

*Financial Statements and Supplementary  
Information*

**ASC Dynamic Retirement Trust**

*Year Ended December 31, 2020*

*with Report of Independent Auditors*

# ASC Dynamic Retirement Trust

## Financial Statements and Supplementary Information

Year ended December 31, 2020

### Contents

Report of Independent Auditors.....	1
Audited Financial Statements	
Stable Fund (Formerly Liquidity Fund).....	3
Conservative Fund.....	5
Balanced Fund.....	7
Growth for Retirement Fund.....	9
Target Date Funds.....	11
Notes to Financial Statements.....	33
Supplementary Information	
Schedule of Investments Purchased and Investments Sold.....	41



Ernst & Young LLP  
231 Ypao Road  
Suite 201 Ernst & Young Building  
Tamuning, Guam 96913

Tel: +1 671 649 3700  
Fax: +1 671 649 3920  
ey.com

## Report of Independent Auditors

The Board of Trustees  
ASC Dynamic Retirement Trust

We have audited the accompanying financial statements of the ASC Dynamic Retirement Trust (Stable Fund (*formerly Liquidity Fund*), Conservative Fund, Balanced Fund, Growth for Retirement Fund and Target Date Funds (TDP), collectively, the “Funds”), which comprise the statements of assets and liabilities, including the portfolio of investments as of December 31, 2020, and the related statements of operations, changes in net assets, and financial highlights for the year then ended, and the related notes to the financial statements.

### **Management’s Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Funds’ preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Funds’ internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of the Funds at December 31, 2020, and the results of their operations and changes in their net assets for the year then ended in conformity with U.S. generally accepted accounting principles.

## **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of investments purchased and investments sold is presented for purposes of additional analysis and is not a required part of the financial statements, but is supplementary information required by Regulation 9 of the Comptroller of the Currency. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all material respects, in relation to the financial statements as a whole.

*Ernst + Young LLP*

March 31, 2021

ASC Dynamic Retirement Trust  
**Stable Fund (Formerly Liquidity Fund)**

Statement of Assets and Liabilities  
December 31, 2020

<b>Assets</b>	
Cash	\$ 2,883,482
Receivable	53,687
Investments, at fair value	12,798,078
Total assets	15,735,247
<b>Liabilities</b>	
	-
Net assets (equivalent to \$11.03 per unit based on 1,425,972 units outstanding)	\$ 15,735,247

Statement of Operations  
Year ended December 31, 2020

<b>Investment income and expenses</b>	
Dividend income	\$ 226
Interest income	160,408
Less management fees	(36,426)
Net investment income	124,208
<b>Realized and unrealized gain from investments</b>	
Realized gain on sale of investments	114,356
Unrealized gain on fair value of investments	81,161
Gain on investments	195,517
Net increase in net assets resulting from operations	\$ 319,725

Statement of Changes in Net Assets  
Year ended December 31, 2020

<b>Changes in net assets from operations</b>	
Net investment income	\$ 124,208
Realized gain on sale of investments	114,356
Unrealized gain on fair value of investments	81,161
Net increase in net assets resulting from operations	319,725
<b>Changes in net assets from participants' transactions</b>	
Invested by participants (1,928,903 units)	20,961,905
Withdrawal from participants (1,103,589 units)	(12,019,594)
Net increase in net assets resulting from participants' transactions	8,942,311
Net increase in net assets	9,262,036
Net assets at the beginning of the year	6,473,211
Net assets at the end of the year	\$ 15,735,247

See accompanying notes.

ASC Dynamic Retirement Trust  
**Stable Fund (Formerly Liquidity Fund), continued**

Portfolio of Investments  
December 31, 2020

	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>
<u>Collective Investment Trust (100%)</u>			
<i>Domestic</i>			
Wells Fargo Stable Value Fund C	228,211	\$ 12,674,697	\$ 12,798,078

**Financial Highlights**  
Year ended December 31, 2020

Net asset value, beginning of the year	\$ 10.78
Income from investment operations:	
Net investment income	0.10
Gain on investments	0.15
Total from investment operations	<u>0.25</u>
Net asset value, end of the year	<u>\$ 11.03</u>
Total return per unit	<u>2.32%</u>
Ratio of expenses to average net assets	<u>0.27%</u>
Ratio of net investment income to average net assets	<u>0.91%</u>

*See accompanying notes.*

ASC Dynamic Retirement Trust  
**Conservative Fund**  
Statement of Assets and Liabilities  
December 31, 2020

**Assets**

Investments, at fair value \$ 24,741,228

**Liabilities**

-

Net assets (equivalent to \$13.13 per unit based on  
1,884,451 units outstanding) \$ 24,741,228

Statement of Operations  
Year ended December 31, 2020

**Investment income and expenses**

Dividend income \$ 952,198

Less management fees (145,250)

Net investment income 806,948

**Realized and unrealized gain/loss from investments**

Realized gain on sale of investments 1,013,351

Unrealized loss on fair value of investments (510,391)

Net gain on investments 502,960

Net increase in net assets resulting from operations \$ 1,309,908

Statement of Changes in Net Assets  
Year ended December 31, 2020

**Changes in net assets from operations**

Net investment income \$ 806,948

Realized gain on sale of investments 1,013,351

Unrealized loss on fair value of investments (510,391)

Net increase in net assets resulting from operations 1,309,908

**Changes in net assets from participants' transactions**

Invested by participants (484,579 units) 5,506,993

Withdrawal from participants (451,406 units) (5,457,008)

Net increase in net assets resulting from participants' transactions 49,985

Net increase in net assets 1,359,893

Net assets at the beginning of the year 23,381,335

Net assets at the end of the year \$ 24,741,228

*See accompanying notes.*

ASC Dynamic Retirement Trust

**Conservative Fund, continued**

Portfolio of Investments

December 31, 2020

	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>
<u>Registered Mutual Funds (100%)</u>			
<i>Domestic</i>			
American Funds Conservative Growth and Income Fund	759,339	\$ 9,497,576	\$ 9,810,655
Vanguard LifeStrategy Income Investments	863,039	14,949,614	14,930,573
Total Investments		<u>\$ 24,447,190</u>	<u>\$ 24,741,228</u>

**Financial Highlights**

Year ended December 31, 2020

Net asset value, beginning of the year	\$ 12.63
Income from investment operations:	
Net investment income	0.42
Net gain on investments	<u>0.08</u>
Total from investment operations	<u>0.50</u>
Net asset value, end of the year	<u>\$ 13.13</u>
Total return per unit	<u>3.96%</u>
Ratio of expenses to average net assets	<u>0.62%</u>
Ratio of net investment income to average net assets	<u>3.43%</u>

See accompanying notes.



ASC Dynamic Retirement Trust  
**Balanced Fund**  
Statement of Assets and Liabilities  
December 31, 2020

**Assets**

Investments, at fair value \$ 53,780,274

**Liabilities**

-

Net assets (equivalent to \$15.63 per unit based on  
3,439,832 units outstanding) \$ 53,780,274

**Statement of Operations**  
Year ended December 31, 2020

**Investment income and expenses**

Dividend income \$ 1,812,520

Less management fees (293,432)

Net investment income 1,519,088

**Realized and unrealized gain from investments**

Realized gain on sale of investments 3,740,618

Unrealized gain on fair value of investments 263,173

Gain on investments 4,003,791

Net increase in net assets resulting from operations \$ 5,522,879

**Statement of Changes in Net Assets**  
Year ended December 31, 2020

**Changes in net assets from operations**

Net investment income \$ 1,519,088

Realized gain on sale of investments 3,740,618

Unrealized gain on fair value of investments 263,173

Net increase in net assets resulting from operations 5,522,879

**Changes in net assets from participants' transactions**

Invested by participants (410,878 units) 5,065,186

Withdrawal from participants (580,811 units) (7,751,530)

Net decrease in net assets resulting from participants' transactions (2,686,344)

Net increase in net assets 2,836,535

Net assets at the beginning of the year 50,943,739

Net assets at the end of the year \$ 53,780,274

ASC Dynamic Retirement Trust

**Balanced Fund, continued**

Portfolio of Investments

December 31, 2020

	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>
<u>Registered Mutual Funds (100%)</u>			
<i>Domestic</i>			
American Funds Moderate Growth & Income	1,555,046	\$ 23,231,289	\$ 26,637,932
Vanguard LifeStrategy Moderate Growth Investments	857,578	27,427,076	27,142,342
Total Investments		<u>\$ 50,658,365</u>	<u>\$ 53,780,274</u>

**Financial Highlights**

Year ended December 31, 2020

Net asset value, beginning of the year	\$ 14.11
Income from investment operations:	
Net investment income	0.44
Gain on investments	1.08
Total from investment operations	<u>1.52</u>
Net asset value, end of the year	<u>\$ 15.63</u>
Total return per unit	<u>10.77%</u>
Ratio of expenses to average net assets	<u>0.61%</u>
Ratio of net investment income to average net assets	<u>3.15%</u>

See accompanying notes.

ASC Dynamic Retirement Trust  
**Growth for Retirement Fund**  
Statement of Assets and Liabilities  
December 31, 2020

**Assets**

Investments, at fair value \$ 54,208,966

**Liabilities**

-

Net assets (equivalent to \$17.48 per unit based on  
3,101,933 units outstanding) \$ 54,208,966

**Statement of Operations**  
Year ended December 31, 2020

**Investment income and expenses**

Dividend income \$ 2,198,247

Less management fees (289,014)

Net investment income 1,909,233

**Realized and unrealized gain from investments**

Realized gain on sale of investments 3,904,536

Unrealized gain on fair value of investments 550,448

Gain on investments 4,454,984

Net increase in net assets resulting from operations \$ 6,364,217

**Statement of Changes in Net Assets**  
Year ended December 31, 2020

**Changes in net assets from operations**

Net investment income \$ 1,909,233

Realized gain on sale of investments 3,904,536

Unrealized gain on fair value of investments 550,448

Net increase in net assets resulting from operations 6,364,217

**Changes in net assets from participants' transactions**

Invested by participants (303,135 units) 3,929,286

Withdrawal from participants (559,467 units) (7,876,820)

Net decrease in net assets resulting from participants' transactions (3,947,534)

Net increase in net assets 2,416,683

Net assets at the beginning of the year 51,792,283

Net assets at the end of the year \$ 54,208,966

*See accompanying notes.*

ASC Dynamic Retirement Trust  
**Growth for Retirement Fund, continued**

Portfolio of Investments  
December 31, 2020

	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>
<u>Registered Mutual Funds (100%)</u>			
<i>Domestic</i>			
American Funds Growth & Income	1,553,991	\$ 24,389,485	\$ 26,915,125
Vanguard LifeStrategy Growth Investments	678,276	27,509,356	27,293,841
Total Investments		\$ 51,898,841	\$ 54,208,966

**Financial Highlights**  
Year ended December 31, 2020

Net asset value, beginning of the year	\$	15.42
Income from investment operations:		
Net investment income		0.61
Gain on investments		1.45
Total from investment operations		2.06
Net asset value, end of the year	\$	17.48
Total return per unit		13.36%
Ratio of expenses to average net assets		0.61%
Ratio of net investment income to average net assets		4.01%

*See accompanying notes.*

ASC Dynamic Retirement Trust  
**Target Date 2010 Fund**  
Statement of Assets and Liabilities  
December 31, 2020

**Assets**

Investments, at fair value \$ 16,252,289

**Liabilities**

-

Net assets (equivalent to \$12.88 per unit based on  
1,261,741 units outstanding) \$ 16,252,289

**Statement of Operations**  
Year ended December 31, 2020

**Investment income and expenses**

Dividend income \$ 526,250  
Interest income 27,210  
Less management fees (94,818)  
Net investment income 458,642

**Realized and unrealized gain/loss from investments**

Realized gain on sale of investments 985,784  
Unrealized loss on fair value of investments (95,244)  
Net gain on investments 890,540  
Net increase in net assets resulting from operations \$ 1,349,182

**Statement of Changes in Net Assets**  
Year ended December 31, 2020

**Changes in net assets from operations**

Net investment income \$ 458,642  
Realized gain on sale of investments 985,784  
Unrealized loss on fair value of investments (95,244)  
Net increase in net assets resulting from operations 1,349,182

**Changes in net assets from participants' transactions**

Invested by participants (223,533 units) 2,440,680  
Withdrawal from participants (246,111 units) (2,944,542)

Net decrease in net assets resulting from participants' transactions (503,862)

Net increase in net assets 845,320

Net assets at the beginning of the year 15,406,969

Net assets at the end of the year \$ 16,252,289

*See accompanying notes.*

ASC Dynamic Retirement Trust  
**Target Date 2010 Fund, continued**

Portfolio of Investments  
December 31, 2020

	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>
<u>Registered Mutual Funds (100%)</u>			
<i>Domestic</i>			
American Funds 2010 Target Date Fund	664,409	\$ 7,376,298	\$ 7,826,743
Vanguard Institutional Target Retirement Fund 2010	346,303	8,452,134	8,425,546
Total Investments		\$ 15,828,432	\$ 16,252,289

**Financial Highlights**  
Year ended December 31, 2020

Net asset value, beginning of the year	\$ 12.00
Income from investment operations:	
Net investment income	0.36
Net gain on investments	0.52
Total from investment operations	0.88
Net asset value, end of the year	\$ 12.88
Total return per unit	7.33%
Ratio of expenses to average net assets	0.61%
Ratio of net investment income to average net assets	2.96%

*See accompanying notes.*

ASC Dynamic Retirement Trust  
**Target Date 2015 Fund**  
Statement of Assets and Liabilities  
December 31, 2020

<b>Assets</b>		
	Investments, at fair value	\$ 13,965,353
<b>Liabilities</b>		<u>-</u>
	Net assets (equivalent to \$13.24 per unit based on 1,054,451 units outstanding)	<u><u>\$ 13,965,353</u></u>

**Statement of Operations**  
Year ended December 31, 2020

<b>Investment income and expenses</b>		
	Dividend income	\$ 615,731
	Interest income	16,326
	Less management fees	<u>(84,568)</u>
	Net investment income	<u>547,489</u>
<b>Realized and unrealized gain/loss from investments</b>		
	Realized gain on sale of investments	1,052,431
	Unrealized loss on fair value of investments	<u>(406,715)</u>
	Net gain on investments	<u>645,716</u>
	Net increase in net assets resulting from operations	<u><u>\$ 1,193,205</u></u>

**Statement of Changes in Net Assets**  
Year ended December 31, 2020

<b>Changes in net assets from operations</b>		
	Net investment income	\$ 547,489
	Realized gain on sale of investments	1,052,431
	Unrealized loss on fair value of investments	<u>(406,715)</u>
	Net increase in net assets resulting from operations	<u>1,193,205</u>
<b>Changes in net assets from participants' transactions</b>		
	Invested by participants (188,085 units)	2,060,882
	Withdrawal from participants (344,110 units)	<u>(4,152,457)</u>
	Net decrease in net assets resulting from participants' transactions	<u>(2,091,575)</u>
	Net decrease in net assets	(898,370)
	Net assets at the beginning of the year	<u>14,863,723</u>
	Net assets at the end of the year	<u><u>\$ 13,965,353</u></u>

*See accompanying notes.*

ASC Dynamic Retirement Trust  
**Target Date 2015 Fund, continued**

Portfolio of Investments  
December 31, 2020

	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>
<u>Registered Mutual Funds (100%)</u>			
<i>Domestic</i>			
American Funds 2015 Target Date Fund	555,490	\$ 6,516,467	\$ 6,949,177
Vanguard Institutional Target Retirement Fund 2015	285,675	7,220,324	7,016,176
Total Investments		\$ 13,736,791	\$ 13,965,353

**Financial Highlights**  
Year ended December 31, 2020

Net asset value, beginning of the year	\$	12.28
Income from investment operations:		
Net investment income		0.50
Net gain on investments		0.46
Total from investment operations		0.96
Net asset value, end of the year	\$	13.24
Total return per unit		7.82%
Ratio of expenses to average net assets		0.63%
Ratio of net investment income to average net assets		4.06%

*See accompanying notes.*



ASC Dynamic Retirement Trust  
**Target Date 2020 Fund**  
Statement of Assets and Liabilities  
December 31, 2020

**Assets**

Investments, at fair value \$ 34,687,987

**Liabilities**

-

Net assets (equivalent to \$13.78 per unit based on  
2,517,377 units outstanding) \$ 34,687,987

**Statement of Operations**  
Year ended December 31, 2020

**Investment income and expenses**

Dividend income \$ 1,472,563  
Interest income 19,047  
Less management fees (200,274)  
Net investment income 1,291,336

**Realized and unrealized gain/loss from investments**

Realized gain on sale of investments 2,471,250  
Unrealized loss on fair value of investments (1,075,399)  
Net gain on investments 1,395,851  
Net increase in net assets resulting from operations \$ 2,687,187

**Statement of Changes in Net Assets**  
Year ended December 31, 2020

**Changes in net assets from operations**

Net investment income \$ 1,291,336  
Realized gain on sale of investments 2,471,250  
Unrealized loss on fair value of investments (1,075,399)  
Net increase in net assets resulting from operations 2,687,187

**Changes in net assets from participants' transactions**

Invested by participants (365,915 units) 4,050,858  
Withdrawal from participants (707,722 units) (8,183,555)

Net decrease in net assets resulting from participants' transactions (4,132,697)

Net decrease in net assets (1,445,510)

Net assets at the beginning of the year 36,133,497

Net assets at the end of the year \$ 34,687,987

*See accompanying notes.*

ASC Dynamic Retirement Trust  
**Target Date 2020 Fund, continued**

Portfolio of Investments  
December 31, 2020

	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>
<u>Registered Mutual Funds (100%)</u>			
<i>Domestic</i>			
American Funds 2020 Target Date Fund	1,243,907	\$ 15,895,548	\$ 17,165,913
Vanguard Institutional Target Retirement Fund 2020	667,508	17,784,825	17,522,074
Total Investments		<u>\$ 33,680,373</u>	<u>\$ 34,687,987</u>

**Financial Highlights**  
Year ended December 31, 2020

Net asset value, beginning of the year	\$ 12.64
Income from investment operations:	
Net investment income	0.50
Net gain on investments	0.64
Total from investment operations	<u>1.14</u>
Net asset value, end of the year	<u>\$ 13.78</u>
Total return per unit	<u>9.02%</u>
Ratio of expenses to average net assets	<u>0.62%</u>
Ratio of net investment income to average net assets	<u>3.98%</u>

*See accompanying notes.*

ASC Dynamic Retirement Trust  
**Target Date 2025 Fund**  
Statement of Assets and Liabilities  
December 31, 2020

**Assets**

Investments, at fair value \$ 48,475,048

**Liabilities**

-

Net assets (equivalent to \$14.34 per unit based on  
on 3,379,440 units outstanding) \$ 48,475,048

**Statement of Operations**  
Year ended December 31, 2020

**Investment income and expenses**

Dividend income \$ 1,709,746

Less management fees (259,450)

Net investment income 1,450,296

**Realized and unrealized gain/loss from investments**

Realized gain on sale of investments 4,374,922

Unrealized loss on fair value of investments (430,750)

Net gain on investments 3,944,172

Net increase in net assets resulting from operations \$ 5,394,468

**Statement of Changes in Net Assets**  
Year ended December 31, 2020

**Changes in net assets from operations**

Net investment income \$ 1,450,296

Realized gain on sale of investments 4,374,922

Unrealized loss on fair value of investments (430,750)

Net increase in net assets resulting from operations 5,394,468

**Changes in net assets from participants' transactions**

Invested by participants (448,338 units) 5,180,607

Withdrawal from participants (375,568 units) (4,822,952)

Net increase in net assets resulting from participants' transactions 357,655

Net increase in net assets 5,752,123

Net assets at the beginning of the year 42,722,925

Net assets at the end of the year \$ 48,475,048

*See accompanying notes.*

ASC Dynamic Retirement Trust  
**Target Date 2025 Fund, continued**

Portfolio of Investments  
December 31, 2020

	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>
<u>Registered Mutual Funds (100%)</u>			
<i>Domestic</i>			
American Funds 2025 Target Date Fund	1,562,147	\$ 21,427,648	\$ 24,150,799
Vanguard Institutional Target Retirement Fund 2025	886,129	24,446,017	24,324,249
Total Investments		\$ 45,873,665	\$ 48,475,048

**Financial Highlights**  
Year ended December 31, 2020

Net asset value, beginning of the year	\$ 12.92
Income from investment operations:	
Net investment income	0.43
Net gain on investments	0.99
Total from investment operations	1.42
Net asset value, end of the year	\$ 14.34
Total return per unit	10.99%
Ratio of expenses to average net assets	0.60%
Ratio of net investment income to average net assets	3.37%

*See accompanying notes.*

ASC Dynamic Retirement Trust  
**Target Date 2030 Fund**  
Statement of Assets and Liabilities  
December 31, 2020

**Assets**

Investments, at fair value \$ 54,882,856

**Liabilities**

-

Net assets (equivalent to \$14.89 per unit based on  
3,685,463 units outstanding) \$ 54,882,856

**Statement of Operations**  
Year ended December 31, 2020

**Investment income and expenses**

Dividend income \$ 1,858,746

Less management fees (286,867)

Net investment income 1,571,879

**Realized and unrealized gain/loss from investments**

Realized gain on sale of investments 5,069,896

Unrealized loss on fair value of investments (109,073)

Net gain on investments 4,960,823

Net increase in net assets resulting from operations \$ 6,532,702

**Statement of Changes in Net Assets**  
Year ended December 31, 2020

**Changes in net assets from operations**

Net investment income \$ 1,571,879

Realized gain on sale of investments 5,069,896

Unrealized loss on fair value of investments (109,073)

Net increase in net assets resulting from operations 6,532,702

**Changes in net assets from participants' transactions**

Invested by participants (439,473 units) 5,095,789

Withdrawal from participants (325,050 units) (4,180,569)

Net increase in net assets resulting from participants' transactions 915,220

Net increase in net assets 7,447,922

Net assets at the beginning of the year 47,434,934

Net assets at the end of the year \$ 54,882,856

*See accompanying notes.*

ASC Dynamic Retirement Trust  
**Target Date 2030 Fund, continued**

Portfolio of Investments  
December 31, 2020

	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>
<u>Registered Mutual Funds (100%)</u>			
<i>Domestic</i>			
American Funds 2030 Target Date Fund	1,620,231	\$ 23,776,361	\$ 27,317,096
Vanguard Institutional Target Retirement Fund 2030	979,942	27,596,534	27,565,760
Total Investments		<u>\$ 51,372,895</u>	<u>\$ 54,882,856</u>

**Financial Highlights**  
Year ended December 31, 2020

Net asset value, beginning of the year	\$	13.28
Income from investment operations:		
Net investment income		0.43
Net gain on investments		1.18
Total from investment operations		<u>1.61</u>
Net asset value, end of the year	\$	<u>14.89</u>
Total return per unit		<u>12.12%</u>
Ratio of expenses to average net assets		<u>0.60%</u>
Ratio of net investment income to average net assets		<u>3.29%</u>

*See accompanying notes.*

ASC Dynamic Retirement Trust  
**Target Date 2035 Fund**  
Statement of Assets and Liabilities  
December 31, 2020

**Assets**

Investments, at fair value \$ 46,062,991

**Liabilities**

-

Net assets (equivalent to \$15.53 per unit based on  
2,965,802 units outstanding) \$ 46,062,991

**Statement of Operations**  
Year ended December 31, 2020

**Investment income and expenses**

Dividend income \$ 1,539,801

Less management fees (235,765)

Net investment income 1,304,036

**Realized and unrealized gain from investments**

Realized gain on sale of investments 4,641,205

Unrealized gain on fair value of investments 199,355

Gain on investments 4,840,560

Net increase in net assets resulting from operations \$ 6,144,596

**Statement of Changes in Net Assets**  
Year ended December 31, 2020

**Changes in net assets from operations**

Net investment income \$ 1,304,036

Realized gain on sale of investments 4,641,205

Unrealized gain on fair value of investments 199,355

Net increase in net assets resulting from operations 6,144,596

**Changes in net assets from participants' transactions**

Invested by participants (390,730 units) 4,702,707

Withdrawal from participants (282,419 units) (3,817,153)

Net increase in net assets resulting from participants' transactions 885,554

Net increase in net assets 7,030,150

Net assets at the beginning of the year 39,032,841

Net assets at the end of the year \$ 46,062,991

*See accompanying notes.*

ASC Dynamic Retirement Trust  
**Target Date 2035 Fund, continued**

Portfolio of Investments  
December 31, 2020

	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>
<u>Registered Mutual Funds (100%)</u>			
<i>Domestic</i>			
American Funds 2035 Target Date Fund	1,277,612	\$ 19,280,416	\$ 22,894,808
Vanguard Institutional Target Retirement Fund 2035	806,411	23,158,372	23,168,183
Total Investments		\$ 42,438,788	\$ 46,062,991

**Financial Highlights**  
Year ended December 31, 2020

Net asset value, beginning of the year	\$	13.65
Income from investment operations:		
Net investment income		0.44
Gain on investments		1.44
Total from investment operations		1.88
Net asset value, end of the year	\$	15.53
Total return per unit		13.77%
Ratio of expenses to average net assets		0.60%
Ratio of net investment income to average net assets		3.30%

*See accompanying notes.*



ASC Dynamic Retirement Trust  
**Target Date 2040 Fund**  
Statement of Assets and Liabilities  
December 31, 2020

**Assets**

Investments, at fair value \$ 36,975,523

**Liabilities**

-

Net assets (equivalent to \$15.91 per unit based on  
2,323,317 units outstanding) \$ 36,975,523

**Statement of Operations**  
Year ended December 31, 2020

**Investment income and expenses**

Dividend income \$ 1,166,072  
Less management fees (188,707)  
Net investment income 977,365

**Realized and unrealized gain from investments**

Realized gain on sale of investments 4,021,876  
Unrealized gain on fair value of investments 364,227  
Gain on investments 4,386,103  
Net increase in net assets resulting from operations \$ 5,363,468

**Statement of Changes in Net Assets**  
Year ended December 31, 2020

**Changes in net assets from operations**

Net investment income \$ 977,365  
Realized gain on sale of investments 4,021,876  
Unrealized gain on fair value of investments 364,227  
Net increase in net assets resulting from operations 5,363,468

**Changes in net assets from participants' transactions**

Invested by participants (356,871 units) 4,375,042  
Withdrawal from participants (248,374 units) (3,477,648)

Net increase in net assets resulting from participants' transactions 897,394

Net increase in net assets 6,260,862

Net assets at the beginning of the year 30,714,661

Net assets at the end of the year \$ 36,975,523

*See accompanying notes.*

ASC Dynamic Retirement Trust  
**Target Date 2040 Fund, continued**

Portfolio of Investments  
December 31, 2020

	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>
<u>Registered Mutual Funds (100%)</u>			
<i>Domestic</i>			
American Funds 2040 Target Date Fund	983,845	\$ 15,218,869	\$ 18,358,547
Vanguard Institutional Target Retirement Fund 2040	634,309	18,564,380	18,616,976
Total Investments		\$ 33,783,249	\$ 36,975,523

**Financial Highlights**  
Year ended December 31, 2020

Net asset value, beginning of the year	\$	13.86
Income from investment operations:		
Net investment income		0.42
Gain on investments		1.63
Total from investment operations		2.05
Net asset value, end of the year	\$	15.91
Total return per unit		14.79%
Ratio of expenses to average net assets		0.60%
Ratio of net investment income to average net assets		3.08%

*See accompanying notes.*

ASC Dynamic Retirement Trust  
**Target Date 2045 Fund**  
Statement of Assets and Liabilities  
December 31, 2020

**Assets**

Investments, at fair value \$ 32,954,030

**Liabilities**

-

Net assets (equivalent to \$16.13 per unit based on  
2,043,135 units outstanding) \$ 32,954,030

**Statement of Operations**  
Year ended December 31, 2020

**Investment income and expenses**

Dividend income \$ 1,009,066

Less management fees (161,420)

Net investment income 847,646

**Realized and unrealized gain from investments**

Realized gain on sale of investments 3,436,065

Unrealized gain on fair value of investments 423,365

Gain on investments 3,859,430

Net increase in net assets resulting from operations \$ 4,707,076

**Statement of Changes in Net Assets**  
Year ended December 31, 2020

**Changes in net assets from operations**

Net investment income \$ 847,646

Realized gain on sale of investments 3,436,065

Unrealized gain on fair value of investments 423,365

Net increase in net assets resulting from operations 4,707,076

**Changes in net assets from participants' transactions**

Invested by participants (296,924 units) 3,698,798

Withdrawal from participants (186,364 units) (2,436,415)

Net increase in net assets resulting from participants' transactions 1,262,383

Net increase in net assets 5,969,459

Net assets at the beginning of the year 26,984,571

Net assets at the end of the year \$ 32,954,030

*See accompanying notes.*

ASC Dynamic Retirement Trust  
**Target Date 2045 Fund, continued**

Portfolio of Investments  
December 31, 2020

	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>
<u>Registered Mutual Funds (100%)</u>			
<i>Domestic</i>			
American Funds 2045 Target Date Fund	860,915	\$ 13,571,753	\$ 16,443,472
Vanguard Institutional Target Retirement Fund 2045	552,377	16,431,360	16,510,558
Total Investments		\$ 30,003,113	\$ 32,954,030

**Financial Highlights**  
Year ended December 31, 2020

Net asset value, beginning of the year	\$	13.96
Income from investment operations:		
Net investment income		0.43
Gain on investments		1.74
Total from investment operations		2.17
Net asset value, end of the year	\$	16.13
Total return per unit		15.54%
Ratio of expenses to average net assets		0.59%
Ratio of net investment income to average net assets		3.11%

*See accompanying notes.*

ASC Dynamic Retirement Trust  
**Target Date 2050 Fund**  
Statement of Assets and Liabilities  
December 31, 2020

<b>Assets</b>		
	Investments, at fair value	\$ 26,652,873
<b>Liabilities</b>		<u>-</u>
	Net assets (equivalent to \$16.15 per unit based on 1,650,152 units outstanding)	<u>\$ 26,652,873</u>

Statement of Operations  
Year ended December 31, 2020

<b>Investment income and expenses</b>		
	Dividend income	\$ 810,370
	Less management fees	<u>(128,638)</u>
	Net investment income	<u>681,732</u>
<b>Realized and unrealized gain from investments</b>		
	Realized gain on sale of investments	2,804,630
	Unrealized gain on fair value of investments	<u>441,445</u>
	Gain on investments	<u>3,246,075</u>
	Net increase in net assets resulting from operations	<u>\$ 3,927,807</u>

Statement of Changes in Net Assets  
Year ended December 31, 2020

<b>Changes in net assets from operations</b>		
	Net investment income	\$ 681,732
	Realized gain on sale of investments	2,804,630
	Unrealized gain on fair value of investments	<u>441,445</u>
	Net increase in net assets resulting from operations	<u>3,927,807</u>
<b>Changes in net assets from participants' transactions</b>		
	Invested by participants (270,260 units)	3,375,048
	Withdrawal from participants (126,900 units)	<u>(1,708,472)</u>
	Net increase in net assets resulting from participants' transactions	<u>1,666,576</u>
	Net increase in net assets	5,594,383
	Net assets at the beginning of the year	<u>21,058,490</u>
	Net assets at the end of the year	<u>\$ 26,652,873</u>

See accompanying notes.

ASC Dynamic Retirement Trust  
**Target Date 2050 Fund, continued**

Portfolio of Investments  
December 31, 2020

	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>
<u>Registered Mutual Funds (100%)</u>			
<i>Domestic</i>			
American Funds 2050 Target Date Fund	708,736	\$ 10,940,459	\$ 13,331,322
Vanguard Institutional Target Retirement Fund 2050	444,496	13,257,722	13,321,551
Total Investments		<u>\$ 24,198,181</u>	<u>\$ 26,652,873</u>

**Financial Highlights**  
Year ended December 31, 2020

Net asset value, beginning of the year	\$ 13.97
Income from investment operations:	
Net investment income	0.43
Gain on investments	1.75
Total from investment operations	<u>2.18</u>
Net asset value, end of the year	<u>\$ 16.15</u>
Total return per unit	<u>15.60%</u>
Ratio of expenses to average net assets	<u>0.59%</u>
Ratio of net investment income to average net assets	<u>3.12%</u>

*See accompanying notes.*

ASC Dynamic Retirement Trust  
**Target Date 2055 Fund**  
Statement of Assets and Liabilities  
December 31, 2020

**Assets**

Investments, at fair value \$ 21,336,297

**Liabilities**

-

Net assets (equivalent to \$16.15 per unit based on  
1,321,115 units outstanding) \$ 21,336,297

**Statement of Operations**  
Year ended December 31, 2020

**Investment income and expenses**

Dividend income \$ 645,278

Less management fees (100,697)

Net investment income 544,581

**Realized and unrealized gain from investments**

Realized gain on sale of investments 2,140,273

Unrealized gain on fair value of investments 494,708

Gain on investments 2,634,981

Net increase in net assets resulting from operations \$ 3,179,562

**Statement of Changes in Net Assets**  
Year ended December 31, 2020

**Changes in net assets from operations**

Net investment income \$ 544,581

Realized gain on sale of investments 2,140,273

Unrealized gain on fair value of investments 494,708

Net increase in net assets resulting from operations 3,179,562

**Changes in net assets from participants' transactions**

Invested by participants (283,608 units) 3,603,448

Withdrawal from participants (99,048 units) (1,339,372)

Net increase in net assets resulting from participants' transactions 2,264,076

Net increase in net assets 5,443,638

Net assets at the beginning of the year 15,892,659

Net assets at the end of the year \$ 21,336,297

*See accompanying notes.*

ASC Dynamic Retirement Trust  
**Target Date 2055 Fund, continued**

Portfolio of Investments  
December 31, 2020

	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>
<u>Registered Mutual Funds (100%)</u>			
<i>Domestic</i>			
American Funds 2055 Target Date Fund	450,825	\$ 8,751,331	\$ 10,671,017
Vanguard Institutional Target Retirement Fund 2055	354,918	10,628,531	10,665,280
Total Investments		\$ 19,379,862	\$ 21,336,297

**Financial Highlights**  
Year ended December 31, 2020

Net asset value, beginning of the year	\$	13.98
Income from investment operations:		
Net investment income		0.43
Gain on investments		1.74
Total from investment operations		2.17
Net asset value, end of the year	\$	16.15
Total return per unit		15.52%
Ratio of expenses to average net assets		0.58%
Ratio of net investment income to average net assets		3.15%

*See accompanying notes.*



ASC Dynamic Retirement Trust  
**Target Date 2060 Fund**  
Statement of Assets and Liabilities  
December 31, 2020

**Assets**

Investments, at fair value \$ 7,241,276

**Liabilities**

-

Net assets (equivalent to \$14.84 per unit based on  
487,953 units outstanding) \$ 7,241,276

**Statement of Operations**  
Year ended December 31, 2020

**Investment income and expenses**

Dividend income \$ 198,768

Less management fees (31,681)

Net investment income 167,087

**Realized and unrealized gain from investments**

Realized gain on sale of investments 761,440

Unrealized gain on fair value of investments 168,303

Gain on investments 929,743

Net increase in net assets resulting from operations \$ 1,096,830

**Statement of Changes in Net Assets**  
Year ended December 31, 2020

**Changes in net assets from operations**

Net investment income \$ 167,087

Realized gain on sale of investments 761,440

Unrealized gain on fair value of investments 168,303

Net increase in net assets resulting from operations 1,096,830

**Changes in net assets from participants' transactions**

Invested by participants (154,094 units) 1,850,000

Withdrawal from participants (36,850 units) (465,036)

Net increase in net assets resulting from participants' transactions 1,384,964

Net increase in net assets 2,481,794

Net assets at the beginning of the year 4,759,482

Net assets at the end of the year \$ 7,241,276

*See accompanying notes.*

ASC Dynamic Retirement Trust  
**Target Date 2060 Fund, continued**

Portfolio of Investments  
December 31, 2020

	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>
<u>Registered Mutual Funds (100%)</u>			
<i>Domestic</i>			
American Funds 2060 Target Date Fund	228,282	\$ 2,925,130	\$ 3,613,707
Vanguard Institutional Target Retirement Fund 2060	120,357	3,668,787	3,627,569
Total Investments		<u>\$ 6,593,917</u>	<u>\$ 7,241,276</u>

**Financial Highlights**  
Year ended December 31, 2020

Net asset value, beginning of the year	\$	12.83
Income from investment operations:		
Net investment income		0.38
Gain on investments		1.63
Total from investment operations		<u>2.01</u>
Net asset value, end of the year	\$	<u>14.84</u>
Total return per unit		<u>15.67%</u>
Ratio of expenses to average net assets		<u>0.44%</u>
Ratio of net investment income to average net assets		<u>2.31%</u>

*See accompanying notes.*

# ASC Dynamic Retirement Trust

## Notes to Financial Statements

Year ended December 31, 2020

### 1. Organization and Fund Descriptions

#### Organization

ASC Dynamic Retirement Trust (the Collective Trust) is a collective investment fund under the Guam Collective Investment Funds Act (CIFA) established through a Declaration and Plan of Trust on September 15, 2013 by ASC Trust, LLC (formerly ASC Trust Corporation), the Trustee. The Trustee is a closely-held trust company under the Guam-Based Trust Companies Act. The Trustee's objective in establishing the Collective Trust is to administer a collective trust maintained exclusively for the collective investment and reinvestment of assets contributed thereto by eligible pension and profit sharing trusts and other eligible entities.

The Collective Trust consists of separate investments Funds (Stable Fund (Formerly Liquidity Fund), Conservative Fund, Balanced Fund, Growth for Retirement Fund and Target Date Funds (TDP), collectively, the "Funds") with differing investment objectives.

The Trustee has the exclusive management and control of the Collective Trust and holds and manages all assets contributed thereto in trust in accordance with the terms and conditions set forth on the Declaration and Plan of Trust. The Trustee has engaged Raymond James (RJ) to provide investment advisory services for the Collective Trust. RJ performs consulting services such as asset allocation, performance reporting, investment options, fund searches, identification of investment advisors, identification of exchange-traded funds (ETFs) as well as trading and execution services. RJ maintains a presence in the region with a fully staffed office in Guam which allows them to regularly meet with the Trustee to discuss market conditions and investment performance. While the Trustee generally relies on RJ to manage the Collective Trust assets, the Trustee maintains ultimate fiduciary authority over the management of, investments made, in each Fund.

#### Purpose

The purpose of the Collective Trust is to allow plan sponsors of retirement plans which qualify for exemption from federal income taxation of the Internal Revenue Code (the Code), to invest plan assets in investments under the Collective Trust.

The Funds provide an appropriate mix of investments that has the potential to produce the desired return while reducing volatility in the overall value of the portfolio. Use of one or more of the Funds can meet a wide variety of investment objectives and offers a degree of flexibility and diversification difficult to achieve in investment portfolios composed of individual securities. The Funds primarily invest in registered mutual funds, collective trust funds, loans and money market certificates.

## ASC Dynamic Retirement Trust

### Notes to Financial Statements, continued

#### **1. Organization and Fund Descriptions, continued**

##### *Fund Investment Objectives*

*Stable Fund (Formerly Liquidity Fund).* The primary goal of this fund is capital preservation. Investors in this Fund require immediate access to their investments. Investment management is focused on asset stability first and income second.

*Conservative Fund.* The primary goal of this fund is to provide current income with limited capital appreciation. Investors in this Fund require access to their investments within six years. With this, investment management is focused on balancing asset stability and income.

*Balanced Fund.* The primary goal of this fund is moderate capital appreciation. Due to their time horizon, investors in this Fund can tolerate some level of fluctuations in the value of their investments in the short-term in anticipation of possible higher returns. With this, investment management is focused on stable growth.

*Growth for Retirement Fund.* The primary goal of this fund is to provide long-term capital appreciation. Due to their time horizons, investors in this Fund can tolerate substantial fluctuations in the value of their investments in the short-term in anticipation of possible higher returns. With this, investment management is focused on long-term capital appreciation.

*Target Date Funds.* These funds are age-weighted strategies that create an allocation that is based on a participant's age and years to retirement.

##### *Participation*

Each participating unit in each of the Funds represents a proportionate interest in every asset. Although the individual participating accounts are invested collectively, each retains its own identity and is administered separately by the Trustee.

## ASC Dynamic Retirement Trust

### Notes to Financial Statements, continued

#### **2. Significant Accounting Policies**

##### *Use of Estimates*

The preparation of financial statements in conformity with U.S. generally accepted accounting principles (US GAAP) requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

##### *Cash and Cash Equivalents*

Cash consists of cash proceeds of Loan Notes sold December 28, 2020, pending reinvestment as of December 31, 2020. Cash equivalents consisted of a money market certificate with original maturity of one year when purchased.

##### *Loan*

Loan notes consisted of a borrowing which was fully collateralized by the borrower's investments in common stock. Loan notes were held on the Funds' statements of assets and liabilities in 2019 at cost basis and were subsequently sold at cost on December 28, 2020.

##### *Investment Valuation*

Investments in registered mutual funds are valued based on quoted prices in active markets on the day of valuation. Investment in collective trust fund is valued at its net asset value on the day of valuation. The cost of investments sold is determined by the average cost method.

##### *Investment Income*

The Funds record investment transactions on the trade date. Dividend income is recognized on the ex-dividend date, and interest income is recognized on an accrual basis. Dividend income and realized gains and losses from security transactions are allocated to units outstanding immediately prior to participants' investments and withdrawals at the end of each day. Investment income is reinvested into the Funds.

##### *Units Issued and Redeemed*

Unit investments and withdrawals are transacted at the net asset value per unit of the Fund determined as of the close of each business day. The Fund issues new shares and repurchases outstanding shares on a daily basis at the net asset value per unit. Each participating plan may withdraw, in whole or in part, amounts from its capital account, upon notice to the Trustee.

## ASC Dynamic Retirement Trust

### Notes to Financial Statements, continued

#### **2. Significant Accounting Policies, continued**

##### *Income Taxes*

The Collective Trust is a qualified Trust under Section 401(a) of the Code and as such, no provision for income taxes is required. It is intended that the Collective Trust and the Funds be exempt from taxation under Section 501(a) of the Code and qualify as a “group trust” under Revenue Ruling 81-100 and other applicable Internal Revenue Service rules and regulations.

##### *Expenses*

In accordance with the Declaration and Plan of Trust, the Trustee may charge the Funds in the Collective Trust for audit and valuation fees incurred. Expenses which cannot be directly attributed to specific Funds are apportioned among the Funds in the Collective Trust.

##### *Recently Adopted Accounting Standard*

In August 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2018-13, *Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement*, which eliminates, adds and modifies certain disclosure requirements for fair value measurements. The amendments are effective for all entities for fiscal years beginning after December 15, 2019, but entities are permitted to early adopt either the entire standard or only the provisions that eliminate or modify the fair value disclosures. The Trustee has evaluated the provisions of ASU 2018-13 on the fair value disclosure requirements and determined that there is no impact on the financial statements.

##### *Subsequent Events*

Management has considered subsequent events through March 31, 2021, which is the date the financial statements were available to be issued.

## ASC Dynamic Retirement Trust

### Notes to Financial Statements, continued

#### 3. Fair Value of Financial Assets and Liabilities

##### Fair Value Hierarchy

The fair value framework establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described below.

Level 1: Unadjusted quoted prices in active markets that are accessible to the reporting entity at the measurement date for identical assets and liabilities.

Level 2: Inputs other than quoted prices in active markets for identical assets and liabilities that are observable either directly or indirectly for substantially the full term of the asset or liability. Level 2 inputs include the following:

- Quoted prices for similar assets and liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in markets that are not active
- Observable inputs other than quoted prices that are used in the valuation of the asset or liabilities (e.g., interest rate and yield curve quotes at commonly quoted intervals)
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3: Unobservable inputs for the asset or liability (i.e., supported by little or no market activity). Level 3 inputs include management's own assumption about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk).

A financial asset's or liability's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

## ASC Dynamic Retirement Trust

### Notes to Financial Statements, continued

#### 3. Fair Value of Financial Assets and Liabilities, continued

##### Fair Value Hierarchy, continued

The following tables set forth by level, within the fair value hierarchy, the Funds' assets carried at fair value as of December 31, 2020:

	<b>Assets at Fair Value at December 31, 2020</b>	
	<b>Level 1</b>	<b>Total</b>
Stable Fund (formerly Liquidity Fund) - Collective Trust Fund	\$ 12,798,078	\$ 12,798,078
Conservative Fund - Registered Mutual Funds	24,741,228	24,741,228
Balanced Fund - Registered Mutual Funds	53,780,274	53,780,274
Growth for Retirement Fund - Registered Mutual Funds	54,208,966	54,208,966
Target Date Funds - Registered Mutual Funds		
2010	16,252,289	16,252,289
2015	13,965,353	13,965,353
2020	34,687,987	34,687,987
2025	48,475,048	48,475,048
2030	54,882,856	54,882,856
2035	46,062,991	46,062,991
2040	36,975,523	36,975,523
2045	32,954,030	32,954,030
2050	26,652,873	26,652,873
2055	21,336,297	21,336,297
2060	7,241,276	7,241,276
Total Target Date Funds	339,486,523	339,486,523
Total investments at fair value	<u>\$ 485,015,069</u>	<u>\$ 485,015,069</u>

#### Assets and Liabilities Measured at Fair Value on a Recurring Basis

##### *Registered Mutual Funds*

Fair values of mutual funds were determined based on quoted prices in active markets. Therefore, the fair value inputs were deemed to be Level 1 measurements.



## ASC Dynamic Retirement Trust

### Notes to Financial Statements, continued

#### **3. Fair Value of Financial Assets and Liabilities, continued**

##### **Assets and Liabilities Measured at Fair Value on a Recurring Basis, continued**

###### *Collective Trust Fund*

Participants transact at net asset value and requests are completed within 1 business day.

The fair value of the collective trust fund was calculated using the net asset value per share with readily determinable fair value and is the basis for current transactions. Therefore, the fair value inputs were deemed to be Level 1 measurements as of the valuation date.

#### **4. Related Party Transactions - Management fees**

The Collective Trust pays fees to ASC Trust, LLC for its investment management services equal to a range of 30 basis points (0.30%) to 65 basis points (0.65%) of the value of each Fund's assets payable in arrears on a quarterly basis by assessment against the participating trust's interest in each Fund. This fee will be used to cover the costs of running the Funds as well as compensating other service providers to include, but not limited to, brokers, financial intermediaries, third party administrators, recordkeepers, sub-transfer agents, auditors, custodians, sub-custodians, tax services, portfolio accounting, performance monitoring, legal services, investment advisors, and annual report preparation and distribution.

#### **5. Risks Associated with Investing in the Collective Trust**

In the normal course of business, the Funds trade financial instruments and enter into financial transactions where risk of potential loss exists due to changes in the fair value of the securities.

Some or all of the securities held by the Collective Trust may decline in value due to factors affecting securities' markets generally or particular industries represented in those markets. Values of securities may also decline due to general market conditions which are not related to a particular company, such as real or perceived economic conditions, changes in interest or currency rates, future expectations or investor confidence. They may also decline due to factors affecting particular industries, such as increased production costs, competitive conditions within an industry or labor shortages. Additionally, the ability of the Collective Trust to dispose of or value accurately an instrument may be adversely affected by market or economic conditions.

## ASC Dynamic Retirement Trust

### Notes to Financial Statements, continued

#### **5. Risks Associated with Investing in the Collective Trust, continued**

Securities in a particular industry or market sector may underperform securities in other industries or sectors in the market. Because the Collective Trust invests a substantial portion of its assets in related industries or sectors, there may be greater risk because companies in these industries may share common characteristics and may react similarly to market developments.

The value of a security may decline for number of reasons that directly relate to the issuer, such as management performance, financial leverage and reduced demand for the issuer's goods or services.

Poor security selection by the sub-advisor may cause the Collective Trust to underperform funds with similar objectives or relative benchmarks.

#### **6. Coronavirus Pandemic**

On January 30, 2020, the International Health Regulations Emergency Committee of the World Health Organization declared the novel coronavirus (COVID-19) outbreak as a "Public Health Emergency of International Concern" and on March 11, 2020, the outbreak was characterized as a pandemic.

As there continues to be uncertainty around the breadth and duration of impact of COVID-19 on the financial markets and the fair value of Collective Trust's investments, management is unable at this time to reasonably estimate the potential future impact on the Collective Trust's financial statements.

## Supplementary Information

## ASC Dynamic Retirement Trust

### Schedule of Investments Purchased and Investments Sold (In Summary)

Year ended December 31, 2020

	<b>Stable Fund (formerly Liquidity Fund)</b>	<b>Conservative Fund</b>	<b>Balanced Fund</b>	<b>Growth for Retirement Fund</b>	<b>TDP 2010</b>
<b>Registered Mutual Funds</b>					
Purchases at Cost	\$ 24,186	\$ 25,360,314	\$ 34,891,405	\$ 36,726,798	\$ 13,732,154
Sale proceeds	36,194	24,503,382	36,058,660	38,765,102	12,772,199
Realized gain	883	1,013,351	3,740,618	3,904,536	985,784
<b>Collective Trust Fund</b>					
Purchases at Cost	\$ 23,120,499	-	-	-	-
Sale proceeds	14,300,310	-	-	-	-
Realized gain	113,473	-	-	-	-
<b>Money Market-Cash or Cash Equivalent</b>					
Purchases at Cost	\$ 3,022,652	\$ 326,880	\$ 636,595	\$ 571,240	\$ 231,702
Sale proceeds	2,085,484	326,880	636,595	571,240	231,702
Realized gain	-	-	-	-	-
<b>Loan</b>					
Purchases at Cost	\$ 2,362,553	-	-	-	\$ 28,035
Sale proceeds	3,041,384	-	-	-	1,033,210
Realized gain	-	-	-	-	-
<b>Total All Funds</b>					
Purchases at Cost	\$ 28,529,890	\$ 25,687,194	\$ 35,528,000	\$ 37,298,038	\$ 13,991,891
Sale proceeds	19,463,372	24,830,262	36,695,255	39,336,342	14,037,111
Realized gain	114,356	1,013,351	3,740,618	3,904,536	985,784

## ASC Dynamic Retirement Trust

### Schedule of Investments Purchased and Investments Sold, continued (In Summary)

Year ended December 31, 2020

	TDP 2015	TDP 2020	TDP 2025	TDP 2030	TDP 2035
<b>Registered Mutual Funds</b>					
Purchases at Cost	\$ 18,138,631	\$ 24,282,087	\$ 31,688,498	\$ 35,039,657	\$ 29,888,865
Sale proceeds	19,079,612	26,419,454	29,880,547	32,552,558	27,699,275
Realized gain	1,052,431	2,470,878	4,374,922	5,069,896	4,641,205
<b>Collective Trust Fund</b>					
Purchases at Cost	\$ -	\$ 1,377,334	\$ -	\$ -	\$ -
Sale proceeds	-	1,377,706	-	-	-
Realized gain	-	372	-	-	-
<b>Money Market-Cash or Cash Equivalent</b>					
Purchases at Cost	\$ 187,808	\$ 428,599	\$ 528,140	\$ 642,614	\$ 493,564
Sale proceeds	187,808	428,599	528,140	642,614	493,564
Realized gain	-	-	-	-	-
<b>Loan</b>					
Purchases at Cost	\$ 16,821	\$ 19,049	\$ -	\$ -	\$ -
Sale proceeds	619,926	722,671	-	-	-
Realized gain	-	-	-	-	-
<b>Total All Funds</b>					
Purchases at Cost	\$ 18,343,260	\$ 26,107,069	\$ 32,216,638	\$ 35,682,271	\$ 30,382,429
Sale proceeds	19,887,346	28,948,430	30,408,687	33,195,172	28,192,839
Realized gain	1,052,431	2,471,250	4,374,922	5,069,896	4,641,205

## ASC Dynamic Retirement Trust

### Schedule of Investments Purchased and Investments Sold, continued (In Summary)

Year ended December 31, 2020

	<b>TDP 2040</b>	<b>TDP 2045</b>	<b>TDP 2050</b>	<b>TDP 2055</b>	<b>TDP 2060</b>
<b>Registered Mutual Funds</b>					
Purchases at Cost	\$ 24,554,561	\$ 21,526,148	\$ 17,717,643	\$ 15,071,531	\$ 9,265,957
Sale proceeds	22,679,803	19,416,120	15,369,335	12,262,874	7,713,907
Realized gain	4,021,876	3,436,065	2,804,630	2,140,273	761,440
<b>Money Market-Cash or Cash Equivalent</b>					
Purchases at Cost	\$ 314,331	\$ 233,881	\$ 201,311	\$ 159,031	\$ 52,750
Sale proceeds	314,331	233,881	201,311	159,031	52,750
Realized gain	-	-	-	-	-
<b>Total All Funds</b>					
Purchases at Cost	\$ 24,868,892	\$ 21,760,029	\$ 17,918,954	\$ 15,230,562	\$ 9,318,707
Sale proceeds	22,994,134	19,650,001	15,570,646	12,421,905	7,766,657
Realized gain	4,021,876	3,436,065	2,804,630	2,140,273	761,440