

Saving our society, saving our children has new meaning for ESG retirement investors.

## **What is the Societal Problem that our eLearning Digital Retirement Solution addresses?**

The population of the United States is not prepared to participate in the management of their retirement savings. Hence, Americans are investing in inappropriate and poorly performing investments and are receiving poor and unnecessarily expensive investment advice. Cumulatively, this reduces the populations' retirement savings – and subsequent spending by the retired population – increasing the burden on their children and on society as a whole.

The February 2018 Parkland, Florida shooting demonstrated the cumulative force<sup>3</sup> that retirement investors can make to promote social change through understanding the holdings in

<sup>2</sup> [https://www.washingtonpost.com/news/the-switch/wp/2018/03/08/the-parkland-survivors-are-children-remember-that-when-they-go-viral/?utm\\_term=.ffa40d48bd76](https://www.washingtonpost.com/news/the-switch/wp/2018/03/08/the-parkland-survivors-are-children-remember-that-when-they-go-viral/?utm_term=.ffa40d48bd76)

<sup>3</sup> Retirement Assets Total \$27.2 Trillion in Third Quarter 2017

their retirement. Thousands of retirement investors viewed Check the Ticker twitter feed to learn how to analyze their holdings of gun stocks held in their retirement funds.

SEC Investment Company regulations are based on disclosures. If a corporate 401(k) plan or an individual participant is not trained in how to read, understand and evaluate SEC disclosures, neither the corporation nor the individual participant is capable of making an informed choice.

With intensive technical training and online tools, both corporate 401(k) providers and participants can for the first time evaluate what is in their best interest---from fees, performance, portfolio turnover, to holdings, when socially responsible investing is becoming more critical for retirement investors due to the size of the retirement market and the ability to move retirement savings to effect social change. At the end of third quarter 2017, retirement assets totaled over \$27 trillion, of which over \$16 trillion were held in defined contribution plans and IRAs.<sup>4</sup>

Check the Ticker provides investor education, based on SEC disclosures, that is designed to train recipients on how to evaluate financial instruments in a flexible, efficient and cost effective manner. Check the Ticker provides employers with a new and better option to fulfill their education requirements when they offer a 401(k) and 403(b) savings plan. With no funding conflicts, Check the Ticker SBC addresses this pressing societal benefit.

Check the Ticker is the first independent educational research that promotes the technical education and training to corporate defined contribution plans on (1) Investment Policy Statements, (2) SEC disclosure analysis and SEC registered Investment Company holdings analysis to permit both corporate 401(k) plans and employee participants to exercise independent choices on holdings in the corporate 401(k) and participant choices.

## **Department of Labor Final Rule on IRA Fiduciary Definition Was to Take Effective April 7, 2017**

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**Washington, DC, December 20, 2017** – Total US retirement assets were \$27.2 trillion as of September 30, 2017, up 2.3 percent from June 30, 2017. Retirement assets accounted for 35 percent of all household financial assets in the United States at the end of September 2017.

### **US Total Retirement Market**

*Trillions of dollars, end-of-period, selected periods*

<sup>4</sup> Investment Company Institute [https://www.ici.org/research/stats/retirement/ret\\_17\\_q3](https://www.ici.org/research/stats/retirement/ret_17_q3)

April 8, 2016, the Department of Labor filed in the Federal Register a new rule:

“This document contains a final regulation defining who is a “fiduciary” of an employee benefit plan under the Employee Retirement Income Security Act of 1974 (ERISA or the Act) as a result of giving investment advice to a plan or its participants or beneficiaries. The final rule also applies to the definition of a “fiduciary” of a plan (including an individual retirement account (IRA) under the Internal Revenue Code of 1986 (Code). The final rule treats persons who provide investment advice or recommendations for a fee or other compensation with respect to assets of a plan or IRA as fiduciaries in a wider array of advice relationships. “

This rule is designed to address the shortcomings of the 1975 IRS 5-Part test that establishes who may be deemed a fiduciary advisor to a retirement plan, such as an IRA and provide a private right of action, potential for class action suits, for IRA investors, offering an alternative to conflicted financial services industry’s FINRA mandatory arbitration in brokerage accounts.

### **Delay of Department of Labor 2016 Rule on Fiduciary Definition for IRA**

February 3, 2017, the White House Administration, Congress and certain financial services firms and lobbying groups delayed implementation of this Department of Labor Rule, as stated by President Trump’s current Economic Council Director, Gary Cohn:

“Gary Cohn, White House Economic Council director, told the *Wall Street Journal* in an interview published last night that the administration would also move against a regulation designed to force retirement advisers to work in the best interest of their clients. That “fiduciary rule” is set to take effect in April. Promulgated by the Department of Labor, it’s meant to eliminate conflicts-of-interest among professionals dealing with people enrolled in qualified retirement plans and IRAs.”

“Cohn told the Journal that the rule is “bad” in part because it forces consumers into funds with lower fees even if they are not the best investments for them.”<sup>5</sup>

As the *New York Times* wrote on February 10, 2017, “Is Your Financial Advisor Acting in Your Best Interest”<sup>6</sup>

“But at the end of the day, fiduciary standard or not, investors are going to need to look more closely at what they own and why they continue to own it.” Check the Ticker meets this mandate.

<sup>5</sup> Washington Post, “**Trump to order regulatory rollback Friday for finance industry starting with Dodd-Frank**” By Fred Barbash and Renae Merle February 3

<sup>6</sup> NY Times, Sullivan, Paul, “Is Your Financial Advisor Acting in Your Best Interest”:

<https://www.nytimes.com/2017/02/10/your-money/is-your-financial-advisor-acting-in-your-best-interest.html>



## **Education in Workplace is currently provided by Financial Services Firms**

All education in the workplace, often paid for by defined contribution plan participants, is provided by financial services firms, that also sell investment products, such as managed accounts.

Workplace “financial education” is provided by financial intermediaries, trained to sell products, which are labeled “advisors” and “investment experts” while often having no professional training in investment selection or may not hold a college degree.

Most large defined contribution plans believe it is too difficult to provide ESG investing alternatives<sup>7</sup>. Check the Ticker defies this statement and provides the tools and training to make such education on SEC disclosures and investments possible in every defined contribution plan today.

## **How Does Check the Ticker SBC Address These Societal Problems?**

**Check the Ticker SBC, Independent eLearning, provides a Cost-Effective Alternative to the Existing Distribution Model of Retirement Product and Conflicted Education Offerings in the Workplace**

Check the Ticker provides, for the first time, an alternative to the retirement investor as to how they choose to spend their money:

1. Every retirement investor now has the option to understand how to select the best core retirement money manager, based on strict criteria and data, all derived from SEC filings and independent education.
2. Retirement investors can continue to pay a sales force to purchase a given product, but they now have the interactive tools to evaluate any recommendation, which is mandated with an

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<sup>7</sup> <https://www.nytimes.com/2018/03/02/your-money/why-its-so-hard-to-invest-with-a-social-conscience.html>

ongoing “suitability standard”, where “advice” does not extend beyond the time of investment product sales.

3. Corporate defined contribution plans (401(k) and 403 (b)), as Plan Sponsors, for the first time have the independent training to select money managers that meet their corporate Investment Policy Statement goals as to socially responsible investing and avoid fiduciary liability for excessive fee plans, service providers and poor performance.
  
1. Small businesses need the education and tools to understand SEP and SIMPLE direct plans. They now have an alternative to eliminate investment consultants, broker-dealers and costly 401(k) administration fees and annual 5500 costly filings.
  
2. Retirement investors need the tools to analyze any investment selection, either in their 401(k), 403(b) or HSA or offered by an intermediary for their IRA or SEP.
  
3. Retirement investors, with proper tools and training, have a new cost-effective alternative to existing distribution channels for retirement product. They may go direct.

Technology now provides, through Application Programming Interface (API's)<sup>8</sup> access to regulatory data and simple online tools, the ability for retirement investors and corporate defined contribution providers, access to data to make an informed choice through cost-effective new online protocols that provide immediate transparency. Check the Ticker harnesses this technology, for the very first time, for the retirement investor, in or outside the workplace.

Employers have a responsibility to:

- (1) Inform their employees on the drawbacks and conflicts of investment selection education provided by financial services firms and their representatives.
- (2) Provide bona-fide independent investment selection education so that employees have the tools, training, transparency and resources to make an informed choice in evaluation of any investment product or financial intermediary recommendation.
- (3) Provide tools and training for employees if they choose to invest in socially responsible investments that meet their goals and objectives.

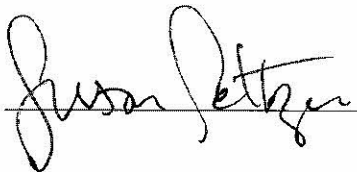
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<sup>8</sup> Wikipedia [https://en.wikipedia.org/wiki/Application\\_programming\\_interface](https://en.wikipedia.org/wiki/Application_programming_interface)

March 15, 2018

## Certifications by Board of Directors

The undersigned, being all the Directors of Check the Ticker SBC, hereby acknowledge and certify that I have reviewed and approved the enclosed Second Annual Specific Benefit Report.

 \_\_\_\_\_ March 15, 2018

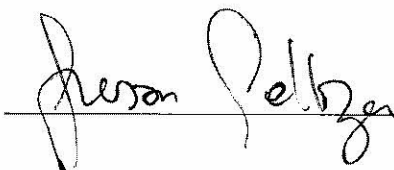
Susan Seltzer  
Chief Executive Officer, President and Secretary

## Submission

### SUBMISSION:

I, the undersigned, certify that I am the President and Secretary of this public benefit corporation. Further certify that I have signed this document no more than 30 days before the document is delivered to the secretary of state for filing, and that this document is current when signed.

I further certify that I have completed all required fields, and that the information in this document is true and correct and in compliance with the applicable chapter of Minnesota Statutes. I understand that by signing this Document I am subject to the penalties of perjury as set forth in Section 609.48 as if I had signed this document under oath.

 \_\_\_\_\_ March 15, 2018

Susan Seltzer  
Chief Executive Officer, President and Secretary



**Work Item 1007402200031**  
**Original File Number 875245000052**

STATE OF MINNESOTA  
OFFICE OF THE SECRETARY OF STATE  
FILED  
03/22/2018 11:59 PM

*Steve Simon*

Steve Simon  
Secretary of State