

Retirement Plan Services Proposal Lookbook

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Please note the following:

- Content is updated on a quarterly basis, please obtain the most current content from Chelsea Batts-Wood or Kelly McGee.

Questions?

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DEFINED CONTRIBUTION PLAN SERVICES

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WHAT WE HEARD – DEFINED CONTRIBUTION PLAN

Company Profile

HEADQUARTERS: **Sample**
NO. LOCATIONS: **Sample**
NO. EMPLOYEES: **Sample**
OWNERSHIP: **Public**

Plan Profile
TOTAL PLAN ASSETS: **\$10,000,000**
PROVIDER: **Sample**
NO. PARTICIPANTS: **Sample**
PLAN TYPE: **Sample**

Key Objectives

- Enlist independent retirement specialist with expertise in the areas of defined contribution, defined benefit, fiduciary best practices, and investment management
- Develop a robust participant education program
- Identify potential cost savings through fee benchmarking
- Engage independent fiduciary to consult investment committee on procedural prudence
- Address plan design, investments, and fiduciary updates

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ABOUT CAPTRUST

Presentation of Retirement Advisory Services

Data as of 12/31/2021

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ABOUT CAPTRUST



Corporate Structure and Ownership

- 36-year operating history
- Culture of employee ownership
- 1,088 employees
- More than 3,000 institutional clients
- \$719 billion in client assets under advisement
- 98% client retention (average since 2009)

Locations

AKRON, OH	CHICAGO, IL	GREENSBURG, PA	LEXINGTON, VA	PITTSBURGH, PA
ALLENSTOWN, PA	CLARKSTON, MI	GREENVILLE, SC	LODO, CO	RALEIGH, NC
ATLANTA, GA	COLUMBIA, MD	GREENWOOD VILLAGE, CO	LITTLETON, CO	RICHMOND, VA
AUSTIN, TX (2)	CORPUS CHRISTI, TX	LYNCHBURG, VA	RIVERSIDE, CA	RIVERSIDE, CA
BETHLEHEM, PA	DALLAS, TX (2)	HARRISONBURG, VA	MINEAPOLIS, MN	WASHINGTON, DC
BIRMINGHAM, AL	DAMASCUS, OR	HOUSTON, TX	MONTGOMERY, AL	WAYZATA, MN
BOerne, TX	DOYLESTOWN, PA	JACKSONVILLE, FL	ROANOKE, VA	WEST CENTER TOWNSHIP, OH
BOSTON, MA (2)	DRAPER, UT	LAKE MARY, FL	NASHVILLE, TN	WEST DES MOINES, IA
CARPINETRIA, CA	FOLSOM, CA	LAKE SUCCESS, NY	NEW YORK, NY	WESTLAKE VILLAGE, CA
CHICAGO, IL	GRANITE BAY, MI	LAKE VISTA, NV	NORTH MIAMI, FL	WILMINGTON, NC
CHESTERTON, IN	GREENSBURG, NC	LEWISTON, ID	OKLAHOMA CITY, OK	SANTA BARBARA, CA
		LEXINGTON, KY	PEACHTREE CITY, GA	SOUTHFIELD, MI
			PHOENIX, AZ	

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HOW WE CAN HELP

We provide investment advisory services to retirement plan fiduciaries, endowments and foundations, and wealth planning services to executives, business owners, and families.

INSTITUTIONS



RETIREMENT PLAN SPONSORS



ENDOWMENTS & FOUNDATIONS



RELIGIOUS ORGANIZATIONS

INDIVIDUALS



INDIVIDUAL INVESTORS & FAMILIES



RETIREMENT PLAN PARTICIPANTS



EXECUTIVES & BUSINESS OWNERS



PROFESSIONAL ATHLETES

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REPRESENTATIVE CLIENT LIST BY INDUSTRY

BioTech and Pharmaceutical

Ironwood Pharmaceuticals, Inc.
Jazz Pharmaceuticals, Inc.
LanWest Corporation
Regeneron Pharmaceuticals, Inc.
Sunovion Pharmaceuticals, Inc.

Broadcast & Print Media

Adams Publishing Group, LLC
Discovery Communications, LLC
McKinsey Ventures, LLC
NEP Broadcasting, LLC

Communication and Information Technology

Allon Science and Technology Corporation
Allscripts
Dymex Technologies
Infinet Technologies

Education

Barry University
Baylor University
Duke University
Furman University
Regent University
University of Arkansas System
University of Maine System
Villanova University

Energy

Alabama Power Company
Central Iowa Power Cooperative
Continental Resources, Inc.
Fluor Federal Petroleum Operations LLC
Noble Drilling Services, Inc.

Finance and Insurance

AAA Benefits
Blue Cross and Blue Shield of North Carolina
Johnson Financial Group, Inc.
SECURA Insurance

Food and Beverage

Bear's Head Provisions Co. Inc.
Bojangles' Restaurants, Inc.
Coca-Cola Consolidated Inc.
Foremost Farms USA
Herr Foods, Inc.
Krispy Kreme Doughnut Corporation

Healthcare and Hospitals

Baptist Healthcare System, Inc.
Duke Health System
Georgetown Hospital System
Gilead Children's Specialty Healthcare
Primo Healthcare Services, Inc.
TMC Healthcare

Legal and Professional Services

Baron & Budd, P.C.
Finney, Henderson, Farabow, Garrett and Dunner
Günster Yasaki & Stewart PA
Munger, Tolles & Olson LLP
Sterne, Kessler, Goldstein & Fox
Wyrick Robbins Yates & Ponton LLP

Manufacturing

Avon Products, Inc.
Commercial Metals Company
Comcast Products Corporation
FUJIIFILM Manufacturing USA, Inc.
Novis Corporation
Pella Corporation

Nonprofit Organizations

Bechtel Children's Heart Foundation
Foundation of the Americas
Navigate Affordable Housing Partners
Vidant Health Foundation

Retail

Kontour Brands, Inc.
Public Storage
Sheets, Inc.
The Container Store
Tops Markets, LLC

Representative clients were selected to illustrate the broad diversity of the firm's client base by type, size, and/or industry. This list should not be construed as an endorsement, reference, or claim from representative clients regarding the quality of services CAPTRUST provides.

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CAPTRUST NAMED LARGEST RIA FOR SIXTH YEAR



In July 2021, CAPTRUST was named the largest registered investment advisor (RIA) by Financial Advisor magazine, based on 2020 assets. This is the sixth year in a row that CAPTRUST has taken the top spot on the list, among firms with more than \$1 billion in assets.

*Source: Financial Advisor magazine, 2016, 2017, 2018, 2019, 2020, and 2021. Category: Assets \$1 billion and over.

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OUR UNIQUE VALUE PROPOSITION



With 36 years of continuous focus, learning, and reinvestment, we have developed compelling resources and expertise that we can translate into effective advice for our clients.

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Aligned Interests

- Objective and unbiased investment advisors
- 100% of revenue is derived from client advisory services
- Retirement specialists
- Dedicated subject matter experts by practice

Unique Perspective

- Depth of resources
- Industry leverage

Proven Results

- 3,500+ due diligence calls annually and 350+ on-site interviews
- 543 service/fee benchmarking projects conducted in 2021
- More than 3.9 million institutional plan participants across all 50 states



PROVIDING RETIREMENT ADVICE IS OUR BUSINESS

By design, we are completely aligned with you and motivated to produce better results.

- Our role as fiduciary ensures that we provide objective, unbiased advice because we are fundamentally motivated to help you fulfill your fiduciary role.
- We focus exclusively on the best interests of our clients.

Our depth of resources, industry leverage, and unique perspective enable us to deliver effective solutions across the retirement continuum.

- Drawing on years of experience from serving a broad and diverse clientele, we have developed a unique perspective that drives our advice and solutions.
- Our market leadership enables us to provide our clients with the influence and leverage to negotiate better provider services and pricing.

We measure our success in the fulfillment of our company mission:

- To enrich the lives of our clients, colleagues, and communities through sound financial advice, integrity, and a commitment to service beyond expectation.
- We support more than 176 charities for children in need through our in-house employee-operated foundation, the CAPTRUST Community Foundation.

Our formula for success is anchored in our ability to produce successful results for our clients.



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COMPREHENSIVE RETIREMENT ADVICE AND SOLUTIONS



Institutional Advisory Services

As retirement specialists, we have expertise across the full spectrum of qualified and nonqualified retirement plans that can help you leverage and integrate to create a more effective total retirement solution for all your employees.

Defined Contribution

- 401(k) Plans
- 403(b) Plans
- Profit Sharing Programs
- Money Purchase Plans

Defined Benefit

- Traditional Plans
- Cash Balance Plans
- Target Benefit Plans

Nonqualified Deferred Compensation

- Deferred Compensation Plans
- 401(k) Excess Plans
- Restoration Plans

- Fiduciary advisory and risk management
- Investment advisory services
- Investment management services
- Provider analysis and fee benchmarking
- Participant advisory services

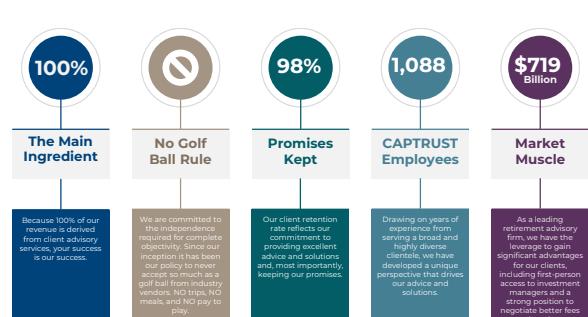
- LDI strategy consulting
- Risk management consulting
- Provider search and selection
- Investment advisory services
- Investment management services

- Due diligence review of existing plans
- Vendor fee and service benchmarking
- Analysis of funding strategy
- Investment advisory services
- Investment management services

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YOUR SUCCESS IS OUR SUCCESS

Our goal is to create successful results for our clients.



The Main Ingredient
Because 100% of our revenue is derived from client advisory services, our success is our success.

No Golf Ball Rule
We are committed to the independence required for complete client service. Since inception it has been our policy to never accept anything less than a golf ball from industry vendors. NO trips, NO meals, and NO pay-to-play.

Promises Kept
Our client retention rate reflects our commitment to providing objective, high-quality advice and solutions and, most importantly, keeping our promises.

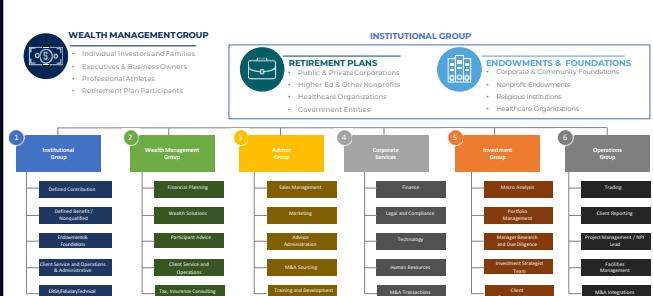
CAPTRUST Employees
Drawing on years of experience from serving a broad and diverse clientele, we have developed a unique perspective that drives our advice and solutions.

Market Muscle
As a leading retirement advisory firm, we have the leveraged buying power and significant advantages for our clients, including direct access to investment managers and strategic partners to negotiate better fees and services.

Data as of 12/31/2020

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CAPTRUST ORGANIZATIONAL STRUCTURE



WEALTH MANAGEMENT GROUP

- Individual Investors & Families
 - Executives & Business Owners
 - Professional Athletes
 - Retirement Plan Participants

INSTITUTIONAL GROUP

RETIREMENT PLANS

- Public & Private Corporations
 - Higher Ed & Other Nonprofits
 - Healthcare Organizations
 - Government Entities

ENDOWMENTS & FOUNDATIONS

- Corporate & Community Foundations
 - Nonprofit Endowments
 - Religious Institutions
 - Healthcare Organizations

CAPTRUST ORGANIZATIONAL STRUCTURE

CapFinancial Partners, LLC (CAPTRUST) is an investment adviser registered under the Investment Advisers Act of 1940. This material has been compiled to illustrate, at a high level, the organizational structure of CAPTRUST functional teams. This information is subject to change without notice.

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CAPTRUST INFORMATION SECURITY



CAPTRUST adheres to stringent information security standards and policies.

- **Email security** is a top priority.
 - We conduct internal email phishing susceptibility campaigns to raise awareness about the methods used most frequently by attackers.
 - Encrypted emails allow us to safely exchange sensitive information with clients.
 - Targeted threat protection limits the number of spear phishing and whaling campaigns reaching our users.
- Firewalls prevent unauthorized server access and allow us to monitor network traffic.
- Drive encryption using advanced encryption standards on smartphones, tablets, and laptops protects against data loss in the event a device is lost or stolen.
- Access to client information is restricted to employees who need it to conduct business.
- Endpoint security software protects our computer network from viruses and malware.
- Annual testing ensures the effectiveness of our security controls and alerts us to potential vulnerabilities.
- Ongoing monitoring of our network enables the detection of suspicious activity.
- Business continuity and disaster recovery plans outline procedures that would expedite our return to business as usual in the event of a significant business disruption.

We educate all employees on the importance of information security and confidentiality. All employees must adhere to—and sign off on—our compliance and information security policies, as well as receive periodic training regardless of their role.

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CYBERSECURITY IN FOCUS

On March 15, the U.S. Government Accountability Office urged the Department of Labor (DOL) to guide the retirement industry in protecting retirement plan participant accounts from online theft. On April 14, the DOL released guidance for plan sponsors, plan fiduciaries, recordkeepers, and plan participants on best practices for maintaining cybersecurity. The guidance helps plan sponsors and fiduciaries prudently select and monitor service providers.

Although no specific regulations outlining plan sponsors' responsibilities with respect to participant data security exist, plan fiduciaries have a responsibility to prudently select and monitor service providers for the sole benefit of plan participants and beneficiaries. To fulfill this duty, they should act to reduce the likelihood that their retirement plans will fall victim to a data breach or theft of plan assets. Fortunately, plan sponsors and participants can take a few simple steps to help reduce their risk.



PLAN DATA SHARING

Some service providers need access to little, if any, participant data. Even recordkeepers and third-party administrators may be obtaining more data than they need. Data sharing should be reviewed accordingly.



CYBERSECURITY INSURANCE

Such insurance protects the employer against cybersecurity breaches, but the retirement plan sponsor should confirm that this coverage extends to plan assets. The plan's fiduciary liability insurance policy should be reviewed to determine whether it provides cyber-liability coverage.

FOR PLAN PARTICIPANTS

ACCOUNT REGISTRATION

Work with your recordkeeper to identify participants who have not completed the registration process or have not set up dual-factor identification.

ACCOUNT MONITORING

Encourage participants to log in to their accounts at least once a month to monitor activity and to use strong passwords and change them regularly.

CONTACT INFORMATION

Communicate the importance of keeping contact information up to date with recordkeepers and encourage notifications so participants can be alerted about any suspicious activity.

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CYBERSECURITY IN FOCUS (CONTINUED)

The document "Tips for Hiring a Service Provider with Strong Cybersecurity Practices" was released by the DOL on April 14. The document features six tips to assist plan sponsors in meeting their fiduciary obligations under ERISA to prudently select and monitor service providers.

SECURITY STANDARDS AND PRACTICES

1 Confirm that the service provider has a formal, well-documented cybersecurity program in place that follows a recognized industry standard for information security. Look for a provider that uses a third-party auditor to review and validate cybersecurity.

2 Ask the provider how it validates its practices and what kind of oversight it has had and implemented. For example, understand if distribution approval protocols being followed and the process for allowing changes to participant passwords and data.

TRACK RECORDS

3 Consider the available public information, including past security incidents, litigation, and legal proceedings related to the vendor's services.

4 Ask about past security breaches and how the provider responded to them.

INSURANCE

5 Confirm that the service provider has insurance policies that would cover losses caused by cybersecurity and identity theft breaches, including internal and external threats.

SERVICE PROVIDER AGREEMENTS AND CONTRACT TERMS

6 The provider's contract should require ongoing compliance with cybersecurity and information security standards. In addition to encompassing all the provisions listed here, contract terms should allow the plan sponsor the right to review audit results and spell out how the provider will handle participant data, keep private information protected against unauthorized access, loss, disclosure, damage, or misuse.

Service provider agreements should include procedures detailing how participant data will be protected and the degree to which the plan sponsor or participant will be notified and indemnified by the service provider for breaches.

Source: Employee Benefits Security Administration, U.S. Department of Labor, "Tips for Hiring a Service Provider with Strong Cybersecurity Practices"

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CAPTRUST INDUSTRY INVOLVEMENT AND LEADERSHIP

CAPTRUST is a frequent speaker, panelist, sponsor, and attendee at national and regional events and has been asked to testify before the Department of Labor regarding retirement plan issues.

Industry Leadership

- Published target date position paper in coordination with the Wharton School of Business
- Panelist on Investment Committee Institute's Target Date Funds Seminar
- Contributors to U.S. Government Accountability Office studies
- Member of the Retirement Advisor Council, an advocacy group whose membership is limited to 75 retirement plan advisors and advisory firm practice leaders
- Founding member of the National Association of Plan Advisors (NAPA)
- Provided retirement-related testimony to the House Committees on Ways and Means and Education and Labor

Select Industry Involvement

- | |
|---|
| PLANSPONSOR National Conferences |
| Institutional Investor DC Forums |
| Plan Sponsor Council of America |
| Department of Labor/IRS Joint Sessions |
| Pensions & Investments DC Conferences |

Retirement Industry Involvement and Covered Topics

- Fee disclosure
- Participant retirement readiness
- Fiduciary leadership
- How to conduct an effective advisor request for proposal process
- Target date funds
- Retirement income
- Liability-driven investing
- DOL Fiduciary Rule

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CAPTRUST'S CENTRALIZED MODEL

CAPTRUST's centralized model is designed to surround our clients with our deep bench of the resources they need to optimize their retirement plan(s).

Client Services
299 professionals support our financial advisors in the day-to-day delivery of our services

Practice Leadership
9 professionals dedicated to industry research and resources for defined contribution, defined benefit, nonqualified deferred compensation, and individual clients

Advisor Group
45 professionals supporting our advisors to ensure they have what they need to focus on delivering the service our clients deserve

Business Operations
108 professionals providing our clients performance reporting, technology support, transition management, trading, and more

ERISA and Plan Design Experts
3 professionals averaging more than 20 years of retirement plan ERISA technical and plan design experience

Vendor Research
6 dedicated professionals conducting vendor benchmarks and RFPs and performing research on the retirement plan providers our clients use

Participant Advisory Service
32 retirement counselors delivering personalized advice to plan participants and assisting our clients with education and communication campaigns

Investment Research
88 professionals dedicated to manager due diligence, asset allocation research, and discretionary asset management

Data as of 12/31/2020

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KEEPING CLIENTS UP TO DATE

In today's environment, plan sponsors need to stay in the know. We can help by providing CAPTRUST's industry-leading experts' thoughts, opinions, and recommendations. We communicate important updates and thought leadership in a number of ways.

Investment Strategy	Fiduciary Updates	Topical Webinars	Market Thoughts	Plan Sponsor eBriefs	Advice and Wellness
Written by CAPTRUST Chief Investment Officer and published quarterly, Investment Strategy captures the latest developments in the global capital markets and explains the likely impact of current events on the market's direction.	Written by CAPTRUST's Drew McCorkle and with best practice implications for retirement plan sponsors—this quarterly digest highlights recent court cases and other topics of note for qualified plan sponsors.	CAPTRUST subject matter experts host quarterly webinars on topics of interest to plan sponsors. In recent quarters, topics have included the implications of rising rates for plan sponsors, employee福利, wealth, and discretionary plan management.	Market Thoughts is a bulletin published d-6 times a year to address current events and market development. Past topics have included the impact of the presidential elections, Brexit, and passage of Tax Cuts and Jobs Act on the capital markets.	Plan Sponsor eBriefs provide real-time updates about legal and regulatory topics of interest to plan sponsors. Typically, we publish four to six eBriefs a year on topics such as plan contribution limits, fiduciary regulation, and updates to IRA rules.	In conjunction with our Participant Advice Service (PAS), plan sponsors can schedule an advice desk meeting or access a range of tools, calculators, articles, market updates, topical videos, and webinars intended to drive employee financial wellness at captrustadvice.com.

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INCLUSION AND DIVERSITY AT CAPTRUST

We strive to foster an environment that is inclusive and diverse and provides colleagues with a strong sense of belonging.

Inclusion and Diversity Council

- The CAPTRUST Inclusion and Diversity Council is committed to designing and implementing a framework for inclusion, diversity, and belonging.
- Our Inclusion and Diversity Council:
 - Is led by senior leaders and reports to the CEO
 - Provides advocacy, support, and resources for our employees
 - Expands employee enrichment and development programs
 - Focuses on increasing the diversity of our workforce and leadership

Our Focus for 2022

- Ensure that every employee feels seen, heard, and respected
- Increase employees' range of diversity experience and learning, thereby reducing unconscious bias in the workplace
- Add racial diversity and perspectives from the LGBTQIA community to our leadership team

Data as of 12/31/2021

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EMPLOYEE RESOURCE GROUPS (ERGS)

CAPTRUST has four Employee Resource Groups (ERGs).

By the Numbers

20%	21%	26%
2019	2020	2021

Diverse Organic Hires

Promotions

Colleagues are promoted at the same rate as their peers

The Pillars of Responsibility

Each ERG is responsible for improvements in their areas of diversity and has the ability to address and impact these areas through their actions. Each group is different and, therefore, weights its efforts differently across focus areas:

- Awareness**—Spread awareness of issues facing group members in the workplace and in the community.
- Engagement (internally focused)**—Provide opportunities for members to get to know one another. Through increased connection, collaboration, and engagement, ERGs foster an inclusive environment, strengthen sense of belonging, and reduce biases.
- Networking (externally focused)**—Assist with the firm's inclusion and diversity goal of increasing the diversity of our workforce by offering perspective on recruiting techniques that appeal to target populations, bringing awareness of untapped recruiting sources, enhancing interview processes to support diverse candidates, and reducing similarity bias in recruitment.
- Development**—Support the development of group members by providing mentors within the membership, delegating responsibilities to allow members to showcase their talents, sponsoring career development activities, and building a toolkit of resources.

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CAPTRUST WOMEN'S INITIATIVE

While nearly half of our colleagues are women, the Women's Initiative specifically seeks to increase the number of female financial advisors at the firm and provide the support they need for successful careers.

The CAPTRUST Women's Initiative

- CAPTRUST founded the Women's Initiative in 2017 to grow and elevate its female advisor workforce—a long-standing issue across the financial services industry.
- We are devoted to the success of our female advisors. With the ongoing encouragement of our leadership team, we have created a community where we exchange ideas, cultivate relationships, and create a path for women advisors to realize their individual potential.
- Early results from these efforts include a 27% female representation within our advisor force, which is more than a 250% increase since the initiative was founded.



[Click here](#) to hear from our female advisors and senior leadership about how the Women's Initiative is recruiting, retaining, and lifting women advisors.

Date as of 12/31/2021

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OUR COMMITMENT TO OUR COMMUNITIES

We have a profound responsibility to share our success. We contribute time, money, and energy to our communities and assist those in need, particularly underprivileged children. Aspiring to our firm's mission to enrich the lives of our communities, the CAPTRUST Community Foundation, a registered 501(c)(3) charity, was organized in 2007 to provide CAPTRUST employees with more opportunities to participate as a group in community outreach efforts.

CHARITY OF CHOICE RECIPIENTS



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COMMUNITY FOUNDATION
The goal of the Foundation is to support the appreciation of our communities by encouraging our teammates to contribute time and resources to local and national charities serving the needs of children.



CORRAL
For a leg up in life.



KIDZNOTES
Collaborate. Inspire. Change.



children's flight of hope
WE FLY FOR THEIR LIVES

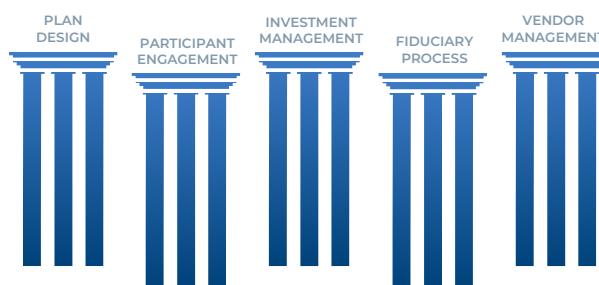


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THE FIVE PILLARS OF A SUCCESSFUL INSTITUTIONAL RETIREMENT PLAN



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THE FIVE PILLARS OF A SUCCESSFUL INSTITUTIONAL RETIREMENT PLAN

KEY OBJECTIVES	PLAN DESIGN	PARTICIPANT ENGAGEMENT	INVESTMENT MANAGEMENT	FIDUCIARY PROCESS	VENDOR MANAGEMENT
<ul style="list-style-type: none"> Ensure that retirement programs are aligned with the organization's policies and business goals Ensure that plan features and strategies are aligned with our participant demographics Ensure that the plan is competitive with other companies that may compete for our employees 	<ul style="list-style-type: none"> Provide the information, resources, and advice to help participants effectively plan, save, and invest for their retirement Provide a very attractive and highly competitive benefit plan to employees Maintain a diverse but reasonable menu of core menu options 	<ul style="list-style-type: none"> Provide an attractive menu of investment options and account management programs to satisfy our employees' needs for their retirement savings Allow for the diverse financial needs and sophisticated needs of our employees Evaluate risk- versus age-based asset allocation strategies Evaluate model portfolios versus managed accounts Select qualified deferred investment alternatives Evaluate active and passive investing strategies 	<ul style="list-style-type: none"> Develop, follow, and document a consistent series of processes to satisfy our fiduciary obligations to our employees Ensure that our retirement committee remains informed of prevailing regulatory considerations and market trends 	<ul style="list-style-type: none"> Provide timely and accurate account reporting and processing Ensure that we retain effective and user friendly resources for the management of our plans Maintain compliance with prevailing regulatory requirements Ensure that the plan is paying fair and reasonable fees for the services provided 	
<ul style="list-style-type: none"> Peer review key plan features, eligibility, matching, and vesting policies Evaluate automatic features for enrollment and deferral increases Evaluate re-enrollment Evaluate optional testing methods Evaluate Roth feature 	<ul style="list-style-type: none"> Allow multiple options for personalized advice Conduct targeted outreach campaigns Conduct demographic analysis Conduct participant satisfaction surveys Provide multiple forms of participant communications 	<ul style="list-style-type: none"> Evaluate risk- versus age-based asset allocation strategies Evaluate model portfolios versus managed accounts Select qualified deferred investment alternatives Evaluate active and passive investing strategies 	<ul style="list-style-type: none"> Formal investment policy statement (IPS) Evaluate investment service providers (3(21) or 3(38)) Document fee payment policy Fiduciary training 	<ul style="list-style-type: none"> Fee benchmarking for service providers 404(c) compliance 408(b)(2) compliance 	

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FIDUCIARY ADVISORY SERVICES

Presentation of Retirement Advisory Services

TODAY'S TOP RETIREMENT PLAN ISSUES

Plan Management

- Can participants maximize deferrals?
- Are there formal committee meetings and minutes?
- Is the plan in operational compliance?
- Have you reviewed auto features/safe harbor/QDIA?
- Have you reviewed Roth features?

Overall Plan Costs and Revenue Sharing

- See Schedule C Disclosure requirements
- Who is receiving revenue sharing and how much?
- 408(b)(2) and 404(a)(5) compliance
- How fees are paid
- Share class and fee-leveling considerations

Fiduciary Liability

- Independent fiduciary to provide advice and share responsibility (3(21)) versus independent fiduciary to take investment discretion and full responsibility (3(38))
- Recordkeeper and provider guidance

Participant Education/Advice

- Education/guidance from plan provider
- Advice and planning from independent specialist
- Global allocation to include DC, DB, and outside assets
- Need for one-on-one advice
- Participation/savings rates versus peers

Investment Options

- Prudent process to select, monitor, and deselect funds
- Are all asset classes represented with limited overlap?
- Asset classes that hedge inflation

Target Date Investment/Asset Allocation Tools

- Asset allocation assumptions – Are the funds appropriate for your participants?
- Fit of the glide path
- Have participants been educated properly?

Stable Value Products

- Wrap provider exposure, capacity, and cost
- Is market value/book value ratio acceptable?
- Interest crediting rate reasonableness
- Underlying holdings

Income Products

- What are the options?
- What is available from plan providers?
- Are they appropriate for participants?

Executive Compensation Plans

- Review the need for a nonqualified plan
- Fee-based versus commission approach

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WHAT'S NEXT FOR PLAN SPONSORS?

2020 has brought its share of both professional and personal challenges. As the initial shock of COVID-19 wears off, defined contribution plan sponsors are looking ahead and asking: What's next? Here are four ways to start playing offense in the second half of the year and beyond.

 **FINANCIAL WELLNESS & ADVICE**

Emergency savings, debt management, student loan repayment, and budgeting are all high priorities for plan participants as they work through the impact of market volatility and COVID-19 on their finances.

 **PLAN INVESTMENTS & SERVICES**

The topics of retirement income and managed accounts are gaining traction in the industry as plan sponsors look to offer more personalized solutions to their participants, both in the accumulation and decumulation phases of retirement planning.

 **SECURE ACT IMPACT**

The SECURE Act introduced over 20 retirement-related provisions, some of which went into effect January 1. Plan sponsors should be aware of any mandatory provisions and evaluate optional provisions applicable to their plans.

 **FIRST HALF REVIEW**

Plan sponsors should understand the impact of the CARES Act on their plans, including participant utilization rates, important upcoming dates, and any plan amendments needed.

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COVID-19: WHAT CAN PLAN SPONSORS DO?

During times of crisis, plan sponsors may not know what action to take to help their participants. Here are six areas for defined contribution plan sponsors to consider.

 **INVESTMENT EDUCATION AND ADVICE**

Make sure your participants have access to investment education tools and advice to help them make good decisions.

 **MONITOR ACTIONS**

Know how your recordkeeper, investment managers, and participants have reacted to market events.

 **INCREASED COMMUNICATION**

Communicate often with your participants regarding different facets of the plan (e.g., plan provisions, how to access account, ability to get help).

 **REVISIT PLAN PROVISIONS**

Keep up with government relief offered and how it could affect your plan. Talk to your plan's administrator about any changes needed to plan documents.

 **PARTICIPANT DATA ACCURACY**

Make sure you have the most up-to-date contact information for your participants.

 **REEVALUATE CHANGES**

Make sure your plan still meets any required investment minimums. Consider delaying any changes that require a blackout.

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FIDUCIARY PERSPECTIVES

- Duty of loyalty and impartiality
- Duty to be prudent
- Duty to ensure reasonable costs
- Duty to monitor and supervise
- Duty to avoid prohibited transactions
- Duty to diversify



The fiduciary obligations of the trustees (and other ERISA fiduciaries) to the participants of the plan...are among the highest known to law. The standard is not that of a prudent layperson, but rather that of a prudent fiduciary with experience dealing with a similar enterprise.^{**}



"The role of a fiduciary is to act prudently and knowledgeably, and for the exclusive purpose of providing retirement benefits for the employees."^{**}



"ERISA acknowledges that plan sponsors and fiduciaries may lack the ability to make prudent decisions about the plan investments and operation. In these cases, the law directs fiduciaries to use competent advisors."^{**}

*U.S. DEPARTMENT OF LABOR

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CAPTRUST FIDUCIARY SOLUTIONS | RETIREMENT ADVISORY SERVICES

Solutions for MANAGING RISK and CONSTANT CHANGE



Fiduciary Training for Plan Sponsor Committees



- Fiduciary roles and responsibilities
- Administration best practices
- Benchmarking
- Governance
- Investments

Fiduciary Process Administration Tools



- CAPTRUST Direct streamlines your fiduciary tasks while fortifying your preparedness in the event of an audit, saving you time and resources.
- Online fiduciary process management
 - Secure repository for plan documents
 - Real-time, anywhere access
 - Mobile responsive, works on any browser or device

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CAPTRUST FIDUCIARY SOLUTIONS



Blueprint for Success

- Determine the needs of the plan, relative to your workforce
- Establish your plan's investment policy
- Document all actions and decisions
- Regularly evaluate product alternatives
- Establish benchmarks to monitor and measure plan performance
- Engage independent counsel where expertise is lacking
- Monitor the performance of plan investments and services
- Promptly communicate any material changes to plan participants

"CAPTRUST has developed processes and materials that help plan fiduciaries meet or exceed ERISA's fiduciary requirements."

Source: 401(k) Investments: A Roadmap for Managing Fiduciary Risk, a white paper published by Reish Luftman Reicher & Cohen.

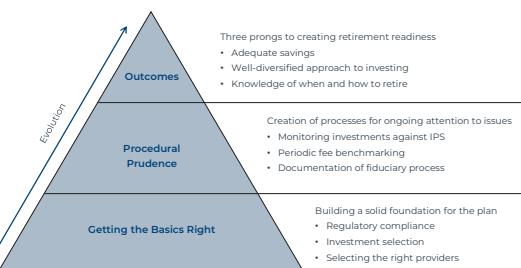
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THE EVOLUTION OF THE FIDUCIARY ROLE

The role of the fiduciary has evolved dramatically over the past 30 years—recently toward an increasing focus on helping participants achieve retirement readiness.



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CAPTRUST FIDUCIARY SOLUTIONS

Plan sponsors can choose to maintain discretion over their retirement plans or shift responsibility to an advisor. This choice will determine whether the advisor will serve in a 3(21) or 3(38) fiduciary capacity as defined by ERISA.

3(21) Investment Advisor (non-discretionary)	3(38) Investment Manager (discretionary)
 Plan Sponsor Advisor	 Plan Sponsor Advisor
Recommends and monitors investment options based upon investment policy statement	Selects investment options; monitors and replaces investment options per the process outlined in the investment policy statement

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DISCRETIONARY MANAGEMENT SERVICES

Presentation of Retirement Advisory Services

CAPTRUST FIDUCIARY SOLUTIONS

We strive to meet the needs and objectives of each of our plan sponsor clients and engage as plan fiduciaries—in either an advisory or a discretionary capacity.

ERISA Investment Fiduciaries			
3(21) Investment Advisor (non-discretionary)		3(38) Investment Manager (discretionary)	
CAPTRUST	Plan Sponsor	CAPTRUST	Plan Sponsor
<ul style="list-style-type: none"> • Recommend the investment options for the plan • Monitor investment options • Recommend changes, if necessary • Own liability for tools and analysis used to make recommendations 	<ul style="list-style-type: none"> • Select all investment options for the plan • Monitor investment options • Make changes, if necessary • Own liability for investment decisions 	<ul style="list-style-type: none"> • Select the investment options for the plan • Monitor investment options • Make changes, if necessary • Own liability for investment decisions 	<ul style="list-style-type: none"> • Monitor CAPTRUST

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DISCRETIONARY SERVICES

In a 3(38) arrangement, the plan sponsor transfers liability for investment decisions to the investment manager.

In a 3(38) arrangement, the plan sponsor's singular investment-related fiduciary responsibility is the selection and monitoring of the 3(38) investment manager.

- The investment manager accepts discretionary authority to manage, acquire, and dispose of investment options over time.
- The investment manager acknowledges in writing that it is acting as a fiduciary with responsibility and accountability for the selection of the investment menu.
- A 3(38) arrangement represents the highest level of investment liability transfer possible under ERISA.
- To help assist in the selection and monitoring process, CAPTRUST has compiled a list of questions to ask during the 3(38) investment manager selection process. We also provide a sample annual due diligence questionnaire to assist with ongoing monitoring of the investment manager.

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DISCRETIONARY SERVICES OVERVIEW

With over 750 clients, \$98 billion in assets under management, and a decade of experience, CAPTRUST's defined contribution discretionary management service is in a league of its own.

Experience and Solutions	Dedicated Discretionary Management Team	Risk Control and Operational Excellence
<ul style="list-style-type: none"> • Discretionary process establishment and relationships with 35+ recordkeepers • Advisor managed accounts • Managed Account Portfolio (MAP CITs) • Exclusive access to investment solutions 	<ul style="list-style-type: none"> • Defined contribution 3(38) solutions team (6) • Investment committee with defined contribution subcommittee (9) • Institutional operations (4) • Investment manager due diligence (9) 	<ul style="list-style-type: none"> • Centralized onboarding and fund change process • Daily investment monitoring and quarterly plan investment audit • Annual due diligence request for information (RFI) • Investment management authorization and signing authority • Process and decision-making documentation

12/31/2021

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DISCRETIONARY SERVICES: THE CAPTRUST DIFFERENCE

CAPTRUST 3(38)

Quick Hits

- 750+ defined contribution clients (137% increase since 2015)
- \$63 billion institutional assets under management (10.2x increase since 2015)
- Relationships with 35+ recordkeepers/vendors

Investment Management Benefits

- Custom share classes for various investment vehicles and strategies
- Waiver of investment minimums
- Exclusive permission to access investments closed to new investors
- Relationship pricing through asset aggregation

Creative Solutions

- Advisor managed accounts
- Managed Account Portfolio (MAP CITs)
- Asset class CITs
- Plan expense benchmarking
- Participant advice services

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DISCRETIONARY SERVICES TEAM

CAPTRUST's centralized model means that you have more than just your financial advisor to lean on. With four different support teams, your plan is constantly being monitored to ensure that you get seamless execution on CAPTRUST's best ideas.

Defined Contribution 3(38) Team
Whether it is document generation, investment screening, or plan analytics, the defined contribution 3(38) team is responsible for day-to-day oversight of your plan.

Discretionary Investment Committee
The discretionary investment committee tracks the capital markets and economic landscape. Its research heavily influences CAPTRUST's investment menu recommendations and asset allocation philosophy.

Institutional Operations Team
The institutional operations team is a liaison between CAPTRUST and your recordkeeper, vendors, and investment managers. Overall, this group specializes in client onboarding and fund change process execution.

Due Diligence Team
From investment manager research to fund scoring and evaluation, the due diligence team makes sure your lineup features premier investment strategies.

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PUTTING YOUR PLAN IN GOOD HANDS

CAPTRUST is committed to leading with fiduciary best practices. That starts with risk controls and process efficiencies.

- Keeping an ear to the ground so that we can move expeditiously on our clients' behalf
- Transfer of liability for investment decisions from the plan sponsor to CAPTRUST
- Transfer of operational burden from the plan sponsor to CAPTRUST
- Proper documentation of plan activity history and explanation of investment decisions
- Consistent and timely advice through CAPTRUST's centralized operations

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WHAT YOU SEE VERSUS WHAT YOU GET

Comparing 3(38) fund change responsibility

Plan Sponsor View	CAPTRUST View
Investment decision and supporting analysis	Plan flagged for necessary investment change
Participant communication letters	Plan audit to evaluate opportunities for investment menu enhancements.
Go-live date for investment changes	Create analysis and commentary to support investment decisions
	Communication with recordkeeper to orchestrate changes and assess plan impacts
	Document and paperwork review and execution
	Participant communication review
	Effective date establishment
	Fund change confirmation

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THREE QUESTIONS TO ASK YOUR DISCRETIONARY INVESTMENT MANAGER

CAPTRUST has provided discretionary investment management services to defined contribution plans for more than a decade. We know that details matter.

Are all discretionary clients managed centrally? <p>Why it matters:</p> <ul style="list-style-type: none"> Your plan's advice and when you receive it shouldn't depend on who your advisor is. Best execution is done centrally and means your plan doesn't get left behind. 	How are clients protected in both form and function? <p>What it means:</p> <ul style="list-style-type: none"> Investment manager has signing authority with recordkeeper and assets under management. The plan's meeting minutes are reflective of the investment manager's discretionary decisions, versus advice and approval by the committee. Directions from committee regarding asset class and management style is well documented. 	How will the investment manager assist the plan sponsor with its duty to monitor? <p>Best practice:</p> <ul style="list-style-type: none"> Documentation of manager selection, removal process, and rationale Annual due diligence RFI Access to documentation portal Quarterly reporting
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DISCRETIONARY SERVICES

CAPTRUST's approach to discretion includes a full integration of services.

Vendor Selection and Benchmark of Plan Fees	CAPTRUST's Fiduciary Best Practices	Documentation of Investment Process
CAPTRUST's Discretionary Lineup <ul style="list-style-type: none"> Qualified default investment alternative (QDIA) to include either: <ul style="list-style-type: none"> - Target date funds - Managed account portfolios with participant advice Capital preservation option Core active fund suite Core passive fund suite Income suite Institutionally priced lineup 	<ul style="list-style-type: none"> Investment Policy Statement (IPS) Fee monitoring and documentation of responsibility Signature authorization form Quarterly reporting Documentation of investment decisions Daily monitoring of investments 3(38) plan governance Institutional share class approach 	<ul style="list-style-type: none"> Why asset classes selected How CAPTRUST picks managers How CAPTRUST monitors managers CAPTRUST Investment Committee oversight

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DISCRETIONARY SERVICES: TYPICAL IMPLEMENTATION PROCESS

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ADMINISTRATIVE FEE DISCUSSION

When CAPTRUST has discretion over the investment menu, we use either an institutional share class lineup or the fee-leveling method.

Institutional Lineup Method:

- Revenue sharing from investment options is eliminated when possible and when such a move would comply with investment policy statement standards. The investment industry has not evolved such that it can fully offer zero revenue sharing. In these instances, our goal is to minimize revenue sharing.
- Expense can be paid 100% by plan sponsor, 100% by plan participants, or any combination of the two.

Since revenue sharing from the investment options is minimized, plan expenses are assessed in one of a per-participant (per head) dollar charge or as a percentage of assets, as chosen by the plan sponsor.

- Benefits include:
 - Consistent with emerging industry trends
 - Generally more transparent to participants
 - Fees can be distributed more equitably among participants
 - Investment manager decisions are not limited by revenue share requirements

Both methodologies seek to distribute plan administrative fees equitably among participants, regardless of asset allocation.

Additionally, both methodologies successfully separate the selection of plan investments from the payment of administrative fees.

Fee-Leveling Method:

- Each participant's contribution to plan expenses is leveled using recordkeeper technology, meaning all participants contribute the same percentage toward plan costs.

- Expense are paid 100% by plan participants
- Benefits include:
 - Consistent with emerging industry trends
 - Generally more equitable to participants
 - Investment manager decisions are not limited by revenue share requirements

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SELECTING THE RIGHT QDIA

CAPTRUST discretionary clients have the ability to use Managed Account Portfolios (MAPs) or target date funds as their QDIA option.

MAPs:

- Five risk-based collective investment trusts (CITs)
- CAPTRUST sub-advises the portfolios; Wilmington Trust serves as trustee
- Ability to be proactive with allocation
- Immediate implementation of changes
- Access to the entire fund universe and alternative asset classes
- Low-cost approach to investing

Target Date Funds:

- Age-based solution that provides participants with a diversified portfolio that reduces equity exposure as they get closer to retirement
- Passive target date series is used based on cost, transparency, and performance
- Target date manager chosen by CAPTRUST based on plan demographic data such as:
 - Deferral rates
 - Withdrawal activity
 - Average balances
 - Age distribution

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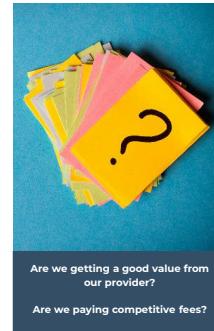
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PROVIDER ANALYSIS SERVICES

Presentation of Retirement Advisory Services

PROVIDER SELECTION



Are we getting a good value from our provider?

Are we paying competitive fees?

Selecting a Provider Is a Sponsor's Fiduciary Act

- There are hundreds of providers, each with a unique set of features, service models, and pricing strategies, making it very difficult for plan sponsors to understand all the nuances.
- The industry is rapidly consolidating, so selecting a provider with a successful and sustainable business model is key.
- Plan fiduciaries are responsible for ensuring fees paid to providers are reasonable.
- Providers are not named plan fiduciaries; therefore they are not motivated to provide the best value or minimize costs to participants.
- The lowest-cost provider is not always the best solution—or the best overall value.

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CAPTRUST AND PROVIDER/RECORDKEEPING SERVICES

At CAPTRUST, we believe that retirement plan advisors can help plan sponsors manage their plans more effectively and create better outcomes for their plan participants. Advisors can assist with plan design, participant engagement, investment, management, fiduciary process, and vendor management issues related to overseeing a retirement plan.

Typical Provider Services	CAPTRUST Services
<ul style="list-style-type: none"> Full-service recordkeeping, plan administration, and custodial services Plan design support Participant enrollment support and materials Plan documents and supporting forms Plan compliance services Form 5500 preparation Plan sponsor website access to plan information VRU/call center and participant website Quarterly mailing of participant statements Statement/notice delivery QDRO, loan, and hardship-withdrawal outsourcing Fund changes/fund actions service 	<ul style="list-style-type: none"> Plan-level fiduciary investment advice or discretion Plan design benchmarking Independent fee benchmarking Investment education and financial wellness Assistance with fiduciary oversight and committee education Assistance with selection and management of service providers Development of investment policy statement Recommendations for selecting and monitoring plan investments Recommendations for selecting and monitoring qualified default investment alternatives Investment performance measurement and analysis Quarterly reporting

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BY THE NUMBERS



From provider selection to price negotiations and service feature evaluations, CAPTRUST has proven expertise in helping clients enhance the value of services they receive from service providers.

By the Numbers (as of year-end 2021)

55%	Clients we've helped obtain improved pricing from their provider
85	Providers continuously monitored as part of our ongoing due diligence
123	Due diligence meetings conducted
543	Services and fee benchmarking projects conducted

CAPTRUST saved new and existing client assignments over \$100,500,000* since 2010.

*Savings based on fund expense ratios, administration and/or advisory fees. This analysis is intended to illustrate the value-added services that CAPTRUST can provide. It is not meant to portray performance of any client's plan or to guarantee savings or performance in any way. Nor is it a comprehensive representation of the array of consulting services provided by CAPTRUST. Please review CAPTRUST's Disclosure Brochure for a complete list of advisory services.

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BROAD-BASED PROVIDER ANALYSIS AND DUE DILIGENCE

In addition to day-to-day client-related interactions, we continuously monitor industry developments and conduct regular, in-depth meetings as part of our due diligence process.

ADP Retirement Services AIG American Funds Ascensus Retirement Services Bank of America BNY Mellon Comerica CUNA Mutual Deferred.com Empower /MassMutual/Prudential Retirement Services Fidelity Investments Findley John Hancock Retirement Plan Services JP Morgan Retirement Plan Services JULY Business Services Lincoln Financial Group Milliman MissionSquare Retirement	Newport Group Nolan Financial Northern Trust OneAmerica Paychex Principal Financial Group Schwab Retirement Services Securian Financial The Standard State Street Corporation T. Rowe Price TIAA Transamerica Truist US Bank Vanguard Voya Financial
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CAPTRUST 51 **C**

PROVIDER SEARCH AND SELECTION PROCESS

Our evaluation process is designed to identify candidate firms that closely match your plan needs and participant demographics.

Phase 1	Phase 2	Phase 3	Phase 4
Screening and Assessment	Evaluation	Selection	Implementation
Collect and Consider Plan's Demographic Information	Evaluate Prospective Provider's Ability to Meet Plans Needs	Determine Provider Finalists	Sign Letter of Intent
Assess Client Specific Needs and Special Requests	Calculate Weighted Scores for Each Prospective Provider Based on Plan's Priorities	Coordinate and Conduct Finalist Interviews and Presentations	Determine New Fund Lineup
Apply Expertise in the Provider Universe	Evaluate Prospective Providers Proposed Fees	Collect Finalists' Best and Final Offers	Review Plan Documents
Determine Prospective Providers	Compare Service Scores and Provider Fees	Select New Provider of Choice	Begin Conversion Process

CAPTRUST 52 **C**

PROVIDER VISITS – DUE DILIGENCE UPDATE

2021 On-site Visits			2021 TOTALS	
2021 CAPTRUST Due Diligence Meetings	ADP	JP Morgan	Paychex	
	AIG (6)	JULY Business Services	Principal (6)	
	American Funds	Lincoln	Prudential (6)	
	Aon	Mapbenefits	Schwab (6)	
	Ascensus (2)	MassMutual	Slavic401k	
	Bank of America (3)	Milliman (6)	T. Rowe Price (12)	
	Comerica	MissionSquare (3)	TIAA (5)	
	Cuna Mutual	NBS	Transamerica (2)	
	Empower (12)	Newport Group	Vanguard (6)	
	Fidelity (14)	Northern Trust	Vestwell	
Foundation Source	Nova	Voya (10)		
John Hancock (5)	OneAmerica			
ADP	JP Morgan	Paychex		

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PROVIDER SEARCH AND SELECTION PROCESS

Select methods to pay plan expenses

Description	REVENUE SHARING	INSTITUTIONAL SHARE CLASS (OR ZERO REVENUE SHARING) LINEUP	REVENUE SHARING REBATED AT THE PLAN LEVEL	REVENUE SHARING REBATED AT THE FUND LEVEL	PLAN SPONSOR PAYS
Explicit Charge on Participant Statement?	No	Yes	Yes	Yes	No
Fee Calculation at Participant Level	Typically a percent of account balance	percent of account balance OR per head	percent of account balance OR per head	percent of account balance OR per head	percent of account balance OR per head
Equitable Distribution of Fees	Typically no	Typically yes, but varies	Typically yes, but varies	Yes	Depends on methodology selected
Notable Considerations	Trend is equally moving away from revenue sharing approach**	Removing 100% of revenue sharing is not always feasible	Potential for participants who don't contribute to revenue sharing to receive rebate	Specifics vary widely by recordkeeper	While it requires extra budget, this approach is arguably the most beneficial to participants
Provider Considerations	Bundled pricing model	Flat fee or fixed basis point pricing model	Flat fee or fixed basis point pricing model	Flat fee or fixed basis point pricing model	Flat fee or fixed basis point pricing model

* This is not meant to be a comprehensive list of ways to pay for plan expenses; other methods may be utilized including payment directly from the plan sponsor. Additionally, hybrid methods may be used.

** A recent report from Cervell Associates shows a shift from revenue sharing share classes to "traditional" or low-to-non-revenue sharing share classes. In 2018, institutional share classes captured \$100B of asset inflows, eight times that of the next highest flow share class. Source: "The Circuit Edge: U.S. Monthly Product Trends Edition," August 2019.

CAPTRUST 54 **C**

EMPOWER EXPERIENCE



EXPERIENCE

- 405 Empower plans
- \$28 billion Empower client assets under advisement

CONSIDERATIONS

- July 2021: Prudential agreed to sell retirement business to Empower for \$3.55B
- Currently in process of transitioning MassMutual business to Empower platform
- Is the plan utilizing Empower's open architecture capabilities?
- How is Empower's new approach to employee engagement impacting your plan?
- Has Empower's required revenue been impacted by fund selection?
- Capital Preservation:
 - How does the use of proprietary products affect pricing?
 - Multiple Empower options with varying rates

MOST RECENT ENHANCEMENTS

- Additional capabilities added to managed accounts and call center
- Fully functional Spanish website and communication materials
- Ability to integrate healthcare costs in retirement
- Availability of Advisor Managed Accounts

This information summarizes CAPTRUST's analysis of a third-party service provider as of 12/31/2021. CAPTRUST has no affiliation with, or preference for, this or any other service provider. This is not a recommendation or endorsement of the service provider analyzed here, but rather a tool for retirement plan sponsors to use in their own due diligence. Statistics are derived from CAPTRUST's experience with these providers and are not audited or guaranteed as accurate.

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PRINCIPAL EXPERIENCE



EXPERIENCE

- 390 Principal plans
- \$31 billion Principal client assets under advisement

CONSIDERATIONS

- Is the revenue sharing that Principal is receiving reasonable?
- Are plan costs equitably distributed across participants?
- Is the plan utilizing Principal's open architecture capabilities?
- Transition of Wells Fargo IRT DC business finalized in 2021; DB business finalized in early 2022
- Are proprietary products being used, and do they impact plan pricing?
 - Target date funds
 - Pension builder

MOST RECENT ENHANCEMENTS

- Enhanced plan sponsor website
- Pension Builder as a retirement income option
- Integration of multiple plan types
- Availability of Advisor Managed Accounts in second half of 2022

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PRINCIPAL'S ACQUISITION OF WELLS FARGO'S INSTITUTIONAL RETIREMENT AND TRUST BUSINESS



BACKGROUND

- April 2019 Wells Fargo agreed to sell retirement business to Principal for \$1.2 billion.
- Sale includes their defined contribution recordkeeping and trust and custody business.

COMPARING THE ORGANIZATIONS

- Wells Fargo's defined contribution retirement business spans clients of all sizes and is focused on the mid-to-large market segment (\$10 - \$500 million of plan assets).
- Principal has plans of all sizes and is focused on plans at the smaller end of the market.
- Principal has a more significant presence in the 403(b) space, where Wells Fargo has limited exposure.
- Historically, Principal has been more successful at adding proprietary investments within fund lineups than Wells Fargo.

WHAT DOES THIS MEAN MOVING FORWARD?

- Principal's acquisition of Wells Fargo's Institutional Retirement and Trust Business will double the size of Principal's retirement business to more than 7.5 million participants, 56,000 plans, and \$500+ billion in assets.
- Principal is estimated to be the third-largest recordkeeper moving forward, behind only Empower (#2) and Fidelity (#1).

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RECENT PRINCIPAL AND WELLS FARGO DUE DILIGENCE



RECENT COMMUNICATION

- The acquisition of Wells Fargo's retirement business by Principal closed on July 1, 2020.
- Empower has had, and will continue to have, calls with executives of both organizations on an ongoing basis until we know more about short-and long-term expectations.
- Principal has decided to migrate all Wells Fargo IRT business to Principal's proprietary platform.
- Wells Fargo Retirement EVP Joe Ready has taken another position within Wells Fargo. He will not be joining Principal.

OUR EXPERIENCE WITH BOTH PROVIDERS

- CAPTRUST has relationships with 85+ providers across our book of business. Both Principal and Wells Fargo are within our top ten largest relationships.

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PRUDENTIAL EXPERIENCE



EXPERIENCE

- 107 Prudential plans
- \$22 billion Prudential client assets under advisement

CONSIDERATIONS

- July 2021: Prudential agreed to sell retirement business to Empower for \$3.55B
- Is the revenue sharing that Prudential is receiving reasonable?
- Are plan costs equitably distributed across participants?
- Is the plan utilizing Prudential's open architecture capabilities?
- How are products like GoalMaker and IncomeFlex being utilized?
- Capital Preservation:
 - How does the use of a proprietary product affect pricing?
 - Separate account options available

MOST RECENT ENHANCEMENTS

- Plan sponsor website enhanced to highlight plan health
- Enhanced financial wellness online experience
- Availability of separate account versions of widely used mutual fund strategies

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SCHWAB EXPERIENCE



EXPERIENCE

- 293 Schwab plans
- \$25 billion Schwab client assets under advisement

CONSIDERATIONS

- Is the revenue sharing that Schwab is receiving reasonable?
- Is the plan utilizing Schwab's open architecture capabilities?
- How is your plan utilizing Schwab's approach to employee engagement?
- Employee engagement:
 - How is participant engagement measured?
 - How are brick-and-mortar locations currently being leveraged?
 - What role do managed accounts play within participant guidance?

MOST RECENT ENHANCEMENTS

- Fee-leveling capabilities now available for most plans
- Use of proprietary funds and products may impact plan pricing
- Availability of Advisor Managed Accounts
- Ability to integrate ETF's into the fund line-up

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T. ROWE PRICE EXPERIENCE



EXPERIENCE

- 130 T. Rowe Price plans
- \$16 billion T. Rowe Price client assets under advisement

CONSIDERATIONS

- Is the revenue sharing that T. Rowe Price is receiving reasonable?
- Is the plan utilizing T. Rowe Price's open-architecture capabilities?
- Is the plan sponsor aware of various share class and investment vehicle options available for their plan?
- How do the recent revenue sharing changes to T. Rowe Price funds impact plan costs?
- Target date funds:
 - Passive vs. active allocation options
 - Non-T. Rowe Price options

MOST RECENT ENHANCEMENTS

- New small plan solution with 3(16) via Direct Fiduciary partnership
- Enhanced participant website experience focused on financial wellness
- Open-architecture pricing available for select plans
- Availability of Advisor Managed Accounts

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TRANSAMERICA EXPERIENCE



EXPERIENCE

- 103 Transamerica plans
- \$9 billion Transamerica client assets under advisement

CONSIDERATIONS

- Is the revenue sharing that Transamerica is receiving reasonable?
- Do the plan's economics warrant institutional share classes?
- Is the plan utilizing Transamerica's open-architecture capabilities?
- Allocation options:
 - Passive vs. active allocation options
 - To vs. through retirement options
 - Managed advice
 - Portfolio Xpress

MOST RECENT ENHANCEMENTS

- Continued consolidation within management teams under one entity
- Proprietary managed account solution offered; utilization of this service may have an impact on plan pricing
- White-label target date fund series through partnerships with BlackRock, JPMorgan, and American Funds (utilization of this service may have an impact on plan pricing)

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VANGUARD EXPERIENCE



EXPERIENCE

- 162 Vanguard plans
- \$34 billion Vanguard client assets under advisement

CONSIDERATIONS

- Is the revenue sharing and proprietary fund credit that Vanguard is receiving reasonable?
- Is the plan utilizing Vanguard's open-architecture capabilities?
- How would the fees be impacted using non-proprietary funds?
- Will recent partnership with Infosys (a technology, business services, and consulting firm) impact service levels, technology, and participant outcomes?
- Target date funds
 - Are Vanguard target date funds appropriate for employee base?
 - Passive vs. active allocation options
 - Non-Vanguard options

MOST RECENT ENHANCEMENTS

- Merger of Vanguard Target-Date Fund mutual fund share classes to lower expenses
- Lowered asset minimum requirement for Vanguard TDF CITs (\$100M)
- Aligned fund revenue credit structure across all share classes
- Launch of Vanguard Digital Advisor and Personal Advisor Services

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WELLS FARGO EXPERIENCE



EXPERIENCE

- 0 Wells Fargo plans
- \$0 Wells Fargo client assets under advisement

CONSIDERATIONS

- Sale includes their defined contribution recordkeeping and trust and custody business
- Currently in process of transitioning IRT business to Principal platform and will conclude in mid-2021
- Is the revenue sharing that Wells Fargo is receiving reasonable?
- Do the plan's economics warrant institutional share classes?
- Is the plan utilizing Wells Fargo's open-architecture capabilities?
- Target date funds:
 - Passive vs. active allocation options
 - To vs. through retirement options
 - Target My Retirement

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PRINCIPAL'S ACQUISITION OF WELLS FARGO'S INSTITUTIONAL RETIREMENT AND TRUST BUSINESS



BACKGROUND

- April 2019 Wells Fargo agreed to sell retirement business to Principal for \$1.2 billion.
- Sale includes their defined contribution recordkeeping and trust and custody business.

COMPARING THE ORGANIZATIONS

- Wells Fargo's defined contribution retirement business spans clients of all sizes and is focused on the mid-to-large market segment (\$10 - \$500 million of plan assets).
- Principal has plans of all sizes and is focused on plans at the smaller end of the market.
- Principal has a more significant presence in the 403(b) space, where Wells Fargo has limited exposure.
- Historically, Principal has been more successful at adding proprietary investments within fund lineups than Wells Fargo.

WHAT DOES THIS MEAN MOVING FORWARD?

- Principal's acquisition of Wells Fargo's Institutional Retirement and Trust Business will double the size of Principal's retirement business to more than 7.5 million participants, 56,000 plans, and \$500+ billion in assets.
- Principal is estimated to be the third-largest recordkeeper moving forward, behind only Empower (#2) and Fidelity (#1).

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RECENT PRINCIPAL AND WELLS FARGO DUE DILIGENCE



RECENT COMMUNICATION

- The acquisition of Wells Fargo's retirement business by Principal closed on July 1, 2021.
- Both Principal and Wells Fargo have, and will continue to have, calls with executives of both organizations on an ongoing basis until we know more about short-and long-term expectations.
- Principal has decided to migrate all Wells Fargo IRT business to Principal's proprietary platform
- Wells Fargo Retirement EVP Joe Ready has taken another position within Wells Fargo. He will not be joining Principal.

OUR EXPERIENCE WITH BOTH PROVIDERS

- CAPTRUST has relationships with 85+ providers across our book of business. Both Principal and Wells Fargo are within our top ten largest relationships.
- CAPTRUST represents Wells Fargo's largest independent advisory relationship nationally (0 plans, \$ firm-wide)

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TIAA EXPERIENCE



EXPERIENCE

- 806 TIAA plans
- \$212 billion TIAA client assets under advisement

CONSIDERATIONS

- Is the revenue sharing that TIAA is receiving reasonable?
- Is the plan utilizing TIAA's open architecture capabilities?
- Individual contract structure—pros and cons of migrating to plan level platform:
 - Portability issues
 - Individual contract creates some limitations on plan options (i.e. fund replacement, mapping, etc.)
- Asset allocation:
 - How does use of managed account products affect advice offering?
 - Non-TIAA options
 - Active vs. passive options

MOST RECENT ENHANCEMENTS

- Fee-leveling capabilities available for most contracts
- Upcoming launch of CREF R4 share classes, a zero-revenue sharing alternative
- Launch of an asset allocation solution called Retire Plus and Retire Plus Pro
- Redesigned look and feel of plan sponsor websites

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FIDELITY EXPERIENCE



EXPERIENCE

- 811 Fidelity plans
- \$180 billion Fidelity client assets under advisement

CONSIDERATIONS

- Is the revenue sharing that Fidelity is receiving reasonable?
- Is the plan utilizing Fidelity's open architecture capabilities?
- How is Fidelity's new approach to employee engagement impacting your plan?
- Has Fidelity's required revenue been impacted by fund selection?
- Employee engagement:
 - How is Fidelity measuring participant engagement?
 - How are investor centers currently being leveraged?
 - What role do managed accounts play within participant guidance?

MOST RECENT ENHANCEMENTS

- Reduced investment minimum or their indexed target date series
- New proprietary and third-party financial wellness offerings with enhanced web experience
- Managed payout investments to help meet participant's targeted withdrawal rates

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VOYA EXPERIENCE



EXPERIENCE

- 141 Voya plans
- \$11 billion Voya client assets under advisement

CONSIDERATIONS

- Is the revenue sharing that Voya is receiving reasonable?
- Is the plan utilizing Voya's open architecture capabilities?
- How is Voya's new approach to employee engagement impacting your plan?
- Has Voya's required revenue been impacted by fund selection?
- Capital Preservation:
 - How does the use of proprietary products affect pricing?
 - Multiple Voya options with varying rates

MOST RECENT ENHANCEMENTS

- Redesigned look and feel of plan sponsor websites
- Integration of multiple plan types
- Ability to integrate outside accounts on participant website
- Availability of Advisor Managed Accounts in second half of 2022

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PLAN DESIGN



PLAN DESIGN

Presentation of Retirement Advisory Services

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PLAN DESIGN



Plan design initiatives to maximize the value of the plan include:

- Automatic enrollment and automatic escalators
- Change in match structure
- Flexible entry and change features
- Safe harbor employer contribution options
- Mandatory attendance at group and one-on-one meetings
- Administrative outsourcing and paperless transactions
- A fee policy in addition to an investment policy
- More focus on participant outcomes, including better-targeted messaging
- Changes to vesting schedules
- Qualified default investment alternatives (QDIAs)

Our Professional Services Group works to design a successful defined contribution plan structure that fits in your participant demographics and company culture. And this team has industry veterans and subject matter experts with an average 29+ years of experience in plan design.

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CAPTRUST PLAN DESIGN BENCHMARK

Each year, CAPTRUST aggregates client data on a variety of defined contribution plan design features. Our goal is to construct a resource for clients to benchmark their plan designs and help them ensure their plans remain competitive with those of their peers. Information was collected on nearly 1,620 plans, making this one of the most diverse, independent data sets in the industry. We will continue to refresh data to provide ongoing benchmarks and updates on the retirement landscape.

Did You Know?

Percentage of plans offering automatic enrollment	Percentage of plans allowing Roth contributions
54%	66%

Source: CAPTRUST Research, Plan Design Benchmark 2021

Percentage of plans allowing immediate eligibility/into retirement plan

Percentage of plans offering lump sums as the only form of distribution at retirement	Percentage of plans offering immediate eligibility/into retirement plan
25%	44%

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PLAN DESIGN

Many client engagements begin with an analysis of the plan's design. As a holistic retirement plan advisory firm, we understand and value the importance of designing and maintaining a plan document.

As a result, we use the following steps when analyzing a client's plan design:

Review	Evaluate
Understand the needs and objectives of the plan and the institution, along with any parameters that must be used as "guide posts" (cost, guiding principles, etc.).	Evaluate specific plans from an outcomes-based perspective.
Compare	Communicate
Compare current plan design against either industry-specific or similarly sized plans to determine what is most common in the marketplace.	Communicate any design changes to vendors or outside counsel to allow them to update documents.
Recommend	Review
Discuss or present alternative or more plan provisions, as needed, to realize the goals of the plan.	Review the final document to ensure that all changes were implemented correctly.

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INVESTMENT ADVISORY SERVICES

Presentation of Retirement Advisory Services



CREATING A SUCCESSFUL INVESTMENT PROGRAM

Tenets for a Successful Investment Program

- Effective investment menu construction requires the integration of several factors: the demographics of your workforce, the role of the plan for funding their retirement, and the various features and capabilities of the provider selected.
- Frequently, the root cause of an ineffective investment menu is found in the number of options offered—either too many or too few.
- The less risky the investment option to participants, the more potential risk to plan sponsors.
- Investment managers with the best returns are often not the best managers for a retirement plan.
- Evaluating investment managers by relying on "rearview" analysis only verifies the return—but verifying the return doesn't quantify the risk.
- Ideally, it is better to decide your investment strategy before selecting your provider.
- As a fiduciary, having a thoughtful and disciplined investment process is key, but proving the process is paramount.

Creating a successful investment program in a defined contribution plan involves a unique set of challenges, opportunities, and risks.

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ACCESSING THE OPPORTUNITY

DEPTH, SCALE, AND ACCESS TO DELIVER

Our institutional footprint, dedicated research team, proprietary databases, and experienced investors provide a distinct advantage to our clients.

Experienced Team	Deep Coverage	Research Driven	Active Investor
97 research members 9 senior leaders 88 analysts	Equities Fixed income Multi-asset Real estate	CAPTRUST Database 2,000+ covered 230+ firms 12,000+ total strategies followed	\$719 billion in assets under advisement
1,088 professionals 649 shareholders 69 offices	Alternatives, strategic opportunities Private equity and private markets Real assets	350+ annual portfolio manager meetings 123 annual due diligence calls 30+ onsite fund company visits	More than 20,000 institutional and private client relationships

The presentation is designed specifically for the client to whom it is addressed. This is not a solicitation or an offer to buy any security or instrument or to participate in any trading strategy. CAPTRUST does not render legal, accounting, or tax advice. This information has been compiled using most recent statistics available but is subject to change without notice. Data as of 12/31/2021.

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THE CAPTRUST INVESTMENT EDGE

It's what
you can't see
that can hurt you.

Unlike firms that rely upon third-party reports, we conduct our research in the field with "boots on the ground" and direct access to senior portfolio managers. This approach provides valuable perspective on a fund's potential performance.

Investment Due Diligence Calls	Portfolio Manager Interviews	On-site Due Diligence Trips	Daily Monitoring	Stable Value/Money Market Review
3,500+ annually	300+ one-on-one visits annually	100+ visits annually	2,000+ investment funds	50+ products evaluated quarterly

Research — Sample Highlights

- Analyzed "stability" of stable value wrap providers to warrant off potential loss
- Moving clients out of general accounts exposure with insurance carriers
- Evaluated target date funds assumptions and later, provided expert analysis for the GAO's independent study on target date funds

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INVESTMENT CONSULTING PROCESS

Long-term investment success is derived from a disciplined and consistent process.



STEP 1	Investment Policy Statement Development
STEP 2	Investment Menu Construction
STEP 3	Investment Manager Selection
STEP 4	Monitoring and Due Diligence
STEP 5	Proactive New Product Research

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STEP 1: INVESTMENT POLICY STATEMENT DEVELOPMENT

Your plan's Investment Policy Statement (IPS) sets the guidelines and objectives for the ongoing investment management of your plan. A well-designed IPS ensures a sound decision-making process in keeping with fiduciary best practices.



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STEP 2: INVESTMENT MENU CONSTRUCTION

CAPTRUST constructs investment menus for defined contribution plans considering the following influences:

Influence		Impact
Regulation	Suggests a broad range of investment alternatives in an effort to minimize losses. At a minimum this is considered to be a stock option, a bond option, a cash option, and an allocation tool to meet qualified default investment alternative (QDIA) standards that comply with ERISA regulations.	At minimum: <ul style="list-style-type: none">Stock optionBond optionCash optionAsset allocation tool
Theory	Modern Portfolio Theory recommends building a portfolio using investment options that behave differently from one another on the basis of their risk, return, and cross-correlation statistics. Each option within a portfolio should have a specific role and little overlap with other choices.	Potentially, a large number of options given with different risk/return characteristics
Behavior	Research indicates the impact of choice overload. Choice overload suggests that the more options participants have to choose from the more likely they are to become overwhelmed and fail to act, lowering participation rates.	Offer no more than 30 investment choices
Environment	The influence of the external environment suggests acknowledging standard practices with a particular industry. The environment is also shaped by the selection of service providers that may have limitations that place constraints on a plan.	Acknowledge industry best practices and provider constraints

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STEP 2: INVESTMENT MENU CONSTRUCTION INFLUENCES

A tiered approach is used to solve for different types of plan participants—from the disengaged to the highly engaged. By including both active and passive management, engaged participants have multiple ways to build diversified portfolios.

ASSET CLASSES	ALLOCATION TIER 1 (OPTION)	PASSIVE TIER 1 (4 OPTIONS)	ACTIVE TIER 1 (9 OPTIONS)	OTHER
	<ul style="list-style-type: none"> Target date fund or Risk-based series 	<ul style="list-style-type: none"> Intermediate term bond Domestic large cap stocks Domestic mid- and small-cap stocks International stocks 	<ul style="list-style-type: none"> Capital preservation Intermediate term bond Large-cap value Large-cap growth Mid-cap value Mid-cap growth International large cap Small-cap value Small-cap growth 	<ul style="list-style-type: none"> Self-directed brokerage account Mutual fund window Loan
RATIONALE	<ul style="list-style-type: none"> For disengaged participants that desire a premade diversified portfolio (do-it-for-me) Can qualify as a qualified default investment alternative (QDIA) for auto-enrolled participants 	<ul style="list-style-type: none"> For investors who do not wish to take on active management risk in addition to market risk For investors who only want low-cost market exposure All major asset classes are represented (same as active) 	<ul style="list-style-type: none"> Give investors the opportunity to outperform passive index options All major asset classes are represented, so engaged participants can create diversified portfolios (do-it-yourself) 	<ul style="list-style-type: none"> Optional Tier 2 May not be appropriate for all defined contribution plans Satisfies highly engaged investors without adding unnecessary investment options to the core lineup

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STEP 2: INVESTMENT MENU CONSTRUCTION

Stable Investments	Core Asset Classes	Non-Core Asset Classes	Asset Allocation Strategies	Ancillary Services
Money Market	U.S. Stocks	Real Estate	Balanced Funds	Self-Directed Brokerage
Guaranteed Investment Fund	Large-Cap Growth	Commodities	Target Date Funds	Exchange-Traded Funds
Guaranteed Investment Contract	Large-Cap Value	Hedge Fund Strategies	Risk-Based Models	Participant Advice
Stable Value Funds	Large-Cap Index	Foreign Bonds	Managed Accounts	Structured Products
	Large-Cap Blend	Emerging Market Bonds		Guaranteed Income
	Mid-Cap Growth	Sector Funds		
	Mid-Cap Value			
	Mid-Cap Index			
	Mid-Cap Blend			
	Small-Cap Growth			
	Small-Cap Value			
	Small-Cap Index			
	Small-Cap Blend			
	Foreign Stocks			
	Developed Market Growth			
	Developed Market Value			
	Developed Market Blend			
	Emerging Market			
	U.S. Bonds			
	U.S. Government Bond			
	U.S. Corporate Bond			
	U.S. High Yield Bond			

Key Considerations:

- What is the role of the retirement plan in your organization's overall retirement benefit strategy?
- What are the demographics of your organization's workforce?
- What are the specific capabilities, restrictions, and limitations of your participant demographics?
- What are the provider's capabilities?

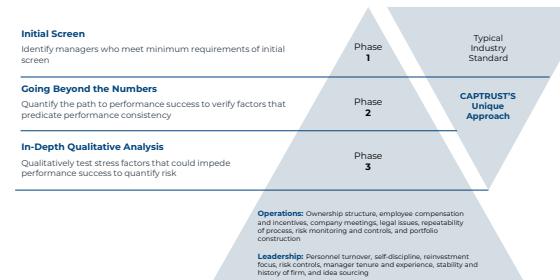
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STEP 3: INVESTMENT MANAGER SELECTION

Our unique investment selection process includes an exhaustive bottom-up review of an investment manager's investment strategy and all aspects of its business and organizational structure to identify and confirm best-of-breed investment solutions.



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STEP 3: INVESTMENT MANAGER SELECTION

Our selection process combines both quantitative and qualitative metrics to identify best-of-breed investment solutions.

Quantitative		Qualitative	
Identify Appropriate Benchmark and Peer Group <ul style="list-style-type: none"> Return-based analysis Holdings-based style and risk analysis 		Firm Management <ul style="list-style-type: none"> Ownership structure Employee compensation & incentive Personnel turnover Sufficient resources Ability to attract new talent Stability and history of firm Legal issues 	
Performance—Multiple Time Periods and Market Cycles		Investment Management Philosophy and Process <ul style="list-style-type: none"> Durable investment edge Philosophy Culture People Resources Alignment Reputationability of process Idea sourcing Portfolio construction methodology Risk management 	
Excess Returns	Risk-Adjusted Returns	Holdings Based/ Multi-Factor	
<ul style="list-style-type: none"> Excess return Tracking error Correlation R-squared 	<ul style="list-style-type: none"> Significance Information ratio Alpha Beta Volatility Sharpe Sortino Omega Drawdown Up/down capture Non-normality 	<ul style="list-style-type: none"> Holdings-based characteristics and trends Style, industry, country and country factor risk Non-factor security-specific risk Top active bets VaR and CVaR Scenario analysis Attribution 	

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STEP 5: PROACTIVE NEW PRODUCT RESEARCH

We constantly monitor and review product developments and marketplace trends—providing plan sponsors with critical insight for more informed decision-making.

Retirement Income Solutions: DC Plan Participants Look to Transfer Risk

A Three-Step Approach To Nonqualified Plan Financing: Now is the Time to Revisit Your Strategy

Conducting An Effective Advisor RFP Process: Best Practices for the Evaluation and Selection of Retirement Plan Advisors

Capital Market Assumptions: The Long Road Toward Normalization

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INVESTMENT MANAGER RESEARCH

Presentation of Retirement Advisory Services

INVESTMENT MANAGER RESEARCH

Our unique due diligence process is designed to identify institutional-quality managers who approach our relationship as a strategic partnership.

Total Universe of 418 Distinct Strategies

- 368 were eliminated due to the model, short track records, or low ALM.
- 40 were eliminated due to lack of consistency.
- 7 were eliminated based on fundamental evaluation and due diligence.
- 3 managers selected**

Initial Screen

- Proprietary model identifies managers who have added statistically significant value over a five-year period to determine active skill.
- The model focuses on consistency of returns versus absolute performance.

Beyond the Numbers

- Point statistics can bias quantitative assessments.
- Manager performance is deconstructed and dissected over market cycles and multiple time periods using rolling-period analysis and multi-factor models to identify distinct characteristics.

In-Depth Fundamental Analysis

- Perform an extensive bottom-up review of the investment strategy in order to find a durable competitive advantage.
- Analyze all aspects of the business and organizational structure.

Ongoing Due Diligence

- After completing a thorough review and creating the initial investment thesis, communicate extensively with portfolio management in order to confirm findings and challenge assumptions.

Selection

- Managers are selected and optimized if multiple managers are chosen.

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INVESTMENT MANAGER RESEARCH

Quantitative data is all about looking in the rearview mirror. Our qualitative due diligence looks to confirm current performance and concentrate on forward-looking strategy.

Due Diligence Processes	Process Outcomes	Client Outcomes
Investment Due Diligence Calls	<ul style="list-style-type: none"> 1,000+ Annually Executed continuously 	
Portfolio Manager Interviews	<ul style="list-style-type: none"> 300+ Annually (phone and in-person) Senior Portfolio Managers and Team 	
Due Diligence Trips	<ul style="list-style-type: none"> 100+ Meetings Annually Inst. Inv. Managers On-Site with Portfolio Managers and Team 	
Quarterly Review of all Client Funds	<ul style="list-style-type: none"> Systematic Review 	
Daily Monitoring	<ul style="list-style-type: none"> + 2,000+ Mutual Funds 	
Stable Value/ Money Market Review	<ul style="list-style-type: none"> Quarterly Review of 50+ Products 	<ul style="list-style-type: none"> Risk management via forward-looking investment analysis Enhanced outcomes Documentable fiduciary process

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INVESTMENT MANAGER RESEARCH

Bloomberg Morningstar eVestment Zephyr MPI TAMEL RMS

CAPTRUST uses industry-leading data providers along with propriety internal databases to identify best-of-breed investment managers

	Manager Database	Market/Economic Data	Returns Based Analysis	Holdings Based Analysis	Portfolio Risk Analysis
Bloomberg	X	X	X	X	X
Morningstar Direct	X	X	X	X	
Morningstar Principia	X				
eVestment Alliance	X		X		
Zephyr Style Advisor	X	X	X		
MPI	X	X	X		
Tamale	X				

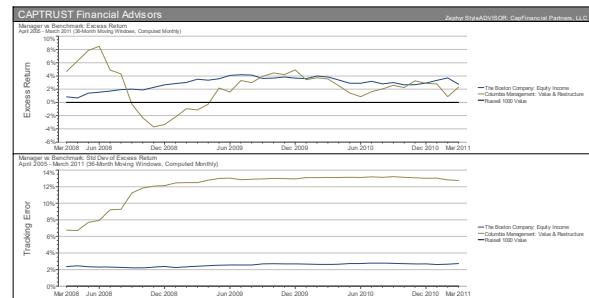
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INVESTMENT MANAGER RESEARCH

The use of confidence intervals identifies and emphasizes consistency.



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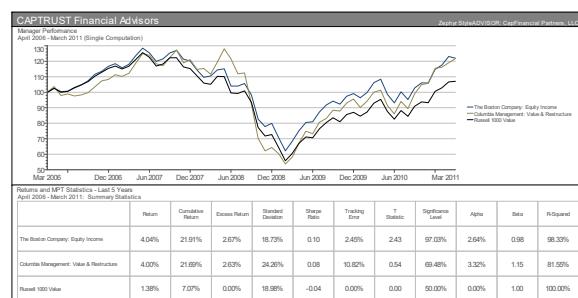
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INVESTMENT MANAGER RESEARCH

Actual manager performance highlights different performance profiles.



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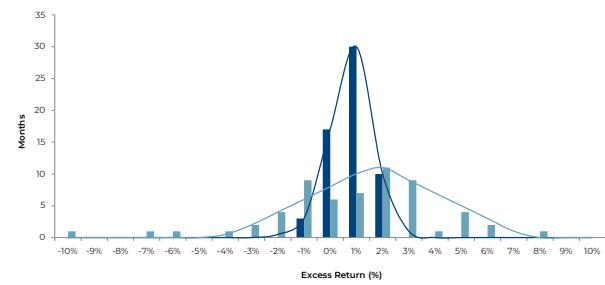
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INVESTMENT MANAGER RESEARCH

Distribution of Monthly Excess Returns, Last 5 Years



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INVESTMENT MANAGER RESEARCH

Example Manager	Annualized Return	Cumulative Return	Annualized Excess Return	T-Statistic	Significance Level
Manager A	4.04%	21.91%	2.67%	2.43	97.03%
Manager B	4.00%	21.69%	2.63%	0.54	69.48%

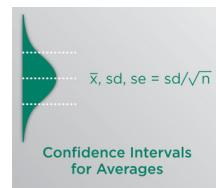
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INVESTMENT MANAGER RESEARCH



Skill versus Luck: T-Stats and Confidence Intervals

- Removes market risk isolating active risk
- Inherently leads to a focus on consistency
- Narrows the opportunity set and focuses attention on the strongest managers
- Confidence intervals based on the Central Limit Theorem

Sample sizes larger than roughly 30 observations tend to be normally (bell-shaped) distributed and are considered to be statistically significant.

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INVESTMENT MANAGER RESEARCH



Philosophy

Clinical versus Actuarial Judgment, Dawes, Faust, Meehl
Research shows properly developed and applied actuarial methods are superior to clinical methods of decision-making.

Therefore, be actuarial whenever possible, but combining both clinical and actuarial processes is optimal.

Applications and Limitations:

Screening and Identification
Develop methods to identify proven and significant risk-adjusted performance.

Forward Looking, Prospective
No defensible actuarial method exists to predict future manager performance.

Solution
Rigorous fundamental research with a disciplined framework.

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TARGET DATE FUND SELECTION PROCESS

Presentation of Retirement Advisory Services

BEST PRACTICES FOR TARGET DATE FUND SELECTION

CAPTRUST CHECKLIST FOR DOL TARGET DATE TIPS RELEASE

A checklist for plan sponsors offering target date funds based on the Department of Labor's Employee Benefits Security Administration Tips for ERISA Plan Fiduciaries release

SECTION 1: TARGET FUND SELECTION

1. **Review Investment Performance**
 - Review investment risk and return for each target date fund over one-, three-, and five-year trailing periods and since inception against appropriate target date funds and peers.
2. **Review Glidepath and Series' Underlying Funds**
 - Against appropriate peer groups
 - Against assumptions (in connection with glidepath construction)
 - Understand the mix of stocks, bonds, cash and other assets within the target date series, and how this mix changes over time
 - Understand the manager's rebalancing methodology and approach to tactical asset allocation and asset classes
 - Identify when the series' glidepath will reach its most conservative point - at retirement or sometime after retirement
 - Understand the underlying investments of each target date series
 - Asset classes utilized
 - Active versus passive management

SECTION 2: REVIEW MANAGEMENT TEAM AND PROCESS

3. **Review Management Team and Process**
 - Team tenure
 - Approach to asset allocation as well as manager and/or security selection
 - Roles and ownership of responsibilities
 - Fund firm
4. **Review Plan Demographic Data and Assumptions/Exposures**
 - Employee age and average retirement age
 - Deferral/contribution rates
 - Savings amounts
 - Employee turnover rate
 - Withdrawal patterns
 - Consider the existence of supplemental retirement plans
5. **Review the Availability and Applicability of Custom or Non-Proprietary Solutions**
 - Identify if there are any other custom and non-proprietary TDFs available
 - Weigh the costs and the benefits of custom or non-proprietary target date funds (to include non-financial costs such as administrative complexity and ease for participants and benefits such as the ability to use the plan's core line up as building blocks for the target date series)
6. **Review the Series' Fees**
 - Document the fund's total cost, including any underlying fund's investment management fees
 - Document any non-investment fees and their purpose
 - 7. **Review Employee Communications**
 - Provide information that describes what a target date fund is and its purpose in the plan
 - Distribute information to participants regarding the specific target date series offered by the plan

SECTION 2: ONGOING MONITORING PROCESS

1. **Periodically Review the Selected Target Date Fund Series**
 - Periodically review, at a minimum, whether significant changes to the selected target date fund series such as changes in:
 - a. Management
 - b. Asset allocation/glidepath
 - c. Investment philosophy
 - d. Fees
 - e. Underlying funds
 - Periodically review investment risk and return

TARGET DATE FUND SELECTION PROCESS

1. To vs. Through Retirement

2. Active vs. Passive

3. Manager Screen

4. Vehicle

Empirical: plan withdrawal activity
Philosophical: plan sponsor's view of their role in retirement planning process

Empirical: cost impact to plan
Philosophical: investor risk tolerance and overall view on active vs. passive management

Empirical: CAPTRUST due diligence process (e.g. glidepath construction, commitment to the space, manager tenure, etc.)

Empirical: availability and cost impact to plan
Philosophical: plan sponsor comfort with various investment structures

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TO VS. THROUGH

GLIDEPATH MANAGEMENT

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graph TD
    GLIDEPATH[GLIDEPATH MANAGEMENT] --> TO[To Retirement]
    GLIDEPATH --> THROUGH[Through Retirement]
  
```

Glidepath settles on the date in the fund's name.

Assumes participants leave the plan at or shortly after retirement (age 65)

Primary objective is to help participants meet their accumulation needs at retirement

Greater focus on the accumulation phase of retirement

"References to "to" or "through" are meant to represent the primary style associated with a particular statement or metric; these are generalizations only and do not represent all "to" or "through" managers."

PHILOSOPHICAL

Which better describes the committee's primary objective for plan participant's asset allocation at retirement?

An asset allocation designed to support withdrawals over a participant's lifetime, but with higher potential market risk

An asset allocation designed to support immediate withdrawals at retirement age, but with lower potential for asset growth

Is the committee's goal for participants to stay in the plan past retirement age (assumed to be 65)?

Yes
No

Does the committee have a preference towards one of the following glidepath types?

To retirement
Through retirement
No preference

EMPIRICAL

What percentage of defaulter participants stay invested in the plan past age 65?

Assumes participants stay invested some period of time after retirement (age 65). Can range from less than one year post-retirement

How long, on average, do defaulter participants stay invested in the plan past age 65?

Less than five years
Between five and ten years
Longer than ten years

CAPTRUST 103

CAPTRUST 104

ACTIVE VS. PASSIVE

ASSET MANAGEMENT

```

graph TD
    ASSET[ASSET MANAGEMENT] --> ACTIVE[Active]
    ASSET --> HYBRID[HYBRID]
    ASSET --> PASSIVE[Passive]
  
```

+	Opportunity to outperform benchmarks Generally offer more sub-asset class exposure Generally more specialty asset class exposure	-	Generally lower expenses Reduced risk of asset manager underperformance
=	Risk of asset manager underperformance Generally higher expenses	=	No opportunity to outperform benchmarks Generally less exposure to specialty asset classes

*References to active or passive management are meant to represent the primary style associated with a particular statement or metric; these are generalizations only and do not represent all active or passive managers. Hybrid managers tend to have characteristics of both active and passive management.

PHILOSOPHICAL

Please rank the following in order of importance regarding target date funds (1=most important to 8=least important):

1. Fees
2. Tactical management (over or underweights to add value)
3. Investment manager diversification (open arch)
4. Ability to outperform benchmark
5. Ability to outperform peers
6. Brand Recognition
7. Low expense ratio
8. Upside participation

Does the committee have a preference towards one of the following Target Date management styles?

Active
Passive
Hybrid (combination of active and passive)
No preference

EMPIRICAL

What percentage of plan assets are invested in the QDIA option?

Is the plan currently paid for, in whole or in part, through revenue sharing?

Yes
No

Is there any desire to alter this arrangement?

Yes
No

TARGET DATE RISKS

Market Risk
Possibility for an investor to experience losses due to factors that affect the overall performance of the financial markets.

Longevity Risk
Uncertainty over having enough money to last an investor's lifetime.

Inflation Risk
Uncertainty over the future inflation-adjusted value of your investment.

Active Manager Risk
Uncertainty that an asset manager will be able to deliver higher returns than the benchmark over a full market cycle.

Target Date Risks

PHILOSOPHICAL

Target Date managers focus on different types of risk when creating portfolios. Often, one of these risks must be weighted more heavily than the others. With this in mind, please rank the following risks in order of importance (1=most important to 4=least important)

1. Market Risk
2. Longevity Risk
3. Inflation Risk
4. Active Manager Risk

CAPTRUST 105 C

OUR COMMITMENT TO THE 403(b) MARKET

Presentation of Retirement Advisory Services

OUR COMMITMENT TO THE 403(b) MARKET

Client Relationships

456	938	\$230 Billion	\$159 Billion	\$53 Billion
Total 403(b) clients	Total 403(b) plans	Total 403(b) plan assets	Total 403(b) assets under education	Total 403(b) assets under healthcare

Provider Relationships

26	Top 403(b) providers range from 26 to 938 plans	\$209 Billion
Currently work with 24 top 403(b) providers	The total 403(b) assets under management are our top 403(b) providers total	Total 403(b) assets under education

Industry Involvement

CAPTRUST is an active member of the 403(b) community	Our participation in these events puts us in a position to understand issues impacting the industry—and to be better advocates for our clients
--	--

Data as of 12/31/2020

CAPTRUST 107 C

OUR COMMITMENT TO THE HIGHER EDUCATION MARKET

Client Relationships

838	185	\$206B
Total higher education plans	Total higher education clients	Total higher education assets under advisement

Provider Relationships

24	Rigorous due diligence with the top providers: TIAA, Fidelity, and Emerson, including quarterly meetings and access to their highest executive levels
Currently work with 36 different 403(b) providers, many of whom participate in reciprocal annual on-site visits	

Industry Involvement

CAPTRUST is active with national policy-making groups, such as NACUBO, NAICU, and COPA-HR and various state agencies	Our professionals are frequent speakers, moderators, panelists, and chairs at industry events
--	---

Data as of 12/31/2020

CAPTRUST 108 C

TRENDS IN HIGHER EDUCATION INSTITUTIONS

Plan Design Optimization

- Improved benefit clarity and appreciation
- More efficient plan administration

Recordkeeper Evaluation

- Vendor consolidation
- Master administrator solutions

Vendor Management

- Annual meetings with each service provider with a goal of increased services with each vendor focusing on better participant outcomes
- Require accountability for the services being provided

Fiduciary Process Management

- Fiduciary training
- Documentation

Investment Menu Reconstruction and Streamlining

- Simplified fixed investment structure for more effective participant communication and decision-making
- Eliminate overlap, underperforming funds; add non-proprietary funds

Fee Simplification

- Understand fees and determine if they are reasonable in relation to services provided

- Excess revenue accounts and effective uses of excess revenue

Outcome-Based Participant Tools

- Review the communications and education provided by each vendor
- Participant outcomes analysis
- Auto features-automatic enrollment and auto escalation



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CREATING A SUCCESSFUL INVESTMENT PROGRAM FOR YOUR 403(B) PLAN



Creating a successful investment program in a 403(b) plan involves a unique set of challenges, opportunities, and risks.

- Effective investment menu construction requires the integration of several factors: the demographics of your workforce, the role of the plan for funding their retirement, and the various features and capabilities of the provider selected.
- Frequently, the root cause of an ineffective investment menu is found in the number of options offered—either too many or too few.
- Investment managers with the best returns are often not the best managers for a 403(b) plan.
- Evaluating investment managers by relying on rearview analysis only verifies the return—and doesn't quantify the risk.
- As a fiduciary, having a thoughtful and disciplined investment process is key, but proving the process is paramount.

CAPTRUST

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PUBLIC INSTITUTIONS

Presentation of Retirement Advisory Services



FOCUS ON SERVING PUBLIC INSTITUTIONS

COMMON CHALLENGES

Managing plan complexities

- Requirements to follow state regulations
- Maintaining an investment lineup that satisfies the need of current employees and retirees

Engaging diverse employee groups

- Teams, unions, demographic, and age groups
- Varying levels of engagement, knowledge of savings and investing, and longevity
- Review of employee engagement methods

Ensuring board members are informed and engaged

- Staying educated on changing recordkeeper offerings and regulatory, and legislative activity
- Implementing best practices related to fiduciary oversight, investments, fees, services, and employee engagement

BEST PRACTICES

Adopting fiduciary best practices

- Establishing an investment policy statement, committee charter, and bylaws
- Engaging advisors to mitigate fiduciary risk
- Reviewing fees
- Conducting benchmarking and vendor request for proposal (RFP) for recordkeeping and administration
- Determining appropriate fee methodology: pro rata vs. per capita
- Exploring leveled pricing
- Implementing streamlined, optimal investment lineups
- Improving the participant experience
- Engaging participants from enrollment to retirement

CAPTRUST

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INDUSTRY TRENDS IN THE PUBLIC MARKET

Fee structure and transparency

- Elimination of underlying fund revenue sharing
- Visible asset-based fee or per-head fee

Financial literacy and wellness

- Holistic financial education
- Tools designed to improve participant outcomes

Data protection and cybersecurity

- Greater scrutiny of service providers
 - Improved contracts
- Investments**
- Matching target date glidepath with participant demographics
 - Stable value and fixed fund analysis
 - Focus on environmental, social, and governance (ESG) and socially responsible investing (SRI) funds
 - Pressure to divest from fossil fuels

CAPTRUST

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THOUGHT LEADERSHIP FOCUSED ON PUBLIC INSTITUTIONS

Periodic newsletters | Retirement Plan Checkup

- Timely updates on relevant topics to help plan sponsors manage fiduciary risk

Website | captrust.com

- Robust library of content addressing the needs of plan sponsors, focused on defined contribution, defined benefit, and nonqualified
- Periodic regulatory and capital market updates

Podcast | Revamping Retirement

- Podcast with CAPTRUST's retirement plan consulting practice heads and co-author of the *PLANSPONSOR*® weekly Ask the Expert column on retirement plans

LinkedIn @CAPTRUST and Twitter @CAPTRUSTfa

- Insights to keep plan sponsors up to date

Speaking engagements

- Regularly asked to provide opinions to regulators, legislators, and industry executives

CAPTRUST

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HEALTHCARE INSTITUTIONS

Presentation of Retirement Advisory Services

FOCUS ON SERVING HEALTHCARE INSTITUTIONS

COMMON CHALLENGES

Managing plan complexities

- Multiple plans, contracts, and recordkeepers
- Extensive investment menus
- Coordination of multiple investment lineups

Engaging diverse employee groups

- Staff, unions, demographic, and age groups
- Varying levels of engagement, knowledge of savings and investing, and longevity
- Review of employee engagement methods

Ensuring committee members are informed and engaged

- Staying educated on changing recordkeeper offerings and regulatory and legislative activity
- Implementing best practices related to fiduciary oversight, investments, fees, services, and employee engagement

BEST PRACTICES

Adopting fiduciary best practices

- Establishing a committee, investment policy statement, and committee charter
- Engaging advisors to mitigate fiduciary risk
- Reviewing fees
- Conducting benchmarking and vendor request for proposal (RFP) for recordkeeping and administration
- Determining appropriate fee methodology: pro rata vs. per capita
- Exploring leveled pricing
- Implementing streamlined, optimal investment lineups
- Improving the participant experience
- Engaging participants from enrollment to retirement

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INDUSTRY TRENDS IN THE HEALTHCARE MARKET

Fee structure and transparency

- Elimination of underlying fund revenue sharing
- Visible asset-based fee or per-head fee

Financial literacy and wellness

- Holistic financial education
- Tools designed to improve participant outcomes

Data protection and cybersecurity

- Greater scrutiny of service providers
 - Improved contracts
- Investments**
- Matching target date glidepath with participant demographics
 - Stable value and fixed fund analysis
 - Focus on environmental, social, and governance (ESG) and socially responsible investing (SRI) funds
 - Pressure to divest from fossil fuels

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THOUGHT LEADERSHIP FOCUSED ON HEALTHCARE INSTITUTIONS

Periodic newsletters | Retirement Plan Checkup

- Timely updates on relevant topics to help plan sponsors manage fiduciary risk

Website | captrust.com

- Robust library of content addressing the needs of plan sponsors, focused on defined contribution, defined benefit, and nonqualified plan issues and participant needs
- Periodic regulatory and capital market updates

Podcast | Revamping Retirement

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Speaking engagements

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CORPORATE INSTITUTIONS

Presentation of Retirement Advisory Services

FOCUS ON SERVING CORPORATE INSTITUTIONS

COMMON CHALLENGES

Managing plan complexities

- Multiple plans, contracts, and recordkeepers
- Extensive investment menus

Engaging diverse employee groups

- Teams, unions, demographic, and age groups
- Varying levels of engagement, knowledge of savings and investing, and longevity
- Review of employee engagement methods

Ensuring committee members are informed and engaged

- Staying educated on changing recordkeeper offerings and regulatory and legislative activity
- Implementing best practices related to fiduciary oversight, investments, fees, services, and employee engagement

BEST PRACTICES

Adopting fiduciary best practices

- Establishing a committee, investment policy statement, and committee charter
- Engaging advisors to mitigate fiduciary risk
- Reviewing fees
- Conducting benchmarking and vendor request for proposal (RFP) for recordkeeping and administration
- Determining appropriate fee methodology: pro rata vs. per capita
- Exploring leveled pricing
- Implementing streamlined, optimal investment lineups
- Improving the participant experience
- Engaging participants from enrollment to retirement

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INDUSTRY TRENDS IN CORPORATE INSTITUTIONS

Fee structure and transparency

- Elimination of underlying fund revenue sharing
- Visible asset-based fee or per-head fee

Financial literacy and wellness

- Holistic financial education
- Tools designed to improve participant outcomes

Data protection and cybersecurity

- Greater scrutiny of service providers
 - Improved contracts
- Investments**
- Matching target date glidepath with participant demographics
 - Stable value and fixed fund analysis
 - Focus on environmental, social, and governance (ESG) and socially responsible investing (SRI) funds
 - Pressure to divest from fossil fuels

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THOUGHT LEADERSHIP FOCUSED ON CORPORATE INSTITUTIONS

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ONBOARDING AND QUARTERLY DUE DILIGENCE

Presentation of Retirement Advisory Services

ONBOARDING

ACTION	DESCRIPTION	TIMELINE
Execute Service Agreement	<ul style="list-style-type: none"> • Review/sign service agreements • Return hard copy to Sample 	1 month
Letter of Authorization	<ul style="list-style-type: none"> • Execute letter of authorization granting CAPTRUST access to collect plan documents • Send letter of authorization to vendor 	1 month
Collect Plan Information	<ul style="list-style-type: none"> • Collect plan information: populate CAPTRUST Direct <ul style="list-style-type: none"> • Adoption agreements/amendments • Plan documents/amendments • Summary plan description • IRS determination letters • IRS Form 5500's (last three years) • ADP/ACP Tests • Trustee and/or administrator reports and investment reviews • Vendor revenue disclosure <ul style="list-style-type: none"> • Basic demographic data (participant counts, loan data, payroll data, etc.) • Plan balances by investment • Meet with vendor to understand specific plan provisions and characteristics • Vendor online access authorization for CAPTRUST 	1-2 months

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ONBOARDING			
Action	Description	Timeline	
Fee Benchmark and Revenue Sharing Study	<ul style="list-style-type: none"> Gather any missing plan data from vendor Conference call with vendor to understand services and fees Request vendor administrative revenue target for plan Summarize administrative revenue targets and total expense, and document all revenue sharing Prepare plan benchmark-compare investments and fees to market for similar asset and participant demographics Negotiate with vendor (if applicable) Present findings/recommendations to committee Document process and save via CAPTRUST Direct 	1-2 months	
Evaluate Investment Managers	<ul style="list-style-type: none"> Review of current IPS Investment fund lineup structure <ul style="list-style-type: none"> Performance for 3 and 5 year periods Style diversity Manager tenure Fund asset size Fund expense ratio Mutual fund litigation Review risk adjusted returns Compare to possible alternatives Present findings/recommendations to committee 	1-2 months	
Kickoff Call/Meeting	<ul style="list-style-type: none"> Discuss committee process Outline meeting schedules/agendas Proposal of quarterly meeting agendas 	1 month	

ONBOARDING			
Action	Description	Timeline	
Fiduciary Management	<ul style="list-style-type: none"> Review/modify committee governance Conduct fiduciary training Manage/update the Sample CAPTRUST Direct Portal Gather any additional client data for CAPTRUST Direct Upload documents to CAPTRUST Direct Portal Roll out committee login and demo for plan fiduciaries 	1-2 months	
Ongoing Due Diligence	<ul style="list-style-type: none"> Continuous investment manager due diligence Write and update quarterly retirement market commentary Present and update committee on investment research Quarterly investment review Quarterly meeting minutes Review prior meeting minutes and confirm "Action Items" list completed Ongoing provider due diligence Retirement plan legal updates Retirement plan offering updates 	Ongoing	
Ongoing Vendor Due Diligence	<ul style="list-style-type: none"> Annual vendor site visit Prepare due diligence summary <ul style="list-style-type: none"> New product offerings Technology enhancements Participant communications upgrades Corporate management changes Corporate litigation Semi-annual due diligence call 	Ongoing	

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QUARTERLY MONITORING AND ONGOING DUE DILIGENCE				
	1Q	2Q	3Q	4Q
Fiduciary Process	<ul style="list-style-type: none"> <input type="checkbox"/> Review and approve meeting minutes <input type="checkbox"/> Review and update the CAPTRUST Direct portal <input type="checkbox"/> Conduct fiduciary training 	<ul style="list-style-type: none"> <input type="checkbox"/> Review and approve meeting minutes <input type="checkbox"/> Review and update the CAPTRUST Direct portal <input type="checkbox"/> Formal Investment Policy Statement (IPS) review 	<ul style="list-style-type: none"> <input type="checkbox"/> Review and approve meeting minutes <input type="checkbox"/> Review and update the CAPTRUST Direct portal <input type="checkbox"/> Charter review (if applicable) 	<ul style="list-style-type: none"> <input type="checkbox"/> Review and approve meeting minutes <input type="checkbox"/> Manage and update the CAPTRUST Direct portal
Investment Management	<ul style="list-style-type: none"> <input type="checkbox"/> Investment Review <ul style="list-style-type: none"> Market and economic commentary Investment manager due diligence and review 	<ul style="list-style-type: none"> <input type="checkbox"/> Investment Review <ul style="list-style-type: none"> Market and economic commentary Investment manager due diligence and review 	<ul style="list-style-type: none"> <input type="checkbox"/> Investment Review <ul style="list-style-type: none"> Market and economic commentary Investment manager due diligence and review 	<ul style="list-style-type: none"> <input type="checkbox"/> Investment Review <ul style="list-style-type: none"> Market and economic commentary Investment manager due diligence and review
Participant Engagement	<ul style="list-style-type: none"> <input type="checkbox"/> Maintain goals and objectives of committee in accordance with selected education platform (guidance/advice) 			<ul style="list-style-type: none"> <input type="checkbox"/> Conduct participant satisfaction surveys, if applicable
Vendor Management	<ul style="list-style-type: none"> <input type="checkbox"/> Plan demographics review (provided) <ul style="list-style-type: none"> Plan utilization statistics Participant behaviors 		<ul style="list-style-type: none"> <input type="checkbox"/> Plan Fee Benchmarking <ul style="list-style-type: none"> Recordkeeping - scope, costs, and disclosure fees and services 	<ul style="list-style-type: none"> <input type="checkbox"/> Quantitative investment performance against benchmark and manager universe <input type="checkbox"/> Qualitative assessment of management team/portfolio group <input type="checkbox"/> Retrieve and compare daily reporting from Bloomberg, Zacks, MSCI, and Morningstar Direct to internal flagged investment reporting <input type="checkbox"/> CAPTRUST prepared and archived quarterly meeting minutes <input type="checkbox"/> Review plan funding status and adjust asset allocation a de-risking strategy accordingly
Plan Design	<ul style="list-style-type: none"> <input type="checkbox"/> Legislative, regulatory, and compliance updates 	<ul style="list-style-type: none"> <input type="checkbox"/> Legislative, regulatory, and compliance updates 	<ul style="list-style-type: none"> <input type="checkbox"/> Legislative, regulatory, and compliance updates 	<ul style="list-style-type: none"> <input type="checkbox"/> Plan design - review of provisions and peer best practices

QUARTERLY REVIEW AND ONGOING DUE DILIGENCE				
	1Q	2Q	3Q	4Q
Present Retirement Committee Review				
	<ul style="list-style-type: none"> Quarterly capital market commentary Legislative, regulatory, and compliance updates Fund family items Review CAPTRUST monitoring and scoring processes for: <ul style="list-style-type: none"> Mutual funds Target date funds Capital preservation funds-(stable value/money market) 			
Investment Manager Due Diligence				
	<ul style="list-style-type: none"> Average of 75 portfolio manager due diligence meetings (site visits and phone quarterly) Closely monitor investment management teams, profiles, and offerings Risk management assessment of investment offerings for major style and return deviations relative to peer benchmarks 			
Recordkeeper and Legislative Due Diligence Updates				
	<ul style="list-style-type: none"> Average of 16 provider/recordkeeper due diligence meetings quarterly Proactive and qualitative review of all provider services, platforms, new offerings and trends 			
Investment Review: Apply IPS Guidelines to All Investment Options				
	<ul style="list-style-type: none"> Quantitative investment performance against benchmark and manager universe Qualitative assessment of management team/portfolio group Retrieve and compare daily reporting from Bloomberg, Zacks, MSCI, and Morningstar Direct to internal flagged investment reporting CAPTRUST prepared and archived quarterly meeting minutes Review plan funding status and adjust asset allocation a de-risking strategy accordingly 			
Participant Education and Communication				
	<ul style="list-style-type: none"> Maintain goals and objectives of committee in accordance with selected education platform (guidance/advice) Coordinate education platform between plan sponsor/provider/advisor 			

CAPTRUST			
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SUMMARY OF FEES AND SERVICES

Presentation of Retirement Advisory Services

WHAT MAKES CAPTRUST DIFFERENT?

Aligned Interests and Operations

- Objective and unbiased fiduciary
- \$79 billion in client assets under advisement
- More than 3,000 institutional clients
- Culture of employee ownership
- 100% of revenue from client advisory services
- Dedicated subject matter experts by practice
- Give back to local communities we serve

Service Provider Expertise

- We've improved recordkeeping services and fees for 55% of our clients in 2021
- 543 service/fee benchmarking projects conducted in 2021
- 85+ providers continuously monitored as part of our ongoing due diligence
- Understanding of platform options and service teams
- Process for assisting clients with recordkeeping mergers

CAPTRUST

Retirement Expertise

- Holistic service model focused on fiduciary process, plan design, investments, vendor management, and participant engagement
- Serve as a fiduciary for retirement planning and investment advice for plan participants
- Dedicated client service team members who average more than 20 years of industry experience

Investment Research Edge

- 97 professionals dedicated to investment research
- Multiple sophisticated manager database tools
- 3,500+ due diligence calls annually and 350+ on-site interviews
- Dedicated investment expertise in domestic and international equities, fixed income, capital preservation/stable value, target date funds and environmental, social, and governance (ESG) investing

Data as of 12/31/2021

CAPTRUST

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C



WHY HIRE A RETIREMENT PLAN ADVISOR?

Top Ten Most Valued Advisor Services

- Review investment options with you periodically
- Examine if your plan is administered according to applicable laws, regulations, and stated policies
- Assist you with the implementation of fiduciary process
- Help you understand the fees providers charge for their services
- Ensures that your participants have access to education, communication, services, and asset allocation counseling they need to make informed decisions
- Support you with investment provider due diligence
- Learn the circumstances and benefits philosophy of your organization
- Meet with employees one-on-one to provide retirement plan education
- Monitor the fulfillment of service by your retirement plan service provider
- Meet with employees in groups to provide retirement plan education

Source: Retirement Advisor Council, "What Type of Professional Retirement Plan Advisor is Right for my Plan?" (EACH Enterprise, LLC, 2013), 6.

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If not offering PAS, delete the checkmark next to "Participant Advice Services" in the lists above and delete copy in the "Notes" section on the left.

SUMMARY OF SERVICES AND FEES

Annual Advisory Fee
3(21) Investment Advisory Services
bps
3(38) Investment Management Services
bps
Terms
Includes a % annual increase
Blueprint Services (optional service)
bps

CAPTRUST

CAPTRUST EDUCATION SUPPORT

CAPTRUST believes that access to benefit and financial information is important for employees. We work closely with clients and vendor partners to help determine goals and utilize available offerings and resources.

These include:

- Annual education planning session with CAPTRUST and vendor partner
- Collaboration with client and vendor partner to identify priorities
- Development of plan goals and objectives
- Review vendor partner educational content and communication materials
- Oversee vendor partner delivery timing and content
- Review new vendor partner offerings
- Present market trends for financial wellness
- Review and analyze vendor partner reporting including retirement readiness, utilization, and action
- Educational presentations and support will be available periodically from your CAPTRUST Financial Advisor

If the FA is not providing educational presentations and support, please delete the last bullet.



CAPTRUST

PARTICIPANT ADVISORY SERVICES



CAPTRUST



BLUEPRINT FINANCIAL WELLNESS AND ADVICE

Presentation of Retirement Advisory Services

FINANCIAL STRESS IS A WORKPLACE PROBLEM

Top Financial Concerns

Concern	Percentage
Having emergency savings	50%
Not being able to retire when I want	29%
Meeting monthly expenses	29%
Being laid off from work	19%
Keeping up with debts	17%

Financial stress leads to decreased employee productivity, increased absenteeism, and higher employer healthcare costs. According to Gallup, workplace distractions, physical stress, employee dissatisfaction, and weakened job performance cost employers \$300 billion in lost productivity annually. A primary factor is a workforce ill-equipped for financial wellness. The resulting financial stress leads to a higher incidence of:

- Muscle tension/back pain
- Migraines
- Insomnia
- High blood pressure
- Stomach ulcers

 A workforce of financially stressed employees translates into more sick days, higher healthcare costs, and absenteeism. 29% of defined contribution participants reported missing work to deal with the emotional stress caused by their finances.

Sources: PwC, "Employee Financial Wellness Survey 2017 Results," 2017; New York Times, "Do Happier People Work Harder?," September 2011; AIAACD, "Debt Stress: The Toll Owing Money Takes on the Body," 2008; State Street Global Advisors, "DC Investor Survey Biannual Report," 2015

CAPTRUST

FINANCIAL STRESS IS A WORKPLACE PROBLEM

Better Outcomes for Employees

- 88% of those who received help invested appropriately for their risk tolerance levels
- Meanwhile, only 39% of those who went unadvised invested appropriately
- When a professional advisor calculates retirement, an employee needs to save to achieve financial goals, deferral amounts increased by an average of \$1,150 per year

Better Outcomes for Employers

- A one-year delay in an employee's retirement results in \$50,000 of increased workforce costs
- Across an entire workforce, the same delay could raise workforce costs by 1.0 to 1.5%
- Employers who have a financial wellness program see healthcare costs decrease by as much as 4.5%

Sources: Financial Engines and Aon Hewitt Study, "Help in Defined Contribution Plans: 2006 Through 2010," 2010; Center for Retirement Research at Boston College, "Do Income Projections Affect Retirement Saving?" April 2013; Prudential, "Why Employees Should Care About the Cost of Delayed Retirement," 2011; Corporate Wellness Magazine, "Beyond the Paycheck: When Does a Financial Wellness Program Make Sense?" June 2011.

CAPTRUST 137 C

CAPTRUST BLUEPRINT SERVICES

Our financial wellness and advice program provides high-quality advice and information to help your employees plan, save, invest, and retire successfully.

With Blueprint Services, your employees get:

- One-on-one advice for individuals on the phone or in person
- CAPTRUST's proprietary Retirement Blueprint® tablet technology
- Financial wellness and advice via [captrustadvice.com](#), including articles, calculators, webinars, and appointment scheduling
- Proactive outreach to engage employees via email
- Development of an implementation plan to engage employees
- Ongoing measurement and reporting of employee activity and results

Blueprint Services can be tailored to your company's needs and the needs of your employees.



CAPTRUST 138 C

TAP INTO A RANGE OF KNOWLEDGE

Early-Career	Mid-Career	Late-Career
Enrollment assistance	Determining saving amounts	Investment strategies
Investment recommendations	Investment advice	Stock market exposure
Determining saving amounts	Automatic increase	Saving rates and opportunities
Discussing plan design	Life events-marriage, children, divorce	Catch-up options
Auto features	Home ownership	Extending career
Utilize the match	Emergency savings	Social Security options
Budgeting questions	College savings	Creating income
Health savings accounts (HSAs)	HSAs	Consolidating accounts
Emergency savings	Protecting family	HSAs
Debt payoff strategies	Measuring progress	Retirement preparation

CAPTRUST 139 C

MANY WAYS TO ENGAGE

Employee

- Attend an Individual On-Site Meeting
- Meet with a Financial Advisor
- Consult with a Retirement Counselor
Via phone appointment
- Engage with Electronic Communication
Promoting webinars, materials, and targeted messages
- Engage with Other Modes of Communication
Payroll stuffers, statement messages, assistance with fund change communication, Intranet links to CAPTRUST resources, posters, etc.
- Visit the Advice Website
Recorded presentations, calculators, and the ability to set appointments for advice-online
[captrustadvice.com](#)
- Attend Live Webinars
- Attend an On-Site Group Meeting

CAPTRUST 140 C

PERSONALIZED ADVICE THREE WAYS

CAPTRUST's Retirement Blueprint® technology allows our retirement counselors to deliver personalized retirement planning advice over the phone, on-site, or in a group setting.

CAPTRUST's retirement counselors are fiduciaries dedicated to working with our clients' employees:

- They do not sell products or services
- They are easily accessible via phone or on-site

Employees can schedule individual appointments using online technology or call at their convenience:

- Retirement counselors guide employees in identifying their goals and risk tolerance
- What-if scenario planning allows retirement strategies to be optimized for the individual
- Employees can execute their strategy on the spot with assistance from the retirement counselor
- Each Blueprint is delivered directly to the employee, so they have their personalized report
- CAPTRUST provides tablets that are used to develop a personalized Retirement Blueprint® when meeting in person

Annual reminders are sent to employees to encourage continuous engagement.



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C

THE RETIREMENT BLUEPRINT® EXPERIENCE

During a Retirement Blueprint® session, employees provide a small amount of information to get big insights into their ability to retire.

Over the phone or in person, Retirement Blueprint® sessions follow a step-by-step approach to:

- Allow employees to develop a full financial picture
- Identify current and retirement income sources
- Incorporate other financial priorities (buying a house, college savings, inheritance, etc.)
- Establish a risk tolerance profile
- Determine realistic goals for retirement

What-if analysis allows employees to "try on" retirement inputs, including:

- Savings rate
- Retirement age
- Retirement income
- Portfolio returns

Finalize and implement the plan, including making deferral or portfolio changes



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CAPTRUSTADVICE.COM

Our financial wellness and advice website puts resources at your employees' fingertips.

Employees can access a range of resources at [captrustadvice.com](#):

- Schedule an appointment with a retirement counselor
- Access helpful articles on a range of topics
- Check progress with nine financial calculators
- Watch short videos from CAPTRUST subject matter experts
- Register for topical financial webinars
- View recordings of past webinars



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IMPLEMENTING YOUR PROGRAM

CAPTRUST has the experience to deliver financial wellness and advice to all types of employees.

Getting started with a program for your company and employees:

- We assign a relationship manager to be responsible for your program*
- We will work with you to design a program that meets your unique needs
- We will set shared goals and measure results



Regular electronic communications:

- Monthly electronic newsletters that deliver articles and videos and promote our quarterly employee webinar
- "Let's Talk" Advice Desk promotion
- Annual Retirement Blueprint® follow-up reminder
- Periodic market updates

*Relationship is based on certain criteria, including number of on-site days.

Additional ways to help get the word out:

- Posters
- Statement messages
- Intranet links to CAPTRUST resources
- Payroll stuffers

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PARTICIPANT ENGAGEMENT CALENDAR

	Jan	Feb	Mar
SAVE	<ul style="list-style-type: none"> Annual Planning Market Update Video Program Kickoff Meeting Advice Desk Appointments 	<ul style="list-style-type: none"> Live Webinar On-Site Meetings Advice Desk Appointments 	<ul style="list-style-type: none"> Topical Video Advice Desk Appointments
INVEST	<ul style="list-style-type: none"> Market Update Video On-Site Meetings Advice Desk Appointments 	<ul style="list-style-type: none"> Live Webinar On-Site Meetings Advice Desk Appointments 	<ul style="list-style-type: none"> Topical Video Advice Desk Appointments
RETIRE	<ul style="list-style-type: none"> Market Update Video On-Site Meetings Advice Desk Appointments 	<ul style="list-style-type: none"> Live Webinar On-Site Meetings Advice Desk Appointments 	<ul style="list-style-type: none"> Topical Video Advice Desk Appointments
PLAN	<ul style="list-style-type: none"> Annual Planning Market Update Video On-Site Meetings Advice Desk Appointments 	<ul style="list-style-type: none"> Live Webinar On-Site Meetings Advice Desk Appointments 	<ul style="list-style-type: none"> Topical Video Advice Desk Appointments

CAPTRUST 145 C

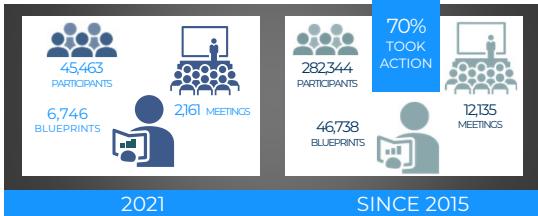
COMMUNICATION

Communication	Frequency	Description
Market Commentary	Quarterly	Focuses on key participant topics related to planning for retirement, saving enough to support retirement goals, selecting the right investments, and retiring well
Advice Desk "Let's Talk" Outreach	Quarterly	Focuses on advertising the resources that the Advice Desk provides
Webinars	Quarterly	Focus on the key tenets of sound retirement planning: planning, saving, investing, and retiring
PAS Topical Spotlight	Quarterly	Focusing on topics related to financial wellness to help participants make better financial decisions in their day-to-day lives
Market Updates	Ad Hoc	When necessary, this email outlines what has happened in the markets and explains it relative to the participant perspective
One-on-One Meetings/Workshops	Periodically	Individual advice sessions for employees that are delivered in person by a CAPTRUST Retirement Counselor
Advice Desk Appointments	On-Demand	Individual advice sessions for employees that are delivered by phone by a CAPTRUST Retirement Counselor
Group Meetings	Periodically	Educational sessions led by a CAPTRUST Retirement Counselor covering various financial topics

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COMMUNICATION

CAPTRUST advice team members meet one-on-one in person, on the phone, and via the web. They also conduct on-site group meetings and live web events. Their goal is to make sure employees feel confident about where they are on their path toward retirement.



Source: CAPTRUST data as of 12/31/2020

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ENRICHING THE LIVES OF PLAN PARTICIPANTS

We value our clients' employees and want to provide the best service possible. When employees rate their experience with CAPTRUST, the results speak for themselves.

After your experience with CAPTRUST, do you feel more confident and knowledgeable about planning for your retirement?

Yes 96%

After meeting with CAPTRUST, did you have a clear understanding of the action(s) that you may need to take related to your retirement account?

Yes 98%

Do you think retirement advice like you received from CAPTRUST is a valuable benefit?

Yes 97%

Would you recommend a meeting with CAPTRUST to a co-worker?

Yes 97%

Source: CAPTRUST survey results 2021
Survey information was collected from individuals in 2021 who received individual advice provided by CAPTRUST Financial Advisors.

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BLUEPRINT PRO SERVICES

Presentation of Retirement Advisory Services

YOUR KEY PEOPLE HAVE THE BIGGEST NEED FOR ADVICE—AND THE BIGGEST RISKS

CAPTRUST's Blueprint Pro program delivers high-quality, objective financial wellness and advice to address the unique needs of your key employees.

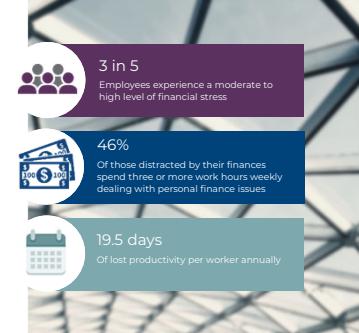
Your highest-paid people need help addressing their complex financial lives:

- Optimizing corporate benefits
- Maximizing retirement savings
- Addressing financial risks

It is impossible for them to save adequately using only qualified retirement profiles.

Financial stress is a distraction and hurts productivity.

Your key people are targets for conflicted advisors selling proprietary products.



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UNIQUE CHALLENGES FOR YOUR KEY PEOPLE



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KEY FEATURES OF BLUEPRINT PRO

Blueprint Pro was designed to provide your key employees with the help they need to optimize corporate benefits, maximize their retirement savings, and manage financial risks.

Key features include:

Access to on-demand advice from an experienced CAPTRUST financial advisor.

Tools to establish a financial profile on WealthView, our client portal:

- Provides web and mobile access to a comprehensive financial picture
- Equips us to make retirement and wealth projections

Development of individualized financial profile can include any or all of the following aspects:

- Balance sheet creation and analysis
- Wealth projection
- Retirement income analysis
- Asset allocation review
- Various other pertinent topics (see following page)

Periodic content from CAPTRUST's wealth planning and investment experts, including VESTED magazine content (print and digital).



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COMPREHENSIVE APPROACH FOR BLUEPRINT PRO

Creating and maintaining a financial plan is critical to achieving financial success. Our advice will cover any and all immediate concerns and we are prepared to dive much deeper into in-depth topics of importance for key employees.

In-depth topics include:

- Coordination and "quarterbacking" with other important company benefits, such as nonqualified plans
- Company stock planning, including options
- Insurance needs assessment
- Estate planning guidance and best practices
- Investment allocation analysis of all assets
- Debt management
- Tax efficiency
- Cash flow and budgeting
- Education and life event funding
- Charitable planning
- Probability-of-success and what-if analysis (Monte Carlo)



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HOW IT WORKS: INITIAL CONSULTATION



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HOW IT WORKS: PRESENTATION OF FINDINGS



- Discuss, educate, and advise on pertinent financial planning matters
- Formulate asset allocation that satisfies funding needs and risk parameters
- Implement portfolio recommendations based on WealthView strategy
- Enable ongoing access to WealthView portal and planning team
- Revisit recommendations annually or as circumstances dictate

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WEALTHVIEW CLIENT PORTAL

WealthView is an easy-to-navigate online portal designed to help you see all of your financial life in one spot.

- Track your account balances
- View investments
- Store important documents in a secure vault
- See an up-to-date balance sheet
- Track budgets and spending
- Grant access to other advisors
- See your complete financial picture at any time on your phone or tablet



CAPTRUST's online financial aggregation portal WealthView is hosted by eMoney Advisors, LLC. CAPTRUST and eMoney are unaffiliated. Clients may use WealthView by electing to set up a personal portal.

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BLUEPRINT PRO: WAYS TO ENGAGE

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graph TD
    Center[Key Employee Receiving Blueprint Pro Services] --> TopLeft[Meet One-on-One with a CAPTRUST Financial Advisor]
    Center --> TopRight[Remote Consultation with a Dedicated Financial Planner]
    Center --> BottomLeft[Engage with VESTED-brand Content]
    Center --> BottomRight[Access to WealthView Portal]
    Center --> BottomCenter[Attend On-Site Group Meetings]
    
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CAPTRUST 157 **C**

WELLNESS CONTENT TAILORED TO YOUR KEY EMPLOYEES

CAPTRUST 158 **C**

IMPLEMENTING BLUEPRINT PRO FOR YOUR KEY EMPLOYEES

CAPTRUST has the experience to deliver ongoing financial advice and wellness to your key employees.

Getting started with the program:

- We assign a dedicated, experienced CAPTRUST financial advisor, supported by a team of Certified Financial Planners™
- You select the key employees who are eligible for the program
- We meet with your team to discuss all corporate benefits and determine optimal method(s) to roll out the program

In conjunction with rollout, employees will begin to receive from CAPTRUST:

- VESTED magazine (print or digital)
- Timely email communications, including video
- Personalized educational content

CAPTRUST 159 **C**

ADD-ON WEALTH MANAGEMENT SERVICES AVAILABLE

For interested employees, we can provide fully comprehensive wealth management services, which would include ongoing discretionary asset management and implementation of all financial plan recommendations.

- Ongoing discretionary investment management of all assets
- Comprehensive wealth planning, including implementation of all financial planning recommendations
- Transparent reporting on all investment accounts
- Full coordination with client's professional team (e.g., accountants and attorneys)
- Wealth management fees discounted via separate contract with key employee

CAPTRUST 160 **C**

BLUEPRINT MANAGED ADVICE

Presentation of Retirement Advisory Services

BLUEPRINT MANAGED ADVICE

Managed Account Services Overview

A growing number of professionally managed solutions—or managed account services—are now available to participants in defined contribution plans. According to Blueprint Managed Advice, total defined contribution assets in managed accounts have grown from \$109 billion in 2012 to \$271 billion in 2017.¹ More plan sponsors are considering adding managed account services to their retirement plans due to an increased focus on participant investment advice, improved recordkeeper data integration, and costs. Qualified plan sponsors can engage CAPTRUST to provide Blueprint Managed Advice to offer managed account services to plan participants.

How do managed account services work?	What are the benefits?	How are they used?	Important considerations
Participants enroll in the service. A professional manager uses plan investments to manage participant accounts on a discretionary basis (based on demographic data, risk profile, and considering other assets). Typically, a plan is created for each participant. Often, this is a self-serve model or by personal interaction with advisor.	Managed accounts provide participants with a do-it-for-me professional managed solution. The investment decisions are taken out of the hands of the investor, who may not have the expertise or desire to design their own portfolios. By using inputs beyond what is provided, managed accounts can be customized to the individual's profile.	Most managed accounts can be offered on an opt-in or opt-out basis and are QDIA-eligible. New features of managed accounts may be dynamic, using a target date fund for younger investors transitioning to a managed account when an investor reaches a specified age.	<ul style="list-style-type: none"> The selection and monitoring of a managed account provider is a fiduciary act. What are the fees associated with the service? How are they calculated? What level of interaction does the managed account provider have with the recordkeeper (data, website, etc.)? Who is the discretionary investment manager? What asset allocation methodology is used? What is the portfolio assignment process? What services beyond investment advice are offered to participants? What reporting is available to plan sponsors?

¹ The Cerulli Edge - U.S. Retirement Edition, 1Q 2019 edition

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WHAT IS BLUEPRINT MANAGED ADVICE?

Blueprint Managed Advice is an integrated managed account program that leverages Morningstar's technology platform, participant data from the recordkeeper, and CAPTRUST's independent investment advice.

	CAPTRUST	<ul style="list-style-type: none"> Serves as 3(38) fiduciary to participants Populates models using a plan's unique investment menu Reviews and monitors Morningstar's participant assignment methodology
	Morningstar	<ul style="list-style-type: none"> Provides technology platform and participant portfolio assignment methodology Provides user-friendly participant interface
	Schwab	<ul style="list-style-type: none"> Manages plan and participant data exchanges with Morningstar Implements participant portfolio assignment and rebalance transactions

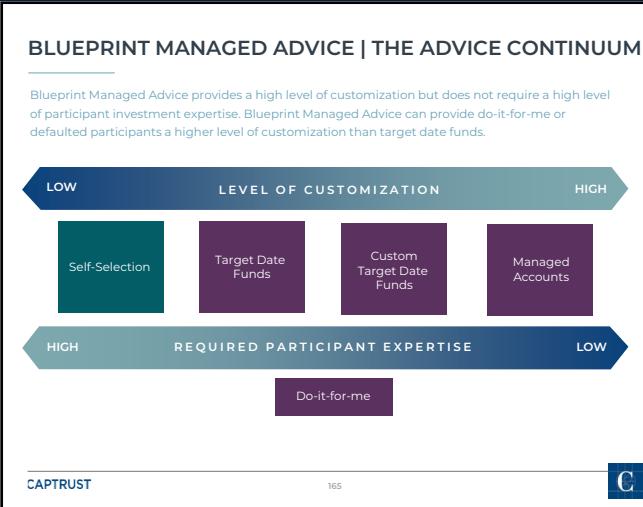
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HOW DOES BLUEPRINT MANAGED ADVICE WORK?

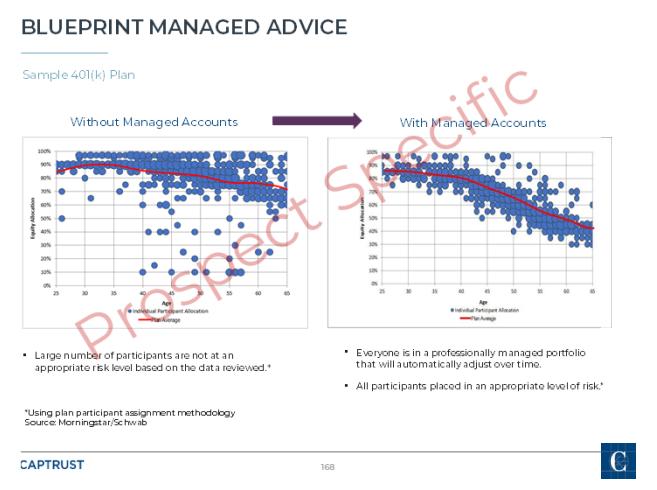
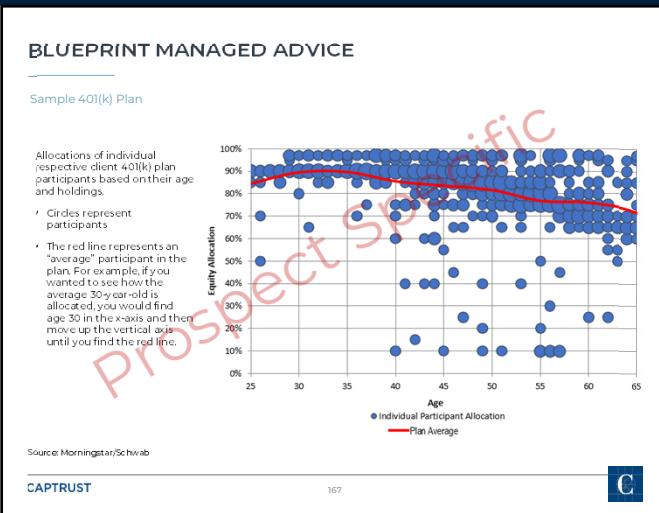
The analysis uses data from the recordkeeping system, such as account balance, salary, and savings rate, and then passes it through CAPTRUST's independent advice and Morningstar's analytics engine to arrive at an individualized asset allocation recommendation.

Participant Data from Recordkeeper	CAPTRUST Advice and Morningstar's Analytic Engine	Custom Asset Allocation
Location + Account Balance + Social Security Impact Age + Pension and Other Plans + % Savings Rate Gender + Salary + \$/\$ Sponsor Match		

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THE IMPORTANCE OF DATA



BETTER RETIREMENT OUTCOMES WITH BLUEPRINT MANAGED ADVICE

Blueprint Managed Advice is designed to help participants achieve better retirement outcomes by providing participants with a professionally managed portfolio designed specifically for their unique circumstances.

	Managed Accounts	Point-In-Time Advice
Offers all participants access to professional investment advice	✓	✓
Personalized portfolio construction based on the individual participant's goals and objectives	✓	✓
Considers a number of factors such as: age, risk profile, outside assets, and other income sources	✓	✓
May include some level of financial wellness and include advice on savings rates, Social Security, etc.	✓	✓
Manages the portfolio on an ongoing basis with automatic rebalancing	✓	✗
Reallocates the portfolio automatically based on updated financial information	✓	✗
Discretionary 3(38) investment management for participants	✓	✗

- With point-in-time advice, the participant has ultimate responsibility for the asset allocation decisions in their account.
- With managed accounts, the investment manager has responsibility for all asset allocation decisions under the service.

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BLUEPRINT MANAGED ADVICE

Sample 401(k) Plan

Participant Asset-Based Fees for Service	
Morningstar	0.15%
Schwab	0.125%
CAPTRUST*	0.00%
Total Cost	0.275%

*If added as part of participant advisory services, CAPTRUST's fee must be assessed at the plan-level and equates to \$6,300.

Total cost does not include investment management fees such as mutual fund expense ratios.

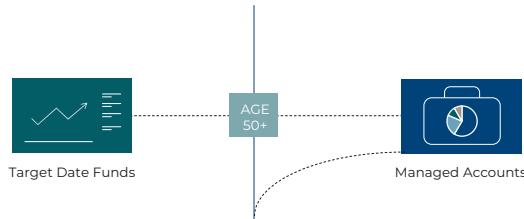
All pricing assumes service is offered on an opt-in basis.

Morningstar/Schwab
Program Pricing:

Asset Tier	Opt-In Fee	QDIA Fee
1* \$150k	45 bps (0.45%)	35 bps (0.35%)
Next \$100k	35 bps (0.35%)	30 bps (0.30%)
Over \$250k	25 bps (0.25%)	25 bps (0.25%)

DYNAMIC QDIA WITH MANAGED ACCOUNTS

A dynamic qualified default investment alternative (QDIA) uses a target date fund as the plan's default investment option until a participant reaches a specified age selected by the plan sponsor. At the specified age, participants are defaulted into a managed account solution where they will receive a personalized asset allocation and discretionary investment management.



The value of customization may increase with age as people get closer to retirement and their financial situations become more complicated.

Starting investment (target date fund) and "trigger criteria" (age 50+) are shown for illustrative purposes only. Actual dynamic QDIA starting investment and trigger criteria may vary by client.

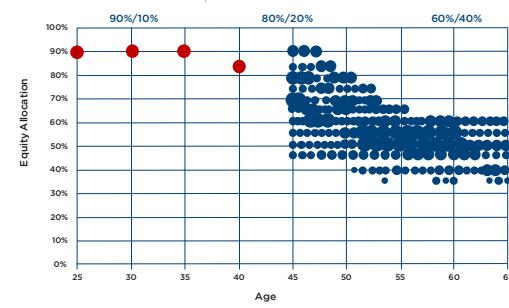
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DYNAMIC QDIA WITH MANAGED ACCOUNTS

A dynamic qualified default investment alternative (QDIA) uses a target date fund as the plan's default investment option until a participant reaches a specified age selected by the plan sponsor. At the specified age, participants are defaulted into a managed account solution where they will receive a personalized asset allocation and discretionary investment management. The value of customization may increase with age as people get closer to retirement and their financial situations become more complicated.



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DISCLOSURES

The Morningstar name and trademarks are property of Morningstar, Inc. Morningstar Investment Management LLC is a registered investment adviser and a wholly owned subsidiary of Morningstar, Inc. CAPTRUST (CapFinancial Partners, LLC) is not affiliated with Morningstar or any Plan Provider offering the services described here.

Morningstar Investment Manager shall not be responsible for any trading decisions, damages, or other losses resulting from, or related to, the information, data, analyses or opinions of their use. Investing involves risk, including the loss of principal. There can be no assurance that any financial strategy will be successful. Neither CAPTRUST nor Morningstar Investment Management guarantee that the results of their advice, recommendations or objectives of a strategy will be achieved.

Investment advice generated by Morningstar is based on information provided and limited to the investment options available in the defined contribution plan. Projections and other information regarding the likelihood of various retirement income and/or investment outcomes are hypothetical in nature, do not reflect actual results, and are not guarantees of future results. Results may vary with each user over time.

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DEFINED BENEFIT PLAN SERVICES

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WHAT WE HEARD – DEFINED BENEFIT

Plan Profile

TOTAL PLAN ASSETS: Sample

PROVIDER: Sample

NO. PARTICIPANTS: Sample

PLAN TYPE: Sample

TOTAL PLAN LIABILITIES: \$0

PLAN STATUS: Sample

INVESTMENT STRATEGY: Sample

Company Profile

HEADQUARTERS: Sample

NO. LOCATIONS: Sample

NO. EMPLOYEES: Sample

OWNERSHIP: Public

Key Objectives

- Increase predictability of future pension contributions
- Reduce required pension contributions
- Reduce financial situation uncertainty
- Eliminate or outsource unrewarded risk
- Reduce volatility of future liabilities
- Improve matching of funding and liabilities
- Continue dynamic risk strategy
- Develop a replacement termination strategy
- Evaluate opportunity to transfer liability
- Manage fiduciary risk of plan sponsor actions
- Simplify investment strategy
- Outsource day-to-day plan decisions and oversight

Unique Situation

- Liabilities large relative to organization
- Plant closures create changing demographics
- Aging workforce and large number of retirees
- Significant unrealized losses in company pension
- Illiquid assets in pension investments
- Plan termination timeline is hard determined
- Company governance structure
- Portion of benefit is collectively bargained
- Large portion of terminated-vested participants

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INCREASED COMPLEXITY FOR PENSION PLAN SPONSORS

More stringent regulatory/accounting requirements

- Liabilities measured using fluctuating market-based interest rates
- Net pension assets and liabilities are required to be listed on balance sheet
- Accelerated timeline for funding liabilities
- Required method for calculating pension expenses does not match funding methodology for many plans

Challenging capital market scenario

- Volatile, unpredictable interest rates
- Elevated market volatility
- The end of a decade-long bull market as COVID-19 pandemic impacts economic activity

Challenging participant demographic trends

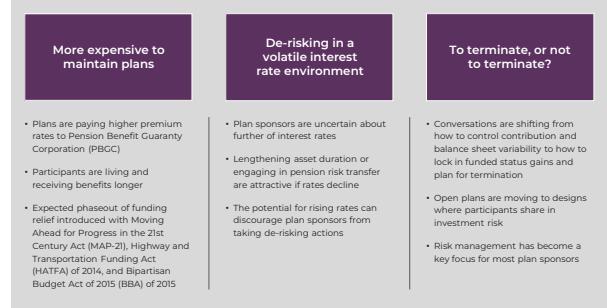
- Pension plan participants are working longer
- Pension plan participants are living longer
- Implementation of updated mortality expectations for funding on the horizon – may already be adopted for accounting

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INCREASED COMPLEXITY FOR PENSION PLAN SPONSORS



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KEEPING CLIENTS UP TO DATE

Plan sponsors are pursuing pension risk transfer due to increased costs and funded status volatility.



Liability Growth
Pension plan assets have grown 23% despite market turmoil in 2008-09. However, those gains have been offset by about 39% increase in plan liabilities.

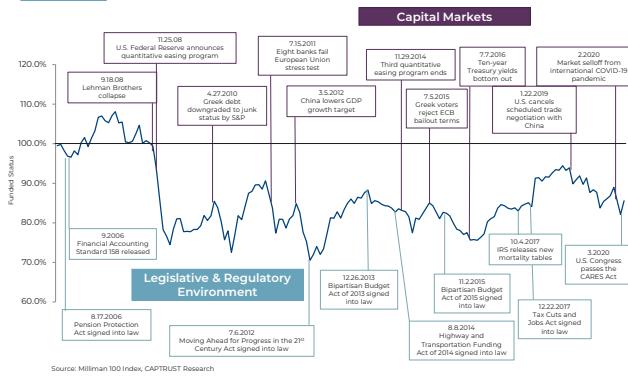
Increased Costs
Increasing funding shortfalls have increased costs – both economic and accounting.

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MARKET AND REGULATORY EVENTS HAVE IMPACTED FUNDED STATUS



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RESPONSE TO PAIN POINTS CREATED BY MARKET AND REGULATORY EVENTS

Events over the last ten years have created different pain points for retirement plans. As a result, plan sponsors have pursued further risk management strategies in the form of diversification, liability-driven investing, and pension risk transfer.

Time	Event	Retirement Plan Impact		Potential Solutions	
		Contributions	Accounting	Funding	Liability-driven Investing
Aug 2006	Pension Protection Act signed into law	x		x	x
Sep 2006	Financial Accounting Standard 158 released		x		x
Nov 2006	U.S. Federal Reserve announces quantitative easing program			x	x
April 2008	Greek debt downgraded to junk by S&P	x	x	x	x
July 2009	Eight nation European Union stress test	x	x	x	x
July 2010	Moving Ahead for Progress in the 21st Century Act signed into law			x	x
Dec 2013	Bipartisan Budget Act of 2013 signed into law			x	
Aug 2014	Highway & Transportation Funding Act signed into law	x		x	x
Oct 2015	Society of Actuaries releases RP-2014 mortality tables		x		x
Nov 2015	Bipartisan Budget Act of 2015 signed into law			x	x
Oct 2017	IRS releases new mortality tables	x	x		x
Dec 2017	Tax Cuts and Jobs Act signed into law	x	x		x
Jan 2019	U.S. cancels schedule trade negotiation with China	x	x	x	x
Feb 2020	Market sell-off from international COVID-19 pandemic	x	x	x	x
Mar 2020	U.S. Congress passes the CARES Act	x			

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INCREASING COSTS – PBGC PREMIUMS

Continued Pension Benefit Guaranty Corporation (PBGC) rate increases put pressure on plan sponsors to increase contributions.

	Fixed Rate	Variable Rate per \$1,000 Unfunded Liability	Variable Rate Cap
Previous Legislation	\$35	\$9	n/a
Moving Ahead for Progress in the 21st Century Act	\$49	\$14	\$400
Bipartisan Budget Act of 2013	\$57	\$24	\$500
Bipartisan Budget Act of 2015	\$64	\$30	\$500
Plan Years Beginning in 2020	\$83	\$45	\$561
Plan Years Beginning in 2021	\$86	\$46	\$582
2012-2021 Increase	146%	411%	

After 2020, the fixed and variable rate PBGC premiums will be subject to inflation. The variable rate cap will also continue to be inflation adjusted.

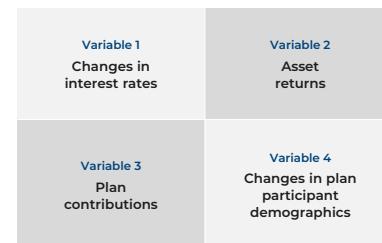
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VARIABLES IN DETERMINING PENSION FUNDED STATUS

Several variables can impact a retirement plan's funded status.



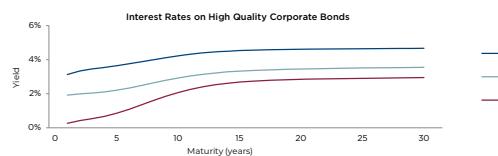
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VARIABLE 1: CHANGES IN INTEREST RATES

Low interest rates have significantly increased pension liabilities.



PARALLEL INTEREST RATE MOVEMENT	PLAN LIABILITIES	DURATION OF LIABILITIES (YRS)	CHANGE IN LIABILITY	CHANGE IN FUNDED STATUS
-3%	\$100,000,000	12.5	\$37,500,000	73%
-2%	\$100,000,000	12.5	\$25,000,000	80%
-1%	\$100,000,000	12.5	\$12,500,000	89%
1%	\$100,000,000	12.5	(\$12,500,000)	114%
2%	\$100,000,000	12.5	(\$25,000,000)	133%
3%	\$100,000,000	12.5	(\$37,500,000)	160%

- Small moves in interest rates can have a material impact on liabilities
 - Longer-term payments are more sensitive to interest rate fluctuations
- *Assumes 100% initial funded status

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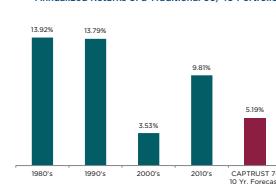
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VARIABLE 2: ASSET RETURNS

Weak performance for risk-based assets during 2000s amplified pension underfunding, while falling interest rates mean recent market movements haven't helped close the unfunded liability gap.

Annualized Returns of a Traditional 60/40 Portfolio



Hypothetical Illustration

INITIAL VALUE OF ASSETS AND LIABILITIES	ASSET RETURN	FUNDED STATUS*	ASSETS OVER 10 YEARS
\$10,000,000	3%	68%	\$134,391,638
\$10,000,000	4%	75%	\$144,024,428
\$10,000,000	5%	83%	\$162,889,463
\$10,000,000	6%	91%	\$179,084,770
\$10,000,000	7%	100%	\$196,755,136
\$10,000,000	8%	110%	\$215,893,500
\$10,000,000	9%	120%	\$235,755,367
\$10,000,000	10%	130%	\$259,374,246
\$10,000,000	15%	206%	\$404,555,771

Low asset returns compounded over 10 years can have a significant impact on funding.

*Assumes 7% annualized growth in liability, no cash flows and 100% initial funded status

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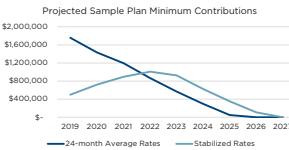
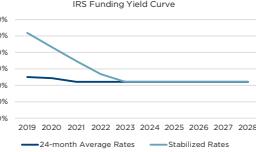
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VARIABLE 3: PLAN CONTRIBUTIONS

Plans that have been taking advantage of government funding relief efforts need to prepare for them to phase out in the coming years.

- Regulatory funding relief is temporarily increasing plan discount rates, improving some measures of plan funding.
- A defined rate corridor enables plan sponsors to experience reduced minimum required contributions.
- Over time, funding relief will phase out as the lower corridor expands, eventually falling below the IRS 24-month segment rate.



Various assumptions made for the exhibits on this page include interest, rates remaining unchanged, going forward and events returning to a component 75% level of return. Contributions made each year for a sample plan starting at 80% funded equal one-seventh of the estimated funding shortfall. Asset smoothing, prefunding balances and other all usual factors are not explicitly factored into the results. Source: Deloitte Research, Inc.

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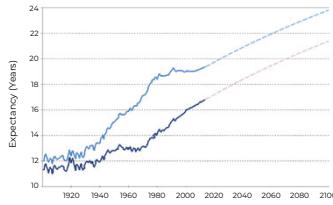
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VARIABLE 4: CHANGES TO PLAN DEMOGRAPHICS

Aging workforce, acquisitions and divestitures, and mortality rates have impacted the growth of pension liabilities.

Life Expectancy at Age 65



- Life expectancy past normal retirement (typically 65) has increased by 3 to 6 years since the 1940s.
- The percent of Americans working past age 65 doubled between 1995 and 2010.
- Increases in life expectancy and extended employment trends represent risk to pension plan liabilities.

Source: Center for Disease Control, Social Security Administration, University of New Hampshire

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ORGANIZATIONS FEEL THE PAIN IN MANY DIFFERENT WAYS

Managing the pension plan to decrease the funding shortfall minimizes the negative impact of maintaining the plan on the organization's balance sheet and organizational objectives.



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POTENTIAL SOLUTIONS AND THEIR BENEFITS AND IMPLICATIONS

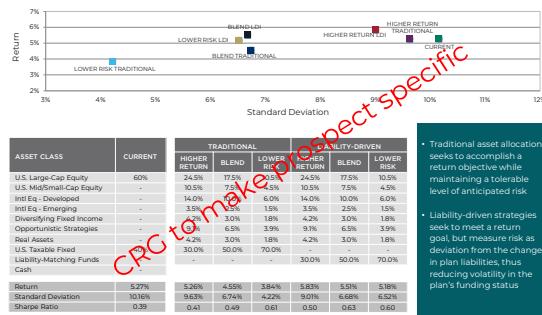
	Description	Benefits	Tradeoffs
Adjust the Risk/Return Profile	Increasing the allocation to riskier asset classes and strategies	Reduces contribution requirements if effective	Increased variability of financial statements and reduces the predictability of future contributions
	Restructuring strategy to reduce impact of market fluctuations	Reduces the variability of financial statements and increases the predictability of future contributions	Reducing asset volatility may reduce return potential thus increasing contribution needs
Improve Matching of Assets and Liabilities	Match characteristics of assets and liabilities	Reduces uncertainty in financial statements and future contributions	Reduction in expected returns increases reliance on contributions vs. asset returns or interest rate movement
Change Plan Design and Pension Risk Transfer Strategies	Reduce future obligations by freezing or terminating the plan or outsourcing liabilities	Reduces future liabilities growth Reduces non-business-related risk	Full termination requires approximately 110 to 120 percent funding level Morale implications Settlement accounting

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SOLUTION 1: INCREASING ASSET RETURNS/REDUCING RISK



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SOLUTION 2: IMPROVING THE MATCHING OF ASSETS AND LIABILITIES

A gradual de-risking plan will help lock-in funding gains, and reduce the potential for uncompensated risk as funding improves

Return-Seeking Assets (sample allocation)

- U.S. Equity
- Int'l Eq - Developed
- Int'l Eq - Emerging
- Diversified Income
- Opportunistic Strategies
- Real Assets
- Cash



- Traditional asset allocation seeks to accomplish a return objective while maintaining a tolerable level of anticipated risk
- Liability-driven strategies seek to meet a return goal, but measure risk as deviation from the change in plan liabilities, thus reducing volatility in the plan's funding status



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SOLUTION 3: CHANGE PLAN DESIGN AND PENSION RISK TRANSFER STRATEGIES

OPTION	ACTION	OUTCOME	CONSIDERATIONS
Close Plan Soft Freeze	Plan design—no new entrants	Reduce growth in liability	Corporate culture Other plans/benefits
Stop Benefit Accruals Hard Freeze	Plan design—no new accruals	Eliminate additional service costs Reduce growth in liability to match discount rate growth	Corporate culture Employee retention Other plans/benefits
Lump Sums	Plan design—encourage single payment options	Reduce magnitude of liability Mortgage arbitrage	Impacts funding ratio if not fully funded
Plan Design	Explore early retirement windows, conversion to cash balance, etc.	Reduce magnitude of liability Reduce growth in liability	Corporate culture Employee retention
STRATEGIES*	ACTION	OUTCOME	CONSIDERATIONS
Buy-out	Buy annuities for subsets of the population	Dollar cost average into annuity rates	Annuity rates DOL IB 95-1 Impacts funding ratio Settlement accounting
Buy-in	Hold annuities as assets of the plan	Dollar cost average annuity rates	Annuity rates DOL IB 95-1 Contract provisions Premium for contract revocation

*Strategies to address uncontrolled outcome

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THE CAPTRUST INVESTMENT EDGE

It's what you can't see that can hurt you.

Unlike firms that rely upon third-party reports, we conduct our research in the field with "boots on the ground" and direct access to senior portfolio managers. This approach provides valuable perspective on a fund's potential performance.

Investment Due Diligence Calls	Portfolio Manager Interviews	Onsite Due Diligence Trips	Daily Monitoring	Stable Value/Money Market Review
3,500 annually	300+ one-on-one visits annually	100+ visits annually	2,000+ Investment Funds	50+ Products Evaluated Quarterly

Research — Sample Highlights

- In addition to maintaining a robust due diligence database of liability-driven investing fixed income managers, CAPTRUST investment professionals conducted 20+ interviews in this asset class alone over the past year
- With future investment earnings uncertain, CAPTRUST continuously explores capital markets to uncover new investment opportunities such as insurance-linked catastrophe bonds
- CAPTRUST works with managers to develop opportunities to profit from investment in direct real estate and private companies while maintaining the liquidity necessary to ensure benefits can be paid monthly

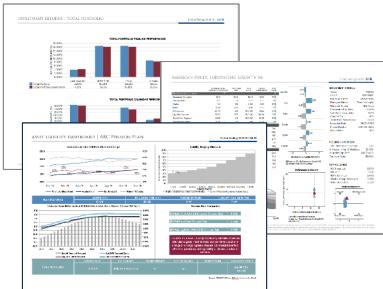
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MONITOR INVESTMENT SUCCESS AND PROGRESS

Regular, consistent, and rigorous investment performance monitoring ensures successful execution of a successful investment strategy. With volatile capital markets, it's important to understand not only investment return outcomes, but also the fundamental drivers of performance.



Each quarter, CAPTRUST provides an economic estimate of plan funding based on current market conditions allowing plan sponsors to make real-time investment decisions rather than waiting for months after the end of the plan year for an actuarial valuation.

By combining a nuanced understanding of past performance with an active exploration of future opportunities, investors can maximize their ability to achieve successful outcomes.

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PLAN TERMINATION PROCESS

Decide if termination is appropriate/beneficial	<ul style="list-style-type: none"> A standard termination can occur only when a plan is sufficient or fully funded Underfunded plans can be made sufficient by the plan sponsor contributing an amount that will satisfy all benefit liabilities. However, this can be costly If a plan sponsor decides that plan termination is too expensive, freezing the plan is a common way to reduce costs. The plan would continue until fully funded, which may take several years
Develop termination strategy	<ul style="list-style-type: none"> Establish a termination date Budget contributions to fully fund the plan by that date Review asset allocations and adjust for a shorter investment horizon
Develop timeline and prepare documents	<ul style="list-style-type: none"> A plan termination requires a resolution, plan amendments, participant notices, government filings, and annuity bids to be prepared and delivered in a timely manner The timeline for preparation and delivery of termination documents may vary by plan size and resource capacity
Administer ongoing plan	<ul style="list-style-type: none"> Until the plan has officially terminated and assets have been distributed, continue processing new retirees, collecting contributions, investing plan assets, etc. If the plan is a Pension Benefit Guaranty Corporation (PBGC) covered plan, prepare for a PBGC audit Once termination is official, continue maintaining records that comply with ERISA

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INVESTMENT MANAGER CONSIDERATIONS*

Investment Manager	Observations and Considerations
International Equity Fund (Philadelphia Int'l Advisors)	<ul style="list-style-type: none"> Performance has been lackluster, while the team has struggled to beat the index over the past ten years Despite management's emphasis on risk analysis and quality companies, the downside capture has been greater than 100%. As an example, the strategy portfolio had a larger drawdown than the MSCI EAFE in 2008 Assets under management at Philadelphia International Advisors have continued to decline over the past several years to \$4.1B. In 2011, they lost approximately \$1.5B in 2011 and nearly \$2.4B over the past four calendar years due to client withdrawals. Larger liquidations such as these can strain performance as well as increase investment expenses.
Core Fixed Income Fund (PIMCO)	<ul style="list-style-type: none"> Consider the fund's ability to take large tactical bets and deviate from its benchmark such as in the third quarter of 2011 when Bill Gross took the PIMCO Total Return's total government exposure to zero. The Barclays Aggregate Index has roughly 45% in government-related exposure Evaluate whether the duration of the portfolio is appropriate in the context of the plan liabilities. Duration is typically kept within a range of plus or minus two years relative to the Barclays Aggregate Index.

*For Plan Sponsor Use Only

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CAPTRUST FIDUCIARY SOLUTIONS | DEFINED BENEFIT

When we act as your fiduciary, we agree to prudently manage your plan and work in the participant's best interests.

ERISA Investment Fiduciaries	
3(21) Investment Advisor (non-discretionary)	3(38) Investment Manager (discretionary)
CAPTRUST	Plan Sponsor
<ul style="list-style-type: none"> Recommend the asset allocation for the plan Monitor investments Recommend changes, if necessary Own liability for tools and analysis used to make recommendations 	<ul style="list-style-type: none"> Select asset allocation for the plan Monitor investments Make changes, if necessary Own liability for investment decisions

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CAPTRUST FIDUCIARY SOLUTIONS

<p>In a 3(38) arrangement, the plan sponsor transfers liability for investment decisions to the investment manager</p> <ul style="list-style-type: none"> The investment manager accepts discretionary authority to manage, acquire, and dispose of investment options over time. The investment manager acknowledges in writing that it is acting as a fiduciary with responsibility and accountability for the selection of the investment menu. A 3(38) arrangement represents the highest level of investment liability transfer possible under ERISA. 	<p>In a 3(38) arrangement, the plan sponsor's singular investment-related fiduciary responsibility is the selection and monitoring of the 3(38) investment manager</p> <ul style="list-style-type: none"> To help assist in the selection and monitoring process, CAPTRUST has compiled a list of questions to ask during the 3(38) investment manager selection process. We also provide a sample annual due diligence questionnaire to assist with ongoing monitoring of the investment manager.
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NEXT STEPS

	Changes To Consider
Asset Allocation	<ul style="list-style-type: none"> Evaluate adding real assets and liquid alternatives such as commodities, real estate, hedge fund of funds, long/short equity Consider reducing allocation to capital preservation
Investments/Fund Managers	<ul style="list-style-type: none"> Evaluate the efficacy of first state sourced managers. Consider replacing with high-conviction managers when necessary Source best in class investment manager(s) based on asset class mandates
Liability-Driven Investing (LDI)	<ul style="list-style-type: none"> Evaluate lengthening asset duration in an attempt to match plan liability duration Consider increasing exposure to Corporate IG Fixed Income to better track changes in liabilities
Long-Term Planning	<ul style="list-style-type: none"> Monitor plan funded status on an economic basis at least quarterly Consider implementing a glide-path to help lock in plan funded status as plan funding improves Determine whether liability de-risking strategies are desirable

CRC to move prospect specific

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SUMMARY OF SERVICES AND FEES

SOLUTIONS	DEFINED BENEFIT SERVICES				
ERISA 3(21) Investment Fiduciary Services	<p>Annual Advisory Fee</p> <table border="1"> <tr> <td>3(21) Investment Advisory Services</td> <td>bps</td> </tr> <tr> <td>3(38) Investment Management Services</td> <td>bps</td> </tr> </table> <p>Terms</p> <p>Includes a % annual increase</p>	3(21) Investment Advisory Services	bps	3(38) Investment Management Services	bps
3(21) Investment Advisory Services	bps				
3(38) Investment Management Services	bps				
ERISA 3(38) Investment Management Fiduciary Services	<ul style="list-style-type: none"> Implementation of investment policy statement Select, monitor, replace investment managers Implement strategic asset allocation and rebalancing Implement tactical asset allocation Implement dynamic de-risking glidepath 				
ERISA Non-fiduciary Services	<ul style="list-style-type: none"> Assistance with fiduciary oversight and committee education Assistance with plan fiduciaries' selection and management of service providers Additional non-fiduciary consulting services 				

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CASH BALANCE PLAN SERVICES

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WHAT WE HEARD – PARTNERSHIP CASH BALANCE PLAN

Company Profile

HEADQUARTERS:	Sample
NO. LOCATIONS:	Sample
NO. EMPLOYEES:	Sample
NO. PARTNERS:	Sample

Plan Profile

TOTAL PLAN ASSETS:	Sample
PROVIDER(S):	Sample
PLAN TYPE:	Sample
TOTAL PLAN LIABILITIES:	Sample
PLAN STATUS:	Sample
INTEREST CREDITING RATE:	Sample
INVESTMENT STRATEGY:	Sample



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WHAT WE HEARD – PARTNERSHIP CASH BALANCE PLAN

Key Objectives

- Create partner tax deferral opportunity
- Continue partner tax deferral opportunity
- Sample's return target
- Maximize predictability of future contributions
- Reduce likelihood of significant funding shortfalls
- Eliminate or outsource unrewarded risk
- Minimize unnecessary investment expenses
- Consider transition to new plan design
- Manage fiduciary risk of plan sponsor actions
- Simplify investment strategy
- Outsource day-to-day plan decisions and oversight

CRG/FA to choose appropriate objectives and situation bullets

Unique Situation

- Fixed crediting rate creates predefined annual return target
- Treasury-reference crediting rate lacks interest rate sensitivity making hedging difficult
- Market- rate crediting rate offers funding protections
- Sample % crediting rate cap
- Sample % interest crediting rate floor
- Aging plan makes annual misses more impactful
- Different partner cohorts offers creates complexity
- Non-partners make up meaningful proportion of benefits
- Crediting rate caps have created a funding surplus
- A current funding shortfall exists
- Illiquid assets limiting investment options
- Plan termination timeline already determined
- Limited time to manage investment portfolio
- Limited time to manage plan governance
- Non-diversified investment line-up
- Investment allocation contains significant number Sample of mandates

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CASH BALANCE PLANS: GOALS AND OBJECTIVES

Objective Setting is Key

- Is the primary objective tax deferral, earnings growth, or a combination?
 - Some plan designs are better than others at avoiding pain points depending on the objectives above.
- What is the crediting rate bogey?
- What is the collective risk tolerance of the partnership?
- Can a single asset allocation solution solve for multiple constituents?
 - If not, what are the tradeoffs, winners and losers, and do the positives outweigh the negatives?

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CASH BALANCE DECISION POINTS

Cash Balance plans offer organizations an opportunity to enhance participant savings in a tax-advantaged manner. When evaluating whether to adopt a Cash Balance plan, potential plan sponsors should evaluate five key decision points.

1. Covered Group and Service Credits
2. Interest Crediting Rate
3. Contribution Strategy and Requirements
4. Vendor Partners
5. Investment Strategy

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CASH BALANCE DECISION POINT – (1) COVERED GROUP AND SERVICE CREDITS

The first decision to make when considering whether to establish a cash balance pension plan is who the plan would cover, and how the participants would accrue benefits. The plan sponsor determines who will gain from the plan's creation.

Covered Group

Cash Balance plans must cover the lesser of 50 participants or 40% of total employees.

Service Credits

In tandem with determining which employees will participate in the cash balance plan, the plan sponsor will need to determine how participants accrue benefits.

Benefit Targeting

Plan sponsors should prioritize how benefits accrue to the participants. Is the goal primarily to compensate highly compensated employees or is it a broad-based retirement program?

Non-Discrimination Testing

Any ERISA retirement plan must not discriminate in favor of highly compensated employees. The manner in which service credits accrue to the covered group needs to be designed in a compliant manner.



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CASH BALANCE DECISION POINT – (2) INTEREST CREDITING RATE

The plan sponsor will determine an interest crediting rate formula which will drive participants' benefit growth over time. Selecting the crediting rate will play a significant role in the investment portfolio design.

Formula Type

Each of the three main interest crediting rates (fixed, reference and market rate) possess unique features. While fixed and reference rates provide predictable benefit growth for participants, those formulas force the plan sponsor to retain material investment risk.

Calculation Method

Even within a single formula type, there can be different options. For example, market crediting rates can be calculated annually, but can also be assessed daily.

Participant Communication

Employees should value the retirement benefit provided. If participants understand how the plan works – and what they can expect, they're more likely to appreciate the benefit.

Non-Discrimination Testing

Like the service accrual formula, the interest crediting rate must be complaint as it is another factor when testing the plan.



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CASH BALANCE DECISION POINT – (2) INTEREST CREDITING RATE

Crediting Rate Type	Example	Account Balance Volatility	Surprise Capital Calls or Missed Deferral Opportunities	Alignment With Partnership Risk Tolerance	Investment Objectives	Potential Pain Points
Fixed crediting Rate	4% crediting rate each year	Lowest volatility	Moderate	Yes	Interest crediting Rate	Returns less than interest crediting rate
Reference rate	Market benchmark such as the 30-year U.S. treasury yield	Lower volatility	Moderate	Moderate ability	Interest crediting rate	Returns less than interest crediting rate
Market rate	Actual return or plan investments – generally subject to a cap	More volatility – dependent on the investment portfolio risk level	Lowest	Yes	Aligned with risk/return goals	-95% cumulative return floor (on a participant level) High returns (if no crediting rate cap)

The above is intended as general education. Organization-specific dynamics like other qualified benefit plan(s), size, and participant age factor into plan design.

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CASH BALANCE DECISION POINT – (2) INTEREST CREDITING RATE

What outcomes do plan sponsors want to avoid?

1 Fixed and Reference Rate Plans

- Returns less than the interest crediting rate can create unexpected increases to required partner contributions
- Returns higher than the crediting rate may reduce contributions but also the tax deferral opportunity
- What level of investment risk is worth the potential return?

2 Market Rate Plan

- The interest crediting rate matches the plan return
- Generally subject to a cap to mitigate discrimination testing issues
- Capital must be preserved, so each participants' cumulative return must be at least 0% - shortfalls made up via partner capital calls
- Investment strategy aligned with partnership risk tolerance

3 Simply Put: Avoid surprises

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CASH BALANCE DECISION POINT – (3) CONTRIBUTION STRATEGY AND REQUIREMENTS

The plan sponsor will need to make contributions in order to support benefit accruals and make up for any interest crediting rate investment shortfalls. Providing an employee benefit will require capital. However, future investment shortfalls may necessitate further contributions.

Philosophy

For firms organized as partnerships, plan sponsor contributions are attributed back to individual partners. For other companies, the cash balance plan represents a broad retirement benefit.

Shortfall Amortization

Many partnership cash balance plans amortize any funding shortfalls over short periods in order to protect the plan if participants leave. Other plan sponsors take full advantage of ERISA's amortization period making only minimum required contributions.

Interconnected

The contribution strategy will likely impact, and be impacted by, how benefits accrue, and interest is credited.

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CASH BALANCE DECISION POINT – (4) VENDOR PARTNERS

The plan sponsor will need to make contributions in order to support benefit accruals and make up for any interest crediting rate investment shortfalls. Providing an employee benefit will require capital. However, future investment shortfalls may necessitate further contributions.

Actuary/Administrator

Most cash balance plans utilize the same partner for actuarial administration services. They are often responsible for designing the plan, conducting non-discrimination testing and ongoing operations.

Directed Trustee/Custodian

The custodian of the plan holds plan investment assets. Nearly all ERISA retirement plan sponsor also designate a directed trustee to ensure safekeeping of trust's assets.

Investment Consultant

The investment consultant educates the plan sponsor on potential benefits and considerations of cash balance plans for both the company and participants. Additionally, the consultant develops and implements an appropriate investment strategy.

Legal Counsel

Qualified counsel ensures that the plan documents are aligned with applicable laws and regulation. Ongoing legal engagement is common for contract review and regulatory filings.

Accountant

Firm financial statements reflect qualified retirement plans which must be audited annually.

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CASH BALANCE DECISION POINT – (5) INVESTMENT STRATEGY

In a defined benefit plan, the plan sponsor retains investment risk. Over time, return shortfalls may require additional contributions. Conversely, excess returns can reduce future required contributions.

Return Goal

Some plan sponsors' objective is an investment return equal to the interest crediting rate. Others may have a return target above the interest crediting rate to offset the need for contributions.

Risk Tolerance

Investing to achieve a high return may expose plan assets to an increased potential for capital loss. What level of risk is acceptable? Plan sponsors allocate conservatively knowing that they may not meet their return target every year.

Market Rate of Return Plan

The actual return of plan assets determines the interest crediting rate subject to a return floor and cap. Portfolio allocations will drive the overall return potential and volatility. How much influence should participants have in this decision?

Investment Strategy Considerations

- Alignment with plan design
- How the portfolio has been positioned to participants?
 - For example, some of our plan sponsors opt to position these portfolio as 100% fixed income and keep that risk profile consistent so that participants can accurately financial plan
- Plan sponsor comfort with asset classes being considered
- Capital market assumptions/projections
 - Asset class return
 - Asset class risk
 - Expectations for return correlation among asset classes
- Economic/market outlook
 - Strategic/secular
 - Tactical/cyclical
- Desire to outsource investment implementation

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CASH BALANCE PLANS: TRENDS

Partnership Plans have Unique Attributes

COMMONALITIES

- Partners pay contributions, not a corporation
- "Misses" against target(s) impact individuals
 - Unexpected contributions in the following year, or
 - Higher Adjusted Gross Income than desired
- Amortization periods for "misses" are typically short – 1 year is most common across our clients which amplifies the impact of misses

TRENDS

- Movement towards "market rate" cash balance plans – away from 30 year Treasury bogeys
 - Ranges settling between 0% floor and 6% caps
- "Beefed up" operating account and/or partnership agreements to ensure remaining partners don't get stuck with obligations of departing partners
- Portfolio investments ranging from cash-like to 60/40 (stocks/bonds) but generally on the conservative side

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CASH BALANCE PLANS: CHOICES

Choices for Cash Balance Plan Sponsors

- Investment strategy considerations
 - Year-to-year vs. 3-5 year focus
 - Drives allocation to stocks/bonds
 - Can be tactical throughout year as performance is experienced
 - i.e. Dial risk back as returns approach crediting cap
 - Advice vs. discretion
 - Active vs. passive
 - Stocks and bonds only vs. diversifying asset class (commodities, real estate, long-short equity, etc.)
- Amortization periods for under and outperformance – often 1 year for misses

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CASH BALANCE PLANS: INVESTMENT SOLUTIONS

When working to design the allocation for our clients' cash balance plans, the asset allocation mix used is largely a by product of a number of factors.

- Alignment with plan design
- How the portfolio has been positioned to participants?
 - e.g., many of our plan sponsors opt to position these portfolios as 100% fixed income and keep that risk profile consistent so that participants can accurately financial plan
- Trustee comfort with asset classes being considered
- Collective risk tolerance of committee on behalf of participants
- CAPTRUST capital market assumptions/projections
 - Asset class return
 - Asset class risk
 - Expectations for co-movement relationships among asset classes (correlation)
- Economic/market outlook
 - Strategic/secular
 - Tactical/cyclical

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RISK CONTROL STARTS WITH DISCIPLINE

No two accounts are the same, thus our approach to consulting is collaborative and follows a disciplined process:

ACTION	METHODOLOGY
Asset Allocation	Incorporate tactical and strategic portfolio optimization tools to assist fiduciaries build an appropriate asset allocation for their portfolio
Manager Selection	Assist committee to identify best-in-class asset managers for each mandate identified in the asset allocation phase
Portfolio Monitoring	Rigorous and systematic oversight to make sure investment guidelines are being met and objectives are on target
Market Awareness	Use periods of market dislocation to rebalance portfolio and take advantage of temporary and timely investment opportunities
Expense Management	Monitor and negotiate rates on major service providers as expenses can be a major detractor of performance
Education	Investors should be able to answer two simple questions: What do we own? Why do we own it?

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CONSIDERATIONS AND NEXT STEPS

CONSIDERATIONS AND NEXT STEPS	
Asset Allocation	<ul style="list-style-type: none"> • Confirm that asset allocation aligns with the stated goals & objectives of the plan. For example, the allocation be consistent with parameters such as a cumulative return floor/ cap associated with the plan.
Objectives	<ul style="list-style-type: none"> • Although strategic opportunities like reinsurance & alternative lending can typically have higher management expenses, adding these diversifying assets can help to mitigate volatility while maintaining expected return, thus, increasing overall portfolio efficiency. • Understand the target expected return of the asset pool. • Establish a level of expected volatility that the committee is comfortable with. • Evaluate the committee's stance on the addition of strategic opportunities. • Once the above objectives are confirmed, the next step would be to select an asset allocation that encompasses each stated objective.

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CAPTRUST FIDUCIARY SOLUTIONS | CASH BALANCE PLAN SERVICES

When we act as your fiduciary, we agree to prudently manage your plan and work in participant's best interests.

ERISA Investment Fiduciaries			
3(21) Investment Advisor (non-discretionary)		3(38) Investment Manager (discretionary)	
CAPTRUST	Plan Sponsor	CAPTRUST	Plan Sponsor
<ul style="list-style-type: none"> • Recommend the asset allocation for the plan • Monitor investments • Recommend changes, if necessary • Own liability for tools and analysis used to make recommendations 	<ul style="list-style-type: none"> • Select asset allocation for the plan • Monitor investments • Make changes, if necessary • Own liability for investment decisions 	<ul style="list-style-type: none"> • Recommend the asset allocation and investment policy parameters for the plan • Select the investments for the plan • Monitor investments • Make changes, if necessary • Implement policy • Own liability for investment decisions 	<ul style="list-style-type: none"> • Select the asset allocation and investment policy parameters for the plan • Monitor CAPTRUST

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CAPTRUST FIDUCIARY SOLUTIONS | CASH BALANCE PLAN SERVICES

In a 3(38) arrangement, the plan sponsor transfers liability for investment decisions to the investment manager

- The investment manager accepts discretionary authority to manage, acquire, and dispose of investment options over time.
- The investment manager acknowledges in writing that it is acting as a fiduciary with responsibility and accountability for the selection of the investment menu.
- A 3(38) arrangement represents the highest level of investment liability transfer possible under ERISA.

In a 3(38) arrangement, the plan sponsor's singular investment-related fiduciary responsibility is the selection and monitoring of the 3(38) investment manager

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NONQUALIFIED PLAN SERVICES

WHAT WE HEARD – NONQUALIFIED DEFERRED COMPENSATION

Company Profile

HEADQUARTERS: [Sample](#)
NO. LOCATIONS: [Sample](#)
NO. EMPLOYEES: [Sample](#)
OWNERSHIP: [Public](#)

Plan Profile

TOTAL PLAN ASSETS: [\\$10,000,000](#)
PROVIDER: [Sample](#)
NO. PARTICIPANTS: [Sample](#)
PLAN TYPE: [Sample](#)

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Key Objectives

- Enlist independent retirement specialist with expertise in nonqualified deferred compensation plans
- Provide plan design consultation and Internal Revenue Code 409A compliance advice
- Identify the most cost effective benefit financing option (taxable securities, corporate owned life insurance, other)
- Implement liability hedging strategy and financing policy statement
- Optimize plan administrator and rabbi trustee value through vendor benchmarking process
- Provide recommendation and oversight of underlying asset and liability investment options

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COMPREHENSIVE RETIREMENT ADVICE AND SOLUTIONS

Institutional Advisory Services

As retirement specialists, we have expertise across the full spectrum of qualified and nonqualified retirement plans that can help you leverage and integrate to create a more effective total retirement solution for all your employees.

Defined Contribution

- 401(k) Plans, 403(b) Plans, Profit Sharing Programs
- Fiduciary advisory and risk management
- Investment advisory services
- Provider analysis and fee benchmarking
- Participant advisory services

Defined Benefit

- Traditional Plans, Cash Balance Plans, Money Purchase Plans:
- LDI strategy consulting
- Risk management consulting
- Provider search and selection
- Investment advisory services

Nonqualified Deferred Compensation

- Deferred Compensation Plans, Supplemental Retirement Plans, 457(b) and 457(f):
- Due diligence review of existing plans
- Vendor fee and service benchmarking
- Analysis of funding strategy
- Investment advisory services

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COMMITMENT TO THE NONQUALIFIED DEFERRED COMPENSATION MARKET

A Snapshot of Our Nonqualified Plan Relationships

Nonqualified deferred compensation plans are a core competency and focus of CAPTRUST. Years of working with plan sponsors in both the for-profit and not-for-profit markets has provided us with deep knowledge and understanding regarding creating a successful nonqualified deferred compensation program.

Client Relationships

- We consult on more than 514 nonqualified retirement plans
- Our nonqualified plan clients collectively have over \$8 billion in nonqualified benefit liabilities
- We translate our experience into better client outcomes with a fee for service pricing model designed to align with your interests

Provider Relationships

- We have relationships with the major nonqualified plan administrators and trustees. With our knowledge of the marketplace, we create consistent service expectations and competitive pricing for our clients.
- We understand that nonqualified plan service providers have different target markets and business models. We make sure that our clients achieve the right fit based on their plan needs.
- We recognize that the service provider market is dynamic and that client needs are always shifting. We help our clients stay abreast of changes and navigate any transitions.

Industry Involvement

- We are an active member of the nonqualified plan community and industry associations
- Our professionals are frequent speakers, moderators, panelists, and co-chairs at industry events
- Our participation in these events puts us in a position to understand issues impacting the industry—and to be better advocates for our clients

Data as of 12/31/2021

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OUR PHILOSOPHY

Five Components of a Successful Nonqualified Plan Strategy

1. Plan Design

- Facilitate plan sponsor objectives to recruit, retain, and reward valuable participants
- Provide competitive plan features relative to industry peers
- Maintain operational compliance with IRC 409A, 457(b), or 457(f)

2. Plan Financing and Security

- Determine the most cost-efficient method to finance the nonqualified benefit
- Optimize management of plan assets to enhance their long-term performance
- Implement an ongoing review process to maintain benefit security

3. Plan Administration and Fee Benchmarking

- Review benchmarking and full disclosure of service provider fees
- Advise plan sponsors on liability hedging alternatives
- Provide full disclosure of hard and soft dollar revenue

4. Investment Advisory Services

- Develop an investment menu lineup for plan participants
- Advise plan sponsors on liability hedging alternatives
- Perform ongoing quantitative and qualitative evaluation of investments

5. Participant Education and Advice

- Review vendor enrollment materials
- Provide participant education regarding plan features
- Provide holistic financial planning services



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TYPES OF NONQUALIFIED PLANS

Broad Consulting Services

Nonqualified plans come in different shapes and sizes. It is important to create a plan that works for you. We have consulting experience across defined contribution and defined benefit plan types in both the for-profit and not-for-profit spaces.

Type of Plan	For Profit	Not For Profit
Defined Contribution	409A	457(b)
	<ul style="list-style-type: none"> Deferred Compensation Plans 401(k) Excess Plans Restoration Plans 	457(f)
Defined Benefit	409A	
	<ul style="list-style-type: none"> SERP Restoration Plan 	457(f)

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PLAN DESIGN

10 Basic Plan Design Features



- Participant Eligibility**
 - "Top Hat" exemption
 - Excess plan exemption
 - Non-employee exemption
- Eligible Compensation**
 - Base salary
 - Performance bonus
 - Commissions
 - Incentive pay
 - Other
- Deferral Limits**
 - Base salary (up to 100%)
 - Performance bonus (up to 100%)
 - Commissions (up to 100%)
 - Incentive pay (up to 100%)
 - Other
- Plan Sponsor Contributions**
 - Discretionary
 - Matching
 - Profit sharing
 - Performance bonus
 - Restoration

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PLAN FINANCING

Plan Financing Considerations



A nonqualified deferred compensation plan is by definition unfunded and unsecured.

The plan sponsor "informally funds" the future benefit liability with one or a combination of four methods:

- Unfinanced
- Mutual funds/securities
- Life insurance
- Total return swap

The best approach is determined based on the plan sponsor's unique variables, including:

- Marginal income tax rate
- Cost of corporate cash
- Earnings assumption
- Timing of benefit distribution
- The plan sponsor's liquidity position
- Security mechanisms

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PLAN FINANCING

Nonqualified plan administrators can be distinguished by their recordkeeping capabilities. Understanding plan needs and administrator functionality is important when selecting a provider.

Benchmark Plan Level Services	Mutual Fund Platforms	Multi-Asset Platforms
Benchmark Plan Level Fees	<ul style="list-style-type: none"> • Deferral.com • Vanguard • T. Rowe Price • Transamerica • Schwab 	<ul style="list-style-type: none"> • Fidelity • M-Benefit Solutions • MullinTBC (Prudential) • Newport Group • NFP Executive Benefits • Nolan Financial • Pangburn • Pen-Cal • Principal Financial Group • Wells Fargo
Rabbi Trustees	<ul style="list-style-type: none"> • Broadridge/Matrix • Reliance • Wells Fargo 	

A plan administrator provides a number of important functions depending on the design of the plan. Those functions include daily access to account values, online enrollment, asset/liability reallocation, benefit statements, and GAAP accounting reports.

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INVESTMENT ADVISORY SERVICES

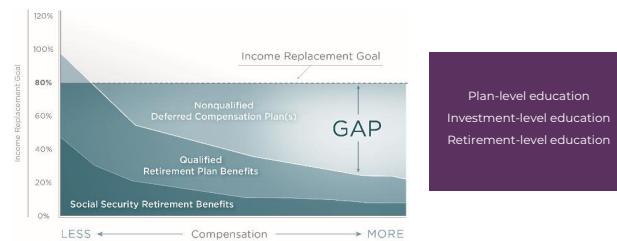
Advice from an independent and objective investment advisor is critical for maintaining high-quality asset and liability options.

Investment Advice	Asset Consideration	Liability Consideration
<ul style="list-style-type: none"> • Determine strategic asset allocation • Selection of investment menu • Ongoing quantitative and qualitative evaluation and monitoring 	<ul style="list-style-type: none"> • Determine strategic asset allocation • Selection of investment menu • Ongoing quantitative and qualitative evaluation and monitoring 	<ul style="list-style-type: none"> • Determine strategic asset allocation • Selection of investment menu • Ongoing quantitative and qualitative evaluation and monitoring

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PARTICIPANT EDUCATION AND ADVICE

Employees at all income levels face obstacles as they prepare and save for retirement, especially higher wage earners who are restricted by Social Security and qualified plan limitations.



This information is from a general Replacement Ratio Calculator with Social Security information from the Annual Statistical Supplements to the Social Security Bulletin www.ssa.gov. The graphic is intended to demonstrate the potential impact that QRP and Social Security have on Highly Compensated Participants at various income levels. For more information on your specific circumstances, please consult with a professional financial advisor.

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PROACTIVE RESEARCH

We constantly monitor and independently review the latest product developments and marketplace trends to provide plan sponsors with critical insight for more informed decision making.



Retirement Income Solutions:
DC Plan Participants Look
to Transfer Risk

A Three-Step Approach to
Nonqualified Plan Financing:
Now Is the Time to Revisit
Your Strategy

Conducting an Effective
Advisor RFP Process: Best
Practices for the Evaluation
and Selection of Retirement
Plan Advisors

Capital Market
Assumptions:
The Long Road Toward
Normalization

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SUMMARY OF SERVICES AND FEES

Plan Design

- Review and discuss plan design features
- Maintain operational compliance with IRC 409A

Plan Financing and Security

- Determine most cost-effective benefit financing option
- Reduce plan asset costs to enhance performance
- Establish appropriate level of asset funding

Plan Administration and Fee Benchmarking

- Benchmark administrative services and fees
- Benchmark rabbi trust services and fees
- Disclose hard and soft dollar revenue

Investment Advisory Services

- Develop investment menu for plan participants
- Advise sponsor on liability hedging alternatives
- Perform ongoing evaluation of investments

Participant Education and Advice

- Review annual enrollment materials
- Participant investment and allocation advice
- Education to improve retirement readiness

Annual Advisory Fee

Nonqualified Advisory Services

bps

Terms

Includes a % annual increase

INTRODUCTION TO ALTERNATIVE INVESTMENTS

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BUILDING AN ALTERNATIVES PLATFORM

Tailoring alternative strategies to meet unique client needs

Strategic Opportunities	Access Funds	Direct Private Markets
<ul style="list-style-type: none"> A mix of liquid and interval funds No investor qualification limits No K-1s 	<ul style="list-style-type: none"> Access to institutional quality hedge funds, private equity and accredited investor offerings through iCapital Network ("Institutional Capital Network, Inc.") Low minimums Private Placements, non-traded BDCs (Business Development Companies) iCAP 	<ul style="list-style-type: none"> Direct access to the highest quality private markets managers – private equity, private credit, private real estate and private real assets Higher minimums Highly differentiated offerings
<ul style="list-style-type: none"> Client type: all types 	<ul style="list-style-type: none"> Client type: \$2-\$20 million in investable assets 	<ul style="list-style-type: none"> Client type: \$20+ million in investable assets

Important Information: This presentation is intended to be educational only. This is not a recommendation to invest in any securities. This is an overview of the different types of alternative investments that can be part of a well diversified investment portfolio. This is not individual investment advice. Investing always involves some level of risk. Clients should consult with their CAPTRUST Financial Advisor before investing in alternative investments.

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PRIVATE MARKETS ACCESS

CAPTRUST has an integrated approach, enabling us to provide fully customizable services and solutions

Access across strategies
Our dedicated team provides access to all areas of private markets

Leading resources
CAPTRUST databases include:

- 43,000 private companies
- 30,000 funds
- 9,000 GPs

Actively managed
Active views within private markets to identify the most attractive opportunities for clients

Important Information: This presentation is intended to be educational only. This is not a recommendation to invest in any securities. This is an overview of the different types of alternative investments that can be part of a well diversified investment portfolio. This is not individual investment advice. Investing always involves some level of risk. Clients should consult with their CAPTRUST Financial Advisor before investing in alternative investments.

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PRIVATE MARKETS ACCESS

CAPTRUST has an integrated approach, enabling us to provide fully customizable services and solutions

Sub-Sector Focus

Private Equity	Private Debt	Real Estate	Infrastructure
<ul style="list-style-type: none"> Buyouts Venture Capital and Growth Equity Energy Distressed and Restructuring 	<ul style="list-style-type: none"> Corporate Real Estate Infrastructure 	<ul style="list-style-type: none"> Core Core Plus Value Added Opportunistic 	<ul style="list-style-type: none"> Power and Utilities Transport Social Natural Resources Leasing

Important Information: This presentation is intended to be educational only. This is not a recommendation to invest in any securities. This is an overview of the different types of alternative investments that can be part of a well diversified investment portfolio. This is not individual investment advice. Investing always involves some level of risk. Clients should consult with their CAPTRUST Financial Advisor before investing in alternative investments.

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SUMMARY OF ALTERNATIVES

- In addition to absolute return benefits, low correlations relative to traditional asset classes can lower overall portfolio volatility, promoting more consistent returns within a portfolio. CAPTRUST prefers to use liquid, transparent, and lower cost structures to implement these strategies.
- Liquid Alternatives** are non-traditional or alternative investment strategies that are available through investment vehicles such as mutual funds, exchange-traded-funds (ETFs) and closed-end funds that provide daily liquidity. Interval funds provide limited quarterly liquidity.
- Illiquid Diversified Alternatives** CAPTRUST has found considerable success in diversified illiquid funds ("Access Funds"). Although illiquid, Access Funds have low minimums for CAPTRUST clients, offer the opportunity for quarterly liquidity, and have an entire portfolio of diversified exposures. Access Funds operate as "fund of funds," allocating to direct, primary and secondary markets across various vintage years.
- For endowments and foundations with considerably long investment horizons, CAPTRUST has direct access to the highest quality private markets managers – private equity, private credit, private real estate and private real assets.

"Access Funds" developed by iCapital Network are not affiliated with CAPTRUST

Important Information: This presentation is intended to be educational only. This is not a recommendation to invest in any securities. This is an overview of the different types of alternative investments that can be part of a well diversified investment portfolio. This is not individual investment advice. Investing always involves some level of risk. Clients should consult with their CAPTRUST Financial Advisor before investing in alternative investments.

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OCIO SERVICES

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OCIO

What makes us different as an OCIO?



12/31/2021

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INVESTMENT OVERSIGHT

Investment Oversight

Mike Vogelzang, CFA®
Chief Investment Officer

OCIO TEAM

Investment Committee
Mike Vogelzang, CFA®
Hunter Brackett, CFA®
David Hood
Sam Kirby
Matt Ogden
Christian Ledoux, CFA®
Jim Underwood, CFA®
Ellen Shaer, CFA®

Asset Allocation
Investment Research
Investment Strategists
Discretionary Management
Trading

Portfolio Management Investment Selection Portfolio Trading and Risk Management

Data as of 12/31/2021

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A FIRM-WIDE COMMITMENT TO DISCRETIONARY MANAGEMENT

The depth, leverage, and stability to deliver

CAPTRUST Resources

- Asset allocation research
- Market research
- Manager research
- Quantitative research
- Fundamental research
- Firm-wide business line research
- Institutional investing research



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INVESTMENT PHILOSOPHY

ADAPTIVE ASSET ALLOCATION FRAMEWORK

Horizons

- Secular** (Long-term, 10+years)
- Business Cycle** (Medium-term, 1-10 years)
- Tactical** (Short-term, 1-12 months)

Portfolio Construction

Asset Classes Geographies/Region Sectors/Themes

INVESTMENT PHILOSOPHY

ADAPTIVE ASSET ALLOCATION FRAMEWORK

Secular (Longer-term)	Business Cycle (Medium-term)	Tactical (Shorter-term)
<ul style="list-style-type: none"> Challenging demographics, elevated debt levels, and peak globalization limit long-term growth. Valuations in equities are slightly elevated based on longer-term historic averages but remain attractive. Multiple geopolitical concerns remain raising risk premiums across several asset classes. Inflation and wage pressure are becoming more present in the data as we are later in the business cycle. Continue to maintain a shorter duration posture given bonds could be pressured from here. Emphasize holding-related and structured credit markets with higher yield and better fundamentals. Opportunities, emphasizing alpha strategies in this part of the cycle that can capture opportunities, especially within small caps and international. 	<ul style="list-style-type: none"> Continue to maintain many smaller, diversified bets within portfolios. Late cycle is not the time to take oversized asset class over- and underweights; prefer to adjust at the sub-asset class level. Consider moving up in both liquidity and quality to take advantage of market dislocations when they occur to ensure we are in a position of strength to take advantage. 	<ul style="list-style-type: none"> Continue to maintain many smaller, diversified bets within portfolios. Late cycle is not the time to take oversized asset class over- and underweights; prefer to adjust at the sub-asset class level. Consider moving up in both liquidity and quality to take advantage of market dislocations when they occur to ensure we are in a position of strength to take advantage.

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INVESTMENT PROCESS: CONSISTENT AND REPEATABLE

Macroeconomic Insight
Macroeconomic insight is used as a backdrop and guide to identify investment themes

Economic Themes

Manager Research
Manager research identifies best-in-class strategies and leverages relationships to understand best investment ideas

Best Ideas

Asset Class and Manager Allocation: Relative Value Analysis

Biweekly investment committee meetings Identify relative-value opportunities Portfolio positioning determined by consensus

CIO, Head of Manager Research, Head of Risk Management, Asset Class Heads

Weightings and Positioning

Portfolio Construction
Match portfolio to fit with client objectives and constraints

Risk Management
Monitor portfolio exposures and risk

Client Portfolio

Portfolio Monitoring
Reflect current opportunities in client portfolio

ACCESSING THE OPPORTUNITY

DEPTH, SCALE, AND ACCESS TO DELIVER

Our institutional footprint, dedicated research team, proprietary databases, and experienced investors provide a distinct advantage to our clients.

Experienced Team	Deep Coverage	Research Driven	Active Investor
97 research members 9 senior leaders 88 analysts	Equities Fixed income Multi-asset Real estate	CAPTRUST Database 2,000+ covered 230+ firms 12,000+ total strategies followed	\$719 billion in assets under advisement
1,088 professionals 649 shareholders 69 offices	Alternatives, strategic opportunities Private equity and private markets Real assets	350+ annual portfolio manager meetings 123 annual due diligence calls 30+ onsite fund company visits	More than 20,000 institutional and private client relationships

The presentation is designed specifically for the client to whom it is addressed. This is not a solicitation or an offer to buy any security or instrument or to participate in any trading strategy. CAPTRUST does not render legal, accounting, or tax advice. This information has been compiled using most recent statistics available but is subject to change without notice. Data as of 12/31/2021.

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FIXED INCOME CASE STUDY: ATTRACTIVE YIELD AND LOW DURATION

THEMATIC OPPORTUNITIES IDENTIFIED IN STRUCTURED CREDIT PROVIDE MEANINGFUL OPPORTUNITIES

Yield and Duration

	Conservative Growth	Barclays Aggregate
Duration	3.77	5.87
Yield	3.75%	2.31%

The benchmark contains a toxic mix of long duration and low yield, a bad starting point for investors.

CAPTRUST Advantage

- Identify opportunities outside of the benchmark with better risk/return characteristics
- Provide better diversification within fixed income
- Seek to provide lower volatility and less interest rate risk

Data as of 12/31/2019

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FIXED INCOME CASE STUDY: ATTRACTIVE YIELD AND LOW DURATION

ACTIVELY MANAGING EXPOSURES AND TACTICALLY ADJUSTING PORTFOLIOS HAS LED TO CONSISTENT ALPHA

Investment Growth (Index to 100 at 11.30.2014)

Data as of 12/31/2019

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FIXED INCOME CASE STUDY: ATTRACTIVE YIELD AND LOW DURATION

OUTPERFORMING PEERS OVER EVERY TRAILING PERIOD

Performance Relative to Peer Group

Peer group: Morningstar intermediate-term core plus universe
Data as of 12/31/2019

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FIXED INCOME CASE STUDY: ATTRACTIVE YIELD AND LOW DURATION

OUTPERFORMING PEERS SIGNIFICANTLY ON A RISK-ADJUSTED BASIS

Risk-Reward 5 Years Trailing 12.31.2019

Risk

Time Period: 5 Years Trailing 12.31.2019
Calculation Benchmark: BBgBarc US Agg Bond TR USD

	Return	Standard Deviation	Diversifiable Deviation	Excess Return	Beta	R ²	Share Ratio (with)	Tracking Error
DCP Cons Gr FI	4.25	1.46	-0.82	1.21	0.33	45.84	2.16	-0.70
BBgBarc US Agg Bond TR USD	3.05	3.06	-1.28	0	1.00	100	0.64	-2.98

Peer group: Morningstar intermediate-term core plus universe
Data as of 12/31/2019

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ESG BASED VALUES INVESTING

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ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) INVESTING

THE ECOSYSTEM — KEY CONTRIBUTORS TO ESG INVESTING

Asset owners like you demand and drive ESG investment through adoption of various Environmental, Social and Governance priorities. An ecosystem of industry contributors exists to support investors with key decisions and implementation.

Some contributors like the Principles for Responsible Investment (PRI) Association and the Sustainability Accounting Standards Board (SASB) influence the ecosystem. On one hand, we have existing industry benchmarks. On the other hand, asset managers and consultants work directly with asset owners directly to implement ESG investment strategies.



CAPTRUST Research

Principles for Responsible Investment (PRI) Association

- Primarily focused on setting standards for investors and asset managers
- Developed 6 Principles for Responsible Investment to which participants voluntarily adhere
- United Nations seeded independent global organization

Sustainability Accounting Standards Board (SASB)

- Dedicated to creating standards for corporate reporting
- Goal to create high-quality, normalized corporate reporting on ESG factors
- Focused on publicly traded U.S. companies
- Independent organization with representatives from both investor community and industry

Index & Data Providers

- Index providers research corporate characteristics to construct ESG factor-aware market benchmarks
- Data providers provide ESG scoring of investment portfolios
- Major providers include FTSE, MSCI, S&P Dow Jones, and Morningstar

Asset Managers

- Most asset managers who offer ESG options conduct their own research
- Many create strategies that investors can access
- Many are capable of incorporating investor-specific ESG factors

Consultants

- Help investors navigate ESG landscape
- Monitor asset managers for ESG compliance in addition to traditional due diligence
- If appropriate, can coordinate investor-specific ESG factors across multiple asset managers

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ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) INVESTING

WHO IS ADOPTING ESG?

Environmental

Social

Governance

General Population

Category	2017 (%)	2019 (%)
Somewhat Interested	75%	85%
Very Interested	52%	49%

Millennials

Category	2017 (%)	2019 (%)
Somewhat Interested	86%	95%
Very Interested	45%	25%

Reasons for Investment

Reason	2017 (%)	2019 (%)
Screened investments according to my interests and values in order to avoid investing in something I would consider objectionable	26%	33%
Invested in companies or investment funds that target specific positive environmental or social outcomes	14%	28%
Excluded an investment position because of objectionable corporate social, environmental or political activity	11%	17%

Growth of Institutional Investor ESG Assets (Billions)

Year	Assets (Billions)
2007	\$1,880
2010	\$2,026
2012	\$2,484
2014	\$4,042
2016	\$4,725
2018	\$5,608
2020	\$6,180

Source: 1. Report on the State of Responsible Investment in America, 2019. 2. Data as of December 31, 2019. 3. As of December 31, 2019. 4. Based on survey data from Morgan Stanley CAPTRUST Research.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) INVESTING

TWO DECADES OF VALUES-BASED INVESTING

Year	Milestone
1990	CAPTRUST begins offering customized SRI portfolios for clients
2000	Dow Jones Launches first SRI-based index in the U.S.
2004	CAPTRUST creates the SRI Advisory Committee
2007	CAPTRUST Partners with leading SRI provider IV Financial (now SSgA)
2017	CAPTRUST creates recommended ESG/SRI mutual fund platform
2018	CAPTRUST creates an ESG-focused model portfolio
2019	CAPTRUST adds its retirement plans sponsors respond to Department of Labor's ESG-focused regulation
2020	CAPTRUST E&F survey provides new data on investor ESG/SRI decision making
2021	CAPTRUST possesses a unique depth of experience and perspective, which allows us to educate investors about values-based investing, and design strategies that create alignment of principals and portfolios. With over two decades of implementation experience, CAPTRUST earned a proven track record of success.

CAPTRUST Research

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) INVESTING

CHALLENGES OF ESG INVESTING

Incorporating Environmental, Social and Governance factors can align value priorities with financial decisions. A growing number of investment managers provide solutions for investment implementation. While ESG incorporation may have appeal, important concerns exist. Potential investors should weigh the challenges and potential shortfalls of executing ESG strategies relative to the potential benefit prior to determining whether to implement.

PERFORMANCE

Returns may lag if particular companies or industries outperform others

Traditional active management risk remains for many strategies

Performance evaluation relative to non-ESG alternatives can create monitoring complexity

CORPORATE

Companies can design and execute in practice

Complex organizations may possess both positive and negative characteristics – leading to conflicting perspectives

Shareholder advocacy may be ineffective

FEES

Research on ESG criteria can increase investment costs

Investment management fees for ESG strategies may be higher than peers

DIVERSIFICATION

Focus on ESG criteria limit investment options

Particular asset classes may lack quality strategies implementation

Where strategies exist, lack of alternatives can present issues if performance misses expectations

Investors should determine if incorporating ESG factors into their portfolio aligns with their priorities. Before implementing the strategy, establishing clear performance and impact goals will allow for evaluation to affirm the fitness of continued investments.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) INVESTING

APPROACHES TO ESG INVESTING IMPLEMENTATION

If incorporation of ESG factors is desirable, there are multiple ways to accomplish implementation. Different methods offer contrasting approaches with different impact goals. Additionally, the methods often take the form distinct investment structures which investors may find more, or less, appropriate to employ in differing situations. Below we explore two of the most common ESG approaches.

1 Exclusionary Screening

Best suited for investors primarily concerned about not supporting companies with operations or values antithetical to your mission or priorities

This approach excludes companies from the investment manager's opportunity set allowing for continued execution of portfolio strategy – either active or passive

Exclusionary mandates often require utilization of a separate account structure which can be inefficient at low asset levels, but allows for investor-level customization

Often used by investors with a "zero tolerance" approach to themes like weapons or tobacco

2 Thematic Investing

Strategies seek to leverage current or prospective corporate ownership (equity) or financing (bonds) to take an activist position promoting identified goals

By combining assets with like-minded investors, managers can engage corporate leadership to make desired changes which may create more impact than exclusionary screening alone

Mutual funds and exchange-traded funds (ETFs) are well suited to execute specific themes

Common themes include low carbon emission, religious values, gender diversity and broad ESG

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) INVESTING

PRINCIPALS FOR RESPONSIBLE INVESTMENT (PRI)

Since their creation, the PRI have become an industry standard for asset managers and major investors participating in the ESG marketplace. Intended to be both voluntary and aspirational, signatories agree to Six Principals for Responsible Investment.

We will incorporate ESG issues into investment analysis and decision-making processes.	We will be active owners and incorporate ESG issues into our ownership policies and practices.
We will seek appropriate disclosure on ESG issues by the entities in which we invest.	We will promote acceptance and implementation of the principles within the investment industry.
We will work together to enhance our effectiveness in implementing the principles.	We will each report on our activities and progress towards implementing the principles.

CAPTRUST Research CAPTRUST DEEP DIVE OPTIONAL SLIDE (delete this textbox if including) C

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) INVESTING

SUSTAINABLE DEVELOPMENT GOALS

In 2015 more than 150 leaders adopted the Sustainable Development Goals, a blueprint to achieve a better and more sustainable future for all. These goals aim to end poverty, hunger and inequality, take action on climate change and the environment, improve access to health and education and promote peace and justice by the year 2030. Since the adoption of the SDGs investors have allocated more dollars to ESG related strategies and asset managers have offered investors with more investments that aim to make a difference and align with client values.

1 NO POVERTY 	2 ZERO HUNGER 	3 GOOD HEALTH AND WELL-BEING 	4 QUALITY EDUCATION 	5 GENDER EQUALITY 	6 CLEAN WATER AND SANITATION 
7 AFFORDABLE AND CLEAN ENERGY 	8 DECENT WORK AND ECONOMIC GROWTH 	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	10 REDUCED INEQUALITIES 	11 SUSTAINABLE CITIES AND COMMUNITIES 	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 
13 CLIMATE ACTION 	14 LIFE BELOW WATER 	15 LIFE ON LAND 	16 PEACE, JUSTICE AND STRONG INSTITUTIONS 	17 PARTNERSHIPS FOR THE GOALS 	SUSTAINABLE DEVELOPMENT GOALS

CAPTRUST Research CAPTRUST DEEP DIVE OPTIONAL SLIDE (delete this textbox if including) C

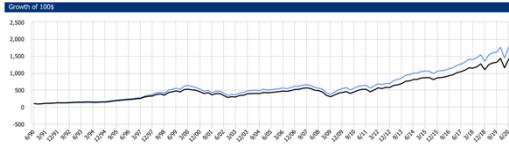
ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) INVESTING

INVESTMENT RETURNS CASE STUDY

The MSCI KLD 400 Social Index is the longest running ESG Index with an inception date of May 1990. The index is a subset of the broad based MSCI USA index and utilizes a two-factor approach when constructing the ESG portfolio. First the Index excludes companies involved in Nuclear Power, Tobacco, Alcohol, Gambling, Weapons, CMOs and Adult Entertainment. Secondly any company is excluded from the Index if they do not meet the minimum ESG score as assigned by MSCI. The result is an ESG index of roughly 400 companies. Since inception, the ESG Index has slightly outperformed on a cumulative basis while also performing inline on an annualized basis over the past 10 years.

Firm Name	Product Name	M&Q	YTD	1 Year	3 Years	5 Years	7 Years	10 Years
MSCI Index	MSCI KLD 400 Social ND	13.01	20.49	20.49	14.88	13.88	12.40	13.33
MSCI Index	MSCI USA-NI	13.01	20.73	20.73	14.68	15.06	13.58	13.43

Growth of 10\$



MSCI Index: MSCI KLD 400 Social ND ■ MSCI Index: MSCI USA-NI

The academic community continues to produce research about whether value-based investment strategies provide competitive performance. While different studies test different theses, CAPTRUST research suggests that investors do not need to accept concessionary returns from SRI or ESG mandates. While specific values-based strategies may underperform across different market conditions, many principals-based investments historically provided competitive peer-relative returns.

CAPTRUST Research CAPTRUST OPTIONAL SLIDE (delete this textbox if including) C

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) INVESTING

SOCIALLY RESPONSIBLE INVESTING

CAPTRUST partners with Institutional Shareholder Services (ISS) to offer customized separate account portfolios based on the values of the client. Each separate account manager goes through the CAPTRUST qualitative and quantitative due diligence process and from there values-based exclusions are applied.

SCREENS INCLUDE MANY OF THE ESG AND FAITH BASED FACTORS INCLUDING:

- Abortion/abortifacients
- Carbon Reserves
- Fossil Fuel
- Nuclear weapons
- Adult entertain/pornography
- Catholic Values
- Gambling
- Oil Sands
- Alcohol
- Chemical weapons
- Global Sanctions
- Planned parenthood
- Animal Testing
- GMOS
- Pork
- Animal welfare
- Cluster munitions
- Human Rights
- Predatory lending
- Anti-Corruption
- Coal Mining
- Hydraulic fracturing
- Renewable Energy
- Anti-personnel mines
- Contraceptives
- Incendiary weapons
- Civilian firearms
- Stem cell research
- Arctic Drilling
- Depleted uranium
- Labor Rights
- Thermal Energy
- Biological weapons
- Environment
- Military equipment and services
- Tobacco
- Cannabis
- For-profit correctional facilities
- Nuclear Power
- White phosphorus weapons

CAPTRUST Research CAPTRUST OPTIONAL SLIDE (include only in institutional Religious) C

OTHER ASSET POOL (OAP) SERVICES

CAPTRUST

C

FIDUCIARY SOLUTIONS

Presentation of Institutional Asset Pool Services

CAPTRUST FIDUCIARY SOLUTIONS | RETIREMENT ADVISORY SERVICES

Solutions for **MANAGING RISK** and **CONSTANT CHANGE**

Fiduciary Training for Plan Sponsor Committees

- Fiduciary roles and responsibilities
- Administration best practices
- Benchmarking
- Governance
- Investments

Fiduciary Process Administration Tools

CAPTRUST DIRECT

CAPTRUST Direct streamlines your fiduciary tasks while forming the preparation for the event of an audit, saving you time and resources.

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C

CAPTRUST FIDUCIARY SOLUTIONS | OTHER ASSET POOL (OAP)

When we act as your fiduciary, we agree to prudently manage your assets. We assist our clients to follow UPMIFA standards of care.

Two Types of Investment Fiduciaries			
Non-Discretionary Investment Manager		Discretionary Investment Manager	
CAPTRUST	Investor/Trustee	CAPTRUST	Investor/Trustee
<ul style="list-style-type: none"> • Recommend the asset allocation for the fund • Recommend investments for the fund • Monitor investments • Recommend changes, if necessary • Own liability for tools and analysis used to make recommendations 	<ul style="list-style-type: none"> • Select the asset allocation and investment policy parameters for the fund • Select all investments for the fund • Monitor investments • Make changes, if necessary • Own liability for investment decisions 	<ul style="list-style-type: none"> • Recommend the asset allocation and investment policy parameters for the fund • Select the investments for the fund • Monitor investments • Make changes, if necessary • Implement policy • Own liability for investment decisions 	<ul style="list-style-type: none"> • Select the asset allocation and investment policy parameters for the fund • Monitor CAPTRUST to ensure fiduciary responsibilities are being met

CAPTRUST

C

DISCRETIONARY FIDUCIARY SOLUTIONS

In a discretionary arrangement, the board transfers liability for investment decisions to the investment manager.

- The investment manager accepts discretionary authority to manage, acquire, and dispose of investments over time.
- The investment manager acknowledges in writing that it is acting as a fiduciary with responsibility and accountability for the selection of the investments within the context of the policy.
- A discretionary arrangement represents the highest level of investment liability transfer possible.

In a discretionary arrangement, the board's singular investment-related fiduciary responsibility is the selection and monitoring of the discretionary investment manager.

- To help assist in the selection and monitoring process, CAPTRUST has compiled a list of questions to ask during the investment manager selection process.
- We also provide a sample annual due diligence questionnaire to assist with ongoing monitoring of the investment manager.

CAPTRUST



CAPTRUST DISCRETIONARY FIDUCIARY SOLUTIONS

In a discretionary arrangement, the board transfers liability for investment decisions to the investment manager

- The investment manager accepts discretionary authority to manage, acquire, and dispose of investments over time.
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CAPTRUST



OUR APPROACH

Presentation of Institutional Asset Pool Services



DEDICATED AND SPECIALIZED ADVICE

CAPTRUST has a dedicated team of investment professionals that work with your financial advisor to create an investment program to meet your specific financial goals and risk level.



Our Consulting Research Group provides expertise and advice in the following areas:

- Investment selection
- Portfolio construction and management
- Transition strategy
- Portfolio management
- Ongoing monitoring and due diligence
- Spending policy

CAPTRUST



THE IMPORTANCE OF INVESTMENT DECISIONS

While the majority of return variability comes from market movements, asset allocation and active portfolio decisions also have a meaningful impact.

General market movement
Allocation policy mix
Timing, security selection, and fees

"In general (after controlling for interaction effects), about three-quarters of a typical fund's variation in time-series returns comes from general market movement, with the remaining portfolio split roughly evenly between the specific asset allocation and active management."

Roger G. Ibbotson

Source: Roger C. Ibbotson, *The Importance of Asset Allocation*.

CAPTRUST

INVESTMENT CONSULTING PROCESS - OUR STRATEGIC PARTNERSHIP

No two accounts are the same, so our approach to consulting is collaborative and follows a disciplined process.

STEP 1	Objective setting
STEP 2	Asset allocation
STEP 3	Investment policy development
STEP 4	Manager selection and due diligence
STEP 5	Monitor success and progress
STEP 6	Innovate and adapt as the world changes

CAPTRUST

STEP 1: OBJECTIVE SETTING

Our clients have unique goals and objectives, and our process starts with making sure we fully understand what you are trying to accomplish and the obstacles we must overcome.

WHAT WE HEARD
Profile
BUDGET: \$100 million LOCATION: City, NY SPENDING POLICY: 5% on all operating expenses ESTATEPLAN: ABC Company
INTERNSHIP: Our mission is to provide opportunities for our clients, employees, and communities through sound financial advice, integrity, and a commitment to service beyond expectations.
Key Objectives
Increase Spending Policy Flexibility Increase Investment Returns Reduce Costs of Interest Diversify Investment Portfolio Prioritize Financial Responsibility Establish Long-Term Financial Outlook Diversify Day-to-Day Decisions and Oversight Focus on Mission
Unique Situation
Budgeted Investment Solution Currently in Place Highly Diversified Investment Portfolio Need for More Formal Governance Structure Concerns Over Meeting Spending Money Given Recent Results

Analyze Current Investments

- Is the current manager lineup sound?
- Do any investment managers or asset classes require immediate attention?

Review Contributions and Disbursements

- How often is cash needed from the portfolio?
- Can the portfolio weather investment downturns and still meet liquidity needs?

Review Current Objectives and Constraints

- What is the ultimate goal for the fund?
- Are there any unique considerations that must be addressed?
- Is there an appropriate balance between volatility and magnitude of spending needs?

CAPTRUST

STEP 2: ASSET ALLOCATION

Asset allocation is the primary determinant of portfolio outcomes. Care must be taken to align allocation with objectives while avoiding risk beyond tolerance.

Review Current Asset Allocation

- Is there a way to improve the current asset allocation by creating more alignment with goals?
- Are there opportunities to add additional return or remove unrewarded risk?
- Is asset allocation aligned with spending needs?

Diversifying Asset Classes

- Do alternatives have a role in the asset allocation?
- How does the use of alternatives align with liquidity needs?
- What are peer organizations doing?

*Source: CAPTRUST Capital Market Assumptions (CMAs) based on representative allocation from the All Foundation Allocation Table in Foundation Source's 2016 Annual Report on Private Foundations, and the asset allocation based upon the 2016 NACUBO-Commonfund Study of Endowments Detailed Asset Allocations for Fiscal Year 2016.

CAPTRUST

STEP 3: INVESTMENT POLICY DEVELOPMENT

Establishing an investment policy statement (IPS) requires in-depth knowledge and understanding of objectives.



Ten Components of a Well-Written IPS:

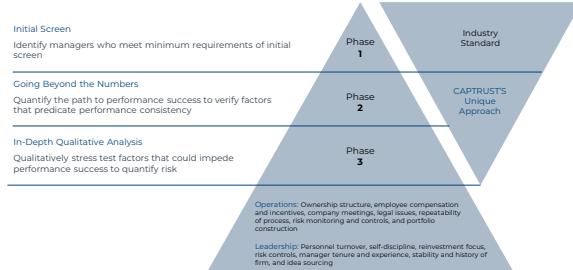
1. Define the roles of all fiduciaries.
2. Identify income, cash flow, and liquidity needs.
3. Identify the time horizon for achieving goals.
4. Develop a statement of risk tolerance for the organization.
5. Identify specific asset classes to be utilized.
6. Define asset allocation policy and rebalancing guidelines.
7. List methodology of gauging success of the investment managers.
8. Describe the responsibilities of the investment managers.
9. Create a formal statement of investment objectives and target returns.
10. Conduct an annual review of the investment policy guidelines.

CAPTRUST



STEP 4: MANAGER SELECTION AND DUE DILIGENCE

Our unique investment selection process includes an exhaustive bottom-up review of an investment manager's strategy and all aspects of its business and organizational structure to identify and confirm best-of-breed investment solutions.



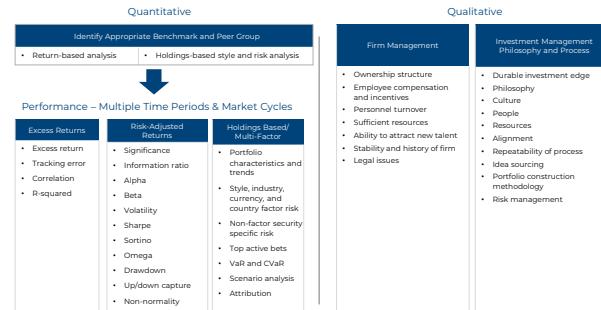
We leverage the scale of our business to gain access and cost effective solutions with best-in-class asset managers across product types, including mutual funds, collective investment trusts, separately managed accounts, and limited partnerships.

CAPTRUST



STEP 4: MANAGER SELECTION AND DUE DILIGENCE

Our selection process combines both quantitative and qualitative metrics to identify best-of-breed investment solutions.

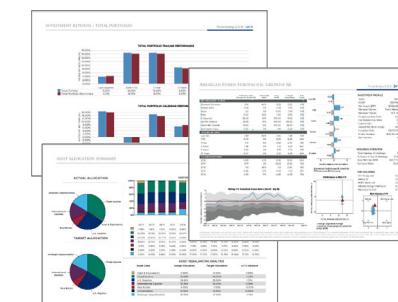


CAPTRUST



STEP 5: MONITOR SUCCESS AND PROGRESS

Regular, consistent, and rigorous investment performance monitoring ensures successful execution of a successful investment strategy. With volatile capital markets, it's important to understand not only investment return outcomes, but also the fundamental drivers of performance.



Each quarter, CAPTRUST provides a comprehensive report based on current market conditions allowing clients to make real-time investment decisions rather than waiting for months.

By combining a nuanced understanding of past performance with an active exploration of future opportunities, investors can maximize their ability to achieve successful outcomes.

CAPTRUST



STEP 5: MONITOR SUCCESS AND PROGRESS

Our investment scoring system is designed to evaluate each investment's quarterly performance based on how well it meets the guidelines and objectives established in your fund's investment policy statement.

INVESTMENT	QUANTITATIVE				QUALITATIVE		TOTALS			
	RISK-ADJUSTED PERFORMANCE		PERFORMANCE VS. PEERS		STYLE	CONFIDENCE	FUND MGMT	FUND FIRM	OVERALL	TOTAL SCORE
3rd QUARTER 2020	3 YEAR	5 YEAR	3 YEAR	5 YEAR	3 YEAR	5 YEAR	3 YEAR	5 YEAR		
Investment A	●	●	●	●	●	●	●	●	●	100
Investment B	▼	●	●	●	●	●	●	▼	●	67
Investment C	●	●	●	●	●	●	●	●	●	92

Methodology

- Each investment is evaluated on both quantitative and qualitative factors
- Measures such as style are evaluated to reach a quantitative score
- Subjective methods of assessing management issues determine the qualitative score (30 points)
- The sum of the values assigned to each category determines the total score

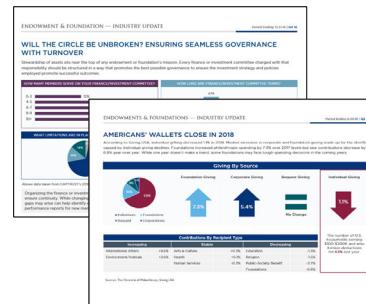
- | | |
|---|--------------------------|
| ● | In good standing |
| ▼ | Marked for review |
| ● | Consider for termination |

CAPTRUST



STEP 6: INNOVATE AND ADAPT AS THE WORLD CHANGES

CAPTRUST is committed to making sure your fiduciary committee is up to speed on issues as the philanthropic, regulatory, and capital market environments evolve.



Each quarter, CAPTRUST provides a Topical Spotlight designed to ensure the fiduciary committee is current on relevant issues.

These Spotlights are designed to be educational, forward looking, and actionable.

INVESTMENT MANAGER RESEARCH



CAPTRUST uses industry-leading data providers along with propriety internal databases to identify best-of-breed investment managers

	Manager Database	Market/Economic Data	Returns-Based Analysis	Holdings-Based Analysis	Portfolio Risk Analysis
Bloomberg	X	X	X	X	X
Morningstar Direct	X	X	X	X	
Morningstar Principia	X				
eVestment Alliance	X		X		
Zephyr Style Advisor	X	X	X		
MPI	X	X	X		
Tamalet	X				

CAPTRUST



CAPTRUST MANAGER DUE DILIGENCE

Independent

- Objective and unbiased co-fiduciaries
- Receive no form of compensation or gifts from any investment managers
- Investment recommendations solely benefit clients

Specialized

- Dedicated and experienced team focused solely on managers research
- Strong continuity with top investment professionals working together
- Culture fosters creativity and collaboration centered around a single investment philosophy

Access

- Primary research driven by direct access to portfolio managers, CIOs, and analysts
- Commitment to on-site due diligence with large travel and resource budget
- Proven investment process incorporating this fundamental analysis with analytical insights

Alignment

- 100% revenue from client advisory services
- Investment recommendations benefit clients
- Long-term client commitment

Proven Results

- Less than 10% annualized recommended manager turnover
- Documented history of managers consistently outperforming peers

CAPTRUST





SUMMARY OF FEES AND SERVICES

Presentation of Institutional Asset Pool Services

DEPTH, LEVERAGE, AND ACCESS



Our Goals

1. Proactively manage assets to achieve risk and return goals and clearly report the results
2. Provide access to leading institutional investment managers
3. Leverage our scale to achieve better economics
4. Ensure the right firm resources are available to you

Why CAPTRUST

1. Dedicated, experienced team with direct access to firm resources
2. Alignment of interests, no conflicts (No Golf Ball Rule)
3. Proven track record advising fiduciaries and managing risks
4. Our client-to-consultant ratio means a higher level of service
5. Mission alignment—we are involved in our communities

CAPTRUST



SUMMARY OF SERVICES AND FEES

SOLUTIONS	OAP SERVICES	Annual Advisory Fee
Non-discretionary Investment Advisory Services	<ul style="list-style-type: none"> Development of investment policy statement (IPS) Recommend and evaluate strategic asset allocation and rebalancing Recommendations for criteria for selecting and monitoring investments Manager search and selection Investment performance measurement and analysis Investment policy compliance Risk management 	Non-discretionary Investment Advisory Services \$Sample Sample bps Terms Includes a Sample% annual increase
Additional Services	<ul style="list-style-type: none"> Assistance with fiduciary oversight and committee education Assistance with selection and management of service providers Additional non-fiduciary consulting services Meeting minutes 	Sample

CAPTRUST

SUMMARY OF SERVICES AND FEES

SOLUTIONS	OAP SERVICES	Annual Advisory Fee
Non-Discretionary Investment Advisory Services	<ul style="list-style-type: none"> Development of investment policy statement (IPS) Recommend and evaluate strategic asset allocation Recommendations for criteria for selecting and monitoring investments Investment performance measurement and analysis Investment policy compliance Risk management 	Discretionary Investment Management Services \$Sample Sample bps Terms Includes a Sample% annual increase
Discretionary Investment Management Services	<ul style="list-style-type: none"> Implementation of investment policy statement Select, monitor, and replace investment managers Implement strategic asset allocation and rebalancing Implement tactical asset allocation 	Sample
Additional Services	<ul style="list-style-type: none"> Assistance with fiduciary oversight and committee education Assistance with selection and management of service providers Additional non-fiduciary consulting services Meeting minutes 	

CAPTRUST

RELIGIOUS SERVICES

CAPTRUST

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WHAT WE HEARD

Profile

TOTAL ASSETS:	\$	ORGANIZATION:	Sample
SPENDING POLICY/RETURN OBJECTIVE:	Sample	CURRENT PROVIDER:	Sample
CUSTODIAN:	Sample	ASSET POOL:	Sample
MISSION:	Sample		

Key Objectives

- Align the investment program with Catholic Social Values
- Increase spending policy predictability
- Address asset volatility
- Remove conflicts of interest
- Outsource investment management to focus on mission
- Simplify investment strategy
- Manage liquidity
- Focus more on mission
- Grow assets of assets
- Reduce overall cost of investment program

FAT to choose appropriate objectives
FAT to choose unique situation

Unique Situation

- Bundled investment solution currently in place
- Introduce unitized accounting to create operational efficiencies
- Local/regional bank chosen as investment manager
- Need for more robust governance structure
- Concerns over mission spending policy given recent results
- Desire to terminate DB Plan over time/convert to DC
- Manage portfolio spend-down
- Invest new assets
- No formalized spending policy
- Liquidity needs

CAPTRUST

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ABOUT CAPTRUST

Presentation of Religious Services



ABOUT CAPTRUST



Locations

AKRON, OH	CHICAGO, IL	GREENSBURG, PA	LEXINGTON, VA	PITTSBURGH, PA	STOCKBRIDGE, GA
ALLENSTOWN, PA	CLARKSTON, MI	GREENVILLE, SC	LODO, CO	RALEIGH, NC	TAMPA, FL
ATLANTA, GA	COLUMBIA, MD	GREENWOOD VILLAGE, CO	LITTLETON, CO	RICHMOND, VA	UNDERWOOD, OH
AUSTIN, TX (2)	CORPUS CHRISTI, TX	HARRISONBURG, VA	LYNCHBURG, VA	RIVERSIDE, CA	VALENCA, CA
BETHLEHEM, PA	DALLAS, TX (2)	HOUSTON, TX	MINNEAPOLIS, MN	RIVERSIDE, NJ	WASHINGTON, DC
BIRMINGHAM, AL	DAMASCUS, OR	JACKSONVILLE, FL	MONTGOMERY, AL	ROANOKE, VA	WAYZATA, MN
BOerne, TX	DOYLESTOWN, PA	LAKE MARY, FL	NASHVILLE, TN	ROCKVILLE, MD	WEST CENTER TOWNSHIP, OH
BOSTON, MA (2)	DRAPER, UT	LAKE SUCCESS, NY	NEW YORK, NY	SACRAMENTO, CA	WEST DES MOINES, IA
CARPIENTRIA, CA	FOLSOM, CA	LAQ VEGA, NV	NORTH MIAMI, FL	SAN ANTONIO, TX (2)	WESTLAKE VILLAGE, CA
CHICAGO, IL	GLENDALE HILLS, MI	LEWISBURG, PA	OKLAHOMA CITY, OK	SAN FRANCISCO, CA	WILMINGTON, NC
CHESTERTON, IN	GREENSBORO, NC	LEXINGTON, KY	PEARL CITY, HI	SANTA BARBARA, CA	
			PHOENIX, AZ	SOUTHFIELD, MI	

Data as of 12/31/2021

CAPTRUST

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HOW WE CAN HELP

We provide investment advisory services to retirement plan fiduciaries, endowments and foundations, and wealth planning services to executives, business owners, and families.

INSTITUTIONS



RETIREMENT PLAN SPONSORS



ENDOWMENTS & FOUNDATIONS



RELIGIOUS ORGANIZATIONS

INDIVIDUALS



INDIVIDUAL INVESTORS & FAMILIES



RETIREMENT PLAN PARTICIPANTS



EXECUTIVES & BUSINESS OWNERS



PROFESSIONAL ATHLETES

CAPTRUST

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CONSULTING TO CATHOLIC CLIENTS

Turnover can occur with trustees, committees, and staff. CAPTRUST helps create stability and consistency for our clients.

- CAPTRUST proactively advises the committee on investment policy, asset allocation, investment manager search and selection, performance measurement, and due diligence.
- CAPTRUST's approach to Catholic socially responsible investing allows for flexibility in manager selection and implementation.
- CAPTRUST educates the trustees/finance and/or investment committee about fiduciary standards and prudent management of the investment portfolio.
- CAPTRUST helps drive committee consensus through proprietary tools and by presenting comprehensive but easy-to-understand analysis.
- CAPTRUST is an ongoing resource for the trustees/finance and/or investment committee as issues arise.



CAPTRUST

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CAPTRUST NAMED LARGEST RIA FOR SIXTH YEAR



In July 2021, CAPTRUST was named the largest registered investment advisor (RIA) by Financial Advisor magazine, based on 2020 assets. This is the sixth year in a row that CAPTRUST has taken the top spot on the list, among firms with more than \$1 billion in assets.

*Source: Financial Advisor magazine, 2016, 2017, 2018, 2019, 2020, and 2021. Category: Assets \$1 billion and over.

CAPTRUST

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TEAM SCHOTT



Team Schott, led by Stephen Schott, was named among Barron's Top 50 Institutional Consultants in 2020, 2019, and 2018.

"It's exciting to see so many great CAPTRUST institutional advisors and teams on the list," said CAPTRUST CEO Fielding Miller. "We make up almost 20 percent of the Barron's Top 50 list. These are world-class professionals and very talented teams. Best of all, they are just the tip of the CAPTRUST iceberg."

*Source: Barron's Magazine, 2018, 2019 and 2020.

CAPTRUST

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WHAT ARE WE HEARING FROM OUR CATHOLIC CLIENTS?

The environment for Catholic organizations is evolving. We stay engaged to keep our clients ahead of the curve and seek out opportunities as they emerge.

Low-Return Environment

Interest rates at historically low levels and high equity valuations suggest that the markets may generate subdued returns for the foreseeable future.

Market Volatility

The geopolitical environment, market events, regulatory issues, and global uncertainty can lead to volatility and short-term focus.

Spending Policy

Lower expected returns are driving lower spending rates, and market volatility can create difficulty in budgeting.

Portfolio Performance and Spending Needs Can Be Correlated

Economic conditions that lead to market volatility can create demand for spending to support mission, but spending impaired assets jeopardizes mission in long term.

Investment Complexity and Fees

There is increased focus on fees and investment complexity while alternatives have generated disappointing returns.

Fiduciary Responsibility

How can we tighten governance and simplify to ensure that that our focus is on board recruitment, fundraising, and ultimately mission?

Catholic Socially Responsible Investing

Should the portfolio be invested according to Catholic Socially Responsible investment guidelines? What are potential limitations and impact on performance?

CAPTRUST

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C



OUR COMMITMENT TO OUR COMMUNITIES

We have a profound responsibility to share our success. We contribute time, money, and energy to our communities and assist those in need, particularly underprivileged children. Aspiring to our firm's mission to enrich the lives of our communities, the CAPTRUST Community Foundation, a registered 501(c)(3) charity, was organized in 2007 to provide CAPTRUST employees with more opportunities to participate as a group in community outreach efforts.

CHARITY OF CHOICE RECIPIENTS



CAPTRUST

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The goal of the Foundation is to support the appreciation of our communities by encouraging our teammates to contribute time and resources to local and national charities serving the needs of children.



OUR COMMITMENT TO OUR COMMUNITIES

Since CAPTRUST opened its doors, we have dedicated ourselves to helping the community. Our employees live, work, and call many places home. Below is a sample of the organizations we have supported in our communities.



CAPTRUST

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C

INVESTMENT POLICY AND PROCESS

Presentation of Religious Services

INVESTMENT CONSULTING PROCESS — OUR STRATEGIC PARTNERSHIP

No two Catholic clients are the same, so our approach to consulting is collaborative and follows a disciplined process.

STEP 1	Objective setting
STEP 2	Asset allocation
STEP 3	Investment policy development
STEP 4	Manager selection and due diligence
STEP 5	Monitor success and progress
STEP 6	Innovate and adapt as the world changes

CAPTRUST 301 C

OBJECTIVE SETTING AND ASSET ALLOCATION

Our clients have unique goals and objectives and our process starts with making sure we fully understand what you are trying to accomplish and the obstacles we must overcome.

Determinants of Portfolio Performance

Analyze Current Investments

- Is there a way to improve the current asset allocation to enhance return and/or mitigate risk?
- Do any investment managers or asset classes require immediate attention?

Review Contributions and Disbursements

- How often is cash needed from the portfolio?
- Can the portfolio weather investment downturns and still meet liquidity needs?

Review Current Objectives and Constraints

- What is the ultimate goal for the fund?
- Are there any unique considerations that must be addressed?
- Is there an appropriate balance between volatility and magnitude of spending needs?

Source: Roger C. Ibbotson, *The Importance of Asset Allocation*

CAPTRUST 302 C

INVESTMENT POLICY DEVELOPMENT

Establishing an investment policy statement (IPS) requires in-depth knowledge and understanding of objectives.

Ten Components of a Well-Written IPS:

- Define the roles of all fiduciaries
- Identify income, cash flow, and liquidity needs
- Identify the time horizon for achieving goals
- Develop a statement of risk tolerance for the organization
- Identify specific asset classes to be utilized
- Define asset allocation policy and rebalancing guidelines
- List methodology of gauging success of the investment managers
- Describe the responsibilities of all fiduciary parties
- Create a formal statement of investment objectives and target returns
- Catholic Socially Responsible Investment guidelines and procedures

The best practice would be to conduct a regular review of the investment policy statement to ensure that it remains aligned with your primary objectives.

CAPTRUST 303 C

FACTORS DRIVING FEES

There are many factors that drive overall portfolio fee levels.

Factors	Lower Fees	Higher Fees
Risk posture	Fixed	X → Equity
Diversifying assets	Traditional	X → Alternatives
Management style	Passive	X → Active
Portfolio size	Larger	X → Smaller
Number of managers	Fewer	X → Greater

Risk Posture
Driven entirely by goals and objectives.

Diversifying Assets
Alternatives can make sense depending on portfolio objectives, but care should be taken to not overdiversify the portfolio at the expense of fees.

Management Style
Active management dollars should be spent wisely where return generation, risk control, and diversification benefits align with objectives and offset costs.

Portfolio Size
We can often leverage our significant Catholic assets under advisement to gain access to Catholic Socially Responsible Investment solutions at lower investment account minimums and lower investment management fees.

Number of Managers
Too many managers can lead to missed opportunities for portfolio savings and foregone opportunities to take advantage of declining fee schedules.

CAPTRUST 304 C

CAPTRUST MANAGER DUE DILIGENCE

Independent	<ul style="list-style-type: none"> Objective and unbiased co-fiduciaries Receive no form of compensation or gifts from any investment managers Investment recommendations solely benefit clients
Specialized	<ul style="list-style-type: none"> Dedicated and experienced team focused solely on managers research Strong continuity with top investment professionals working together Culture fosters creativity and collaboration centered around a single investment philosophy
Access	<ul style="list-style-type: none"> Primary research driven by direct access to portfolio managers, CIOs, and analysts Commitment to on-site due diligence with large travel and resource budget Proven investment process incorporating this fundamental analysis with analytical insights
Alignment	<ul style="list-style-type: none"> 100% revenue from client advisory services Investment recommendations benefit clients Long-term client commitment
Proven Results	<ul style="list-style-type: none"> Less than 10% annualized recommended manager turnover Documented history of managers consistently outperforming peers

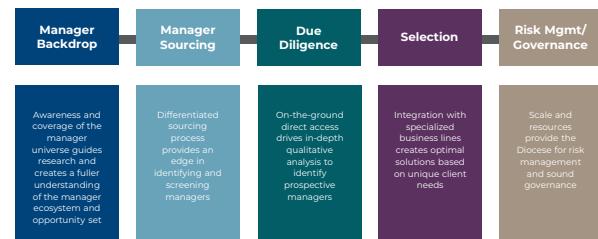
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INVESTMENT MANAGER RESEARCH

Every investment is the result of a thoughtful approach to the entire lifecycle of the investment process.



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INVESTMENT SELECTION

Our selection process combines both quantitative and qualitative metrics to identify best-of-breed investment solutions.

Quantitative			Qualitative		
Identify Appropriate Benchmark and Peer Group			Investment Management Philosophy and Process		
• Return-based analysis	• Holdings-based style and risk analysis		• Ownership structure	• Durable investment edge	
• Excess returns	• Risk-Adjusted Return	• Holdings-Based/Multi-Factor	• Employee compensation and incentives	• Philosophy	
• Tracking error	• Information ratio		• Executive turnover	• Culture	
• Correlation	• Alpha		• Sufficient resources	• People	
• R-squared	• Beta		• Ability to attract new talent	• Resources	
	• Volatility		• Stability and history of firm	• Alignment	
	• Sharpe		• Legal issues	• Reputability	
	• Sortino			• Robustness of process	
	• Omega			• Idea sourcing	
	• Drawdown			• Portfolio construction methodology	
	• Up/down capture			• Risk management	
	• Non-normality				
	• Attribution				

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INVESTMENT MANAGER RESEARCH

CAPTRUST uses industry-leading data providers along with proprietary internal databases to identify best-of-breed investment managers.

Bloomberg Morningstar eVestment Zephyr MPI TAMALE PRMS

	Manager Database	Market/Economic Data	Returns Based Analysis	Holdings Based Analysis	Portfolio Risk Analysis
Bloomberg	X	X	X	X	X
Morningstar Direct	X	X	X	X	
Morningstar Principia	X				
eVestment Alliance	X		X		
Zephyr Style Advisor	X	X	X		
MPI	X	X	X		
Tamale	X				

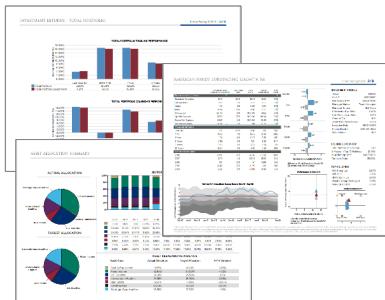
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TIMELY AND ACCURATE REPORTING

Regular, consistent, and rigorous investment performance monitoring ensures successful execution of a successful investment strategy. With volatile capital markets, it's important to understand not only investment return outcomes, but also the fundamental drivers of performance.



Each quarter, CAPTRUST provides a comprehensive report based on current market conditions allowing clients to make real-time investment decisions rather than waiting for months.

By combining a nuanced understanding of past performance with an active exploration of future opportunities, investors can maximize their ability to achieve successful outcomes.

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MONITOR SUCCESS AND PROGRESS

Our investment scoring system is designed to evaluate each investment's quarterly performance based on how well it meets the guidelines and objectives established in your fund's investment policy statement.

INVESTMENT	QUANTITATIVE						QUALITATIVE		TOTALS			
	RISK-ADJUSTED PERFORMANCE		PERFORMANCE VS. PEERS		STYLE		CONFIDENCE		FUND MGMT	FUND FIRM	OVERALL	TOTAL SCORE
2nd QUARTER 2021	3 YEAR	5 YEAR	3 YEAR	5 YEAR	3 YEAR	5 YEAR	3 YEAR	5 YEAR				
Investment A	●	●	●	●	●	●	●	●	●	●	●	100
Investment B	▼	●	●	●	●	●	●	●	●	●	●	67
Investment C	●	●	●	●	●	●	●	●	●	●	●	92

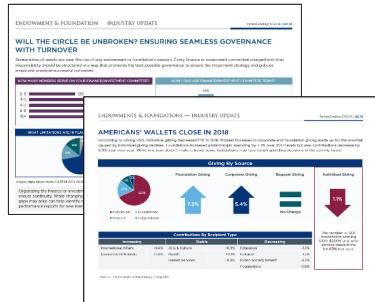
Methodology

- Each investment is evaluated on both quantitative and qualitative factors
- Measures such as style are evaluated to reach a quantitative score
- Subjective methods of assessing management issues determine the qualitative score (30 points)
- The sum of the values assigned to each category determines the total score

●	In good standing
▼	Marked for review
●	Consider for termination

EDUCATIONAL AND INFORMATIVE CONTENT

CAPTRUST is committed to making sure your fiduciary committee is up to speed on issues as the philanthropic, regulatory, and capital market environments evolve.



Each quarter, CAPTRUST provides a Topical Spotlight designed to ensure the fiduciary committee is current on relevant issues.

These Spotlights are designed to be educational, forward looking, and actionable.

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CAPTRUST INFORMATION SECURITY



CAPTRUST adheres to stringent information security standards and policies.

- Email security is a top priority.
 - We conduct internal email phishing susceptibility campaigns to raise awareness about the methods used most frequently by attackers.
 - Encrypted emails allow us to safely exchange sensitive information with clients.
 - Targeted threat protection limits the number of spear phishing and whaling campaigns reaching our users.
- Firewalls prevent unauthorized server access and allow us to monitor network traffic.
- Drive encryption using advanced encryption standards on smartphones, tablets, and laptops protects against data loss in the event a device is lost or stolen.
- Access to client information is restricted to employees who need it to conduct business.
- Endpoint security software protects our computer network from viruses and malware.
- Annual training ensures the effectiveness of our security controls and alerts us to potential vulnerabilities.
- Ongoing monitoring of our network enable the detection of suspicious activity.
- Business continuity and disaster recovery plans outline procedures that would expedite our return to business as usual in the event of a significant business disruption.

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SOCIALLY RESPONSIBLE INVESTING

Presentation of Religious Services

CAPTRUST'S COMMITMENT

CAPTRUST can implement and deliver on a socially and morally responsible screening process.

- We assist in the development of a socially responsible investment program.
- We provide the Diocese with a restricted list of companies using the socially responsible factors established by the United States Conference of Catholic Bishops as a guideline.
- We can customize the restricted list through the use of additional screening factors, if available, and on a case-by-case basis.
- We deliver an updated list to the Diocese on a quarterly, semi-annual, or annual basis as requested.
- We collaborate with an advisory committee that is made up of a team of Arch/Diocese CFOs. This group serves in an advisory capacity and is charged with a high-level review of the quarterly Socially Responsible Investment (SRI) list as it relates to the criteria based on the USCCB guidelines.



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CATHOLIC SCREENING

CAPTRUST can create screening criteria based upon the United States Conference of Catholic Bishops (USCCB) Socially Responsible Investment Guidelines.



Catholic organizations have engaged CAPTRUST as their investment consultant in order to help create a low cost, professionally managed, Catholic Socially Responsible investment program.

CAPTRUST partners with a leading provider of environmental, social, and governance research and analytics to institutional investors and asset managers.

CAPTRUST has developed screening criteria across the following areas:

<ul style="list-style-type: none"> • Abortion and abortifacients • Adult entertainment • Contraceptives • Discrimination • Environmental 	<ul style="list-style-type: none"> • Fair lending • Landmines • Nuclear/chemical and biological weapons • Stem cells (embryonic)
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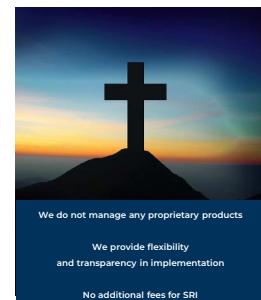
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A FLEXIBLE APPROACH

There is a limited universe of mutual, collective, and exchange-traded funds that serve the Catholic marketplace. We believe our open architecture approach offers multiple advantages, including an expanded investment universe that extends to passive investments.

CAPTRUST	FUND OPTIONS
Separately managed account	Mutual funds or collective trusts
Open architecture manager selection	Restricted universe of investment managers
Negotiable fees	Limited flexibility in fees
Full transparency of restricted names	Limited transparency
Flexibility in selecting criteria	Limited flexibility



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PORTFOLIO OBSERVATIONS AND EXPENSES



Asset Class	IPS Targets	Std. Dev.				
		Very Conservative	Conservat- ive	Moderate	Aggressive	Very Aggressive
Fixed Income	45%	40%	35%	30%	20%	
Global Equity	45%	25%	50%	60%	70%	
Strategic Opportunities	10%	25%	20%	15%	10%	10%
Total	100%	100%	100%	100%	100%	100%
Return	5.06%	4.65%	5.08%	5.32%	5.55%	5.97%
Standard Deviation	8.43%	5.23%	7.42%	8.94%	10.41%	12.26%
Sharpe Ratio	0.45%	0.64%	0.51%	0.45%	0.41%	0.38%

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INVESTMENT MANAGER CONSIDERATIONS

Investment Manager	Observations and Considerations
International Equity Fund (Philadelphia Int'l Advisors)	<ul style="list-style-type: none"> Performance has been lackluster, while the team has struggled to beat the index over the past 10 years Despite management's emphasis on risk analysis and downside capture, the downside capture has been greater than 100%. As an example, its strategy portfolio had a larger drawdown than the MSCI EAFE in 2008 Assets under management at Philadelphia International Advisors have continued to decline over the past several years to \$4.1B. The firm lost approximately \$1.5B in 2011 and nearly \$2.4B over the past four calendar years due to client withdrawals. Larger liquidations such as these can strain performance as well as increase investment expenses
Core Fixed Income Fund (PIMCO)	<p style="color: red; font-size: 2em; opacity: 0.5;">Consider how make positive specific</p> <ul style="list-style-type: none"> Consider the fund's ability to take large tactical bets and deviate from its benchmark such as in the first quarter of 2011 when Bill Gross took the PIMCO Total Return's total government exposure to zero. The Barclays Aggregate Index has roughly 45% in government-related exposure Evaluate whether the duration of the portfolio is appropriate in the context of the plan objectives. Duration is typically kept within a range of plus or minus two years relative to the Barclays Aggregate Index.

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ASSET ALLOCATION OBSERVATIONS



Asset Class	IPS Targets	Std. Dev.				
		Very Conservative	Conservat- ive	Moderate	Aggressive	Very Aggressive
Fixed Income	45%	40%	35%	30%	20%	
Global Equity	45%	25%	50%	60%	70%	
Strategic Opportunities	10%	25%	20%	15%	10%	10%
Total	100%	100%	100%	100%	100%	100%
Return	5.06%	4.65%	5.08%	5.32%	5.55%	5.97%
Standard Deviation	8.43%	5.23%	7.42%	8.94%	10.41%	12.26%
Sharpe Ratio	0.45%	0.64%	0.51%	0.45%	0.41%	0.38%

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INVESTMENT MANAGER CONSIDERATIONS

Investment Manager	Observations and Considerations
International Equity Fund (Philadelphia Int'l Advisors)	<ul style="list-style-type: none"> Performance has been lackluster, while the team has struggled to beat the index over the past ten years Despite management's emphasis on risk analysis and quality companies, the downside capture has been greater than 100%. As an example, the strategy portfolio had a larger drawdown than the MSCI EAFE in 2008 Assumes under management since Philadelphia International Advisors have continued to decline over the past several years to \$4.1B in assets, lost approximately \$1.5B in 2011 and nearly \$2.4B over the past four calendar years. This could result in further liquidations such as these which can strain performance as well as increase investment expenses
Core Fixed Income Fund (PIMCO)	<p>Consider the fund manager to take large tactical bets and deviate from its benchmark such as in the third quarter of 2011 when Bill Gross took the PIMCO Total Return's total government exposure to zero. The Barclays Aggregate Index has roughly 45% in government-related exposure.</p> <p>Evaluate whether the duration of the portfolio is appropriate in the context of the plan liabilities. Duration is typically kept within a range of plus or minus two years relative to the Barclays Aggregate Index.</p>

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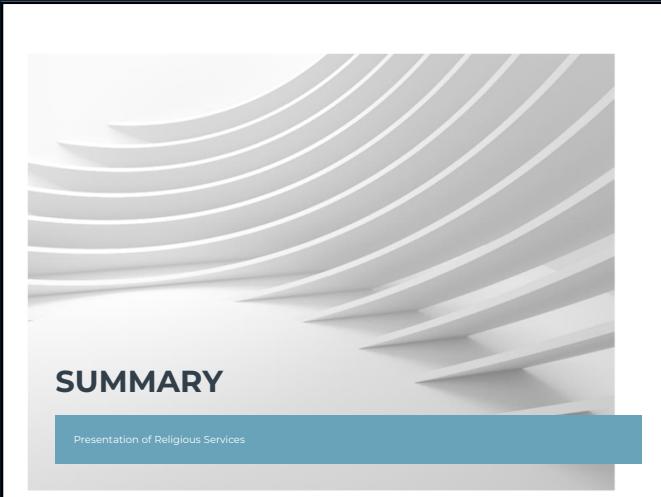
INVESTMENT MANAGER CONSIDERATIONS

Asset Class	Manager	Expectation
U.S. Equity	ABC Co.	0.35%
International Equity	DEF Co.	0.56%
Alternative	GHI Co.	0.72%
Fixed Income	XYC Co.	0.10%
Blended: Based on Hypo #X		0.32%
Assets	Fee	Expectation
First \$2.5 million		
Next \$2.5 million	0.25%	
Next \$5 million	0.20%	0.21%
Next \$10 million	0.15%	
Over \$20 million	0.10%	
Fee Range	Fee	Expectation
0.01 - 0.20%		0.02%
Estimated Annual Total Fee		
Investment Management		0.32%
Consulting		0.21%
Custody		0.02%
Total Estimated Cost		0.55%

¹ Assumes \$20,000,000 stated blend

Approximate Portfolio Investment Management Fee
Investment Consulting Fee (CAPTRUST)
Approximate Custody Fee

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SUMMARY

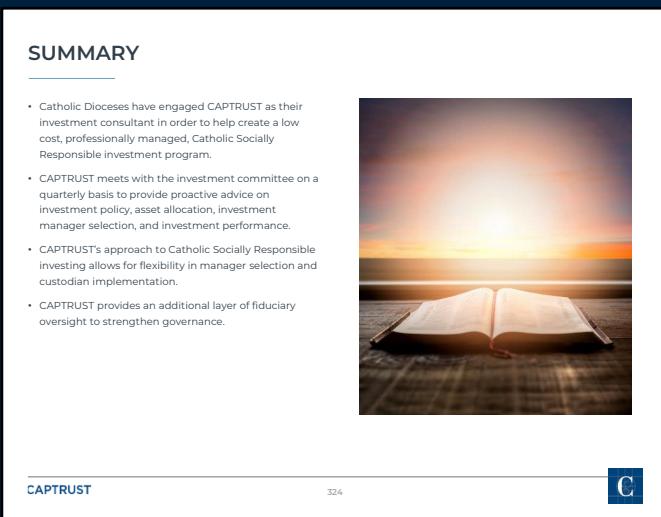
Presentation of Religious Services

THE KEY TENETS OF A SUCCESSFUL CATHOLIC INVESTMENT PROGRAM

KEY OBJECTIVES	ASSET ALLOCATION	INVESTMENT MANAGEMENT	OPERATIONAL OVERSIGHT	SOCIALLY RESPONSIBLE INVESTING	CLIENT SERVICE AND COMMUNICATION
• Ensure the long-term strategic asset allocation is aligned with the goals and objectives of the investment policy	• Develop a diversified portfolio of investment managers to fulfill the asset allocation	• Allocate to managers that provide competitive return over relevant benchmarks over a long-term horizon	• Develop a low-cost investment portfolio that provides the investment portfolio at a reasonable fee	• Ensure manager and custodian compliance with the investment policy statement	• Structured management of the portfolio assets in line with guidelines issued by the United States Conference of Catholic Bishops (USCCB)
• Allow flexibility within the investment program to take advantage of changing market conditions	• Propose guidelines to align the exposure of the overall portfolio with strategic asset allocation	• Focus on high-quality managers, consistency of results, and alignment with role in a total portfolio context	• Monitor and negotiate prospective investment management fees	• Include a section for Catholic Socially Responsible Investing within the portfolio's investment policy statement	• Timely and accurate account reporting
• Propose guidelines to align the exposure of the overall portfolio with strategic asset allocation	• Formal investment policy statement (IPS)	• Confirm goals, objective, constraints and unique considerations	• Qualitative and quantitative due diligence process for manager evaluation	• Identify custodian that can best serve the needs of the client and negotiate custody fees	• Become an ongoing resource for the investment committee, the finance staff, and where appropriate, the development staff
• Provide tactical asset allocation recommendations coupled with disciplined rebalancing procedures	• Model specific portfolio allocations solutions for lower or no added risk as well as return	• Provide resources for research staff	• Investment in resources for research staff	• Periodic IPS compliance reviews	• Provide performance reports with necessary information to make sound fiduciary decisions
					• Coordinate delivery of additional informational or educational content
					• Assist finance or development staff in communications related to the investment program

KEY PRACTICES

BEST PRACTICES



SUMMARY

- Catholic Dioceses have engaged CAPTRUST as their investment consultant in order to help create a low cost, professionally managed, Catholic Socially Responsible investment program.
- CAPTRUST meets with the investment committee on a quarterly basis to provide proactive advice on investment policy, asset allocation, investment manager selection, and investment performance.
- CAPTRUST's approach to Catholic Socially Responsible investing allows for flexibility in manager selection and custodian implementation.
- CAPTRUST provides an additional layer of fiduciary oversight to strengthen governance.

LOSAP SERVICES

CAPTRUST

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WHO WE ARE

- 36-year operating history serving as fiduciary advisor to individual clients, families, and businesses
- Ranked #1 registered investment advisory firm in the U.S.*
- Culture of employee ownership
- More than \$79 billion in client assets under advisement
- 98% client retention (average since 2009)
- The CAPTRUST Community Foundation supports more than 176 national organizations that benefit children annually

*Source: IA Magazine, 2016, 2017, 2018, 2019, and 2020. Category: Assets \$1 Billion and over.

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WHY HIRE CAPTRUST?



Aligned Interest

CAPTRUST is completely aligned with you and motivated to produce better results for volunteer firefighters.

Comprehensive Advice

When we act as your fiduciary, we agree to prudently manage your firefighters' retirement savings objectively.

Institutional Investment Edge

Our decades of experience serving as advisor to pension funds, endowments, and foundations provides valuable insights for investing our clients' assets.

CAPTRUST

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DISCRETIONARY RETIREMENT PLAN BENEFITS

Our 36 years of experience, coupled with more than \$98 billion in discretionary assets under management, has yielded CAPTRUST valuable perspective that helps our clients better focus their time and resources on the areas that matter most for improving retirement outcomes for their volunteer firefighters.

Discretionary retirement plan management benefits include:

- Less time spent managing the LOSAP
- Reducing unrewarded risk
- More value for dollars spent on the LOSAP



CAPTRUST

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ACCESSING THE OPPORTUNITY

DEPTH, SCALE, AND ACCESS TO DELIVER

Our institutional footprint, dedicated research team, proprietary databases, and experienced investors provide a distinct advantage to our clients.

Experienced Team	Deep Coverage	Research Driven	Active Investor
97 research members 9 senior leaders 88 analysts	Equities Fixed income Multi-asset Real estate	CAPTRUST Database 2,000+ covered 230+ firms 12,000+ total strategies followed	\$719 billion in assets under advisement
1,088 professionals 649 shareholders 69 offices	Alternatives, strategic opportunities Private equity and private markets Real assets	350+ annual portfolio manager meetings 123 annual due diligence calls 30+ onsite fund company visits	More than 20,000 institutional and private client relationships

The presentation is designed specifically for the client to whom it is addressed. This is not a solicitation or an offer to buy any security or investment or to participate in any trading strategy. CAPTRUST does not render legal, accounting, or tax advice. This information has been compiled using most recent statistics available but is subject to change without notice. Data as of 02/01/2021.

CAPTRUST 

THE CAPTRUST INVESTMENT EDGE

It's what
you can't see
that can hurt you.

Unlike firms that rely upon third-party reports, we conduct our research in the field with "boots on the ground" and direct access to senior portfolio managers. This approach provides valuable perspective on a fund's potential performance.

Investment Due Diligence Calls	Portfolio Manager Interviews	Onsite Due Diligence Trips	Daily Monitoring	Stable Value/Money Market Review
3,500+ annually	300+ one-on-one visits annually	100+ visits annually	2,000+ Investment Funds	50+ Products Evaluated Quarterly

Research — Sample Highlights

- In addition to maintaining a robust due diligence database of liability-driven investing fixed income managers, CAPTRUST investment professionals conducted 20+ interviews in this asset class alone over the past year.
- With future investment earnings uncertain, CAPTRUST continuously explores capital markets to uncover new investment opportunities such as insurance-linked catastrophe bonds.
- CAPTRUST works with managers to develop opportunities to profit from investment in direct real estate and private companies while maintaining the liquidity necessary to ensure benefits can be paid monthly.

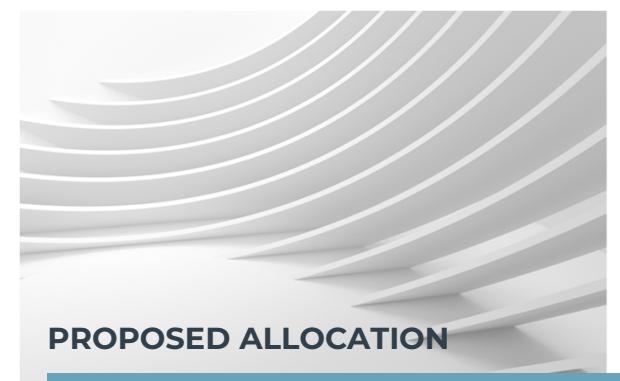
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PORTFOLIO MANAGEMENT CONSIDERATIONS



Strategic Asset Allocation <ul style="list-style-type: none"> Diversified asset allocation with the least amount of risk Long-term, steady-state allocations based on CAPTRUST's projections forward-looking views over a full market cycle 	Tactical Positioning <ul style="list-style-type: none"> Proactive adjustments to client asset allocations within pre-determined ranges Market conditions evaluated through our three-lens framework of fundamental, technical, and macroeconomic conditions 	Investment Selection <ul style="list-style-type: none"> Identifying investment managers or opportunities in specific markets or sectors that have potential to add value beyond passive exposure 	Risk Management <ul style="list-style-type: none"> Continuous monitoring of all discretionary research and accounts to ensure portfolios are optimally positioned
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CAPTRUST 



PROPOSED ALLOCATION

Presentation of Retirement Advisory Services

U.S. Economy

	Return	Risk
U.S. Economic Growth (Nominal GDP)	4.50%	-
U.S. Economic Growth (Real GDP)	2.20%	-
U.S. CPI (CPI)	2.0%	-

Equity Markets

	Return	Risk
U.S. Large-Cap Equity	7.25%	15.60%
U.S. Mid-Cap Equity	7.50%	17.80%
U.S. Small-Cap Equity	7.90%	19.80%
International Stocks-Developed Markets	6.75%	17.90%
International Stocks-Emerging Markets	7.75%	22.00%

Fixed Income

	Return	Risk
U.S. Short-Term Bills (Cash)	1.60%	0.60%
U.S. Core Fixed Income	2.00%	3.60%
U.S. Intermediate-Term Treasury Bonds	3.75%	5.00%
U.S. Long-Term Treasury Bonds	1.90%	12.10%
U.S. Investment Grade Corporate Bonds	2.30%	5.40%
U.S. Long-Term Corporate Bonds	3.00%	8.90%
U.S. High Yield Corporate Bonds	3.10%	8.30%
U.S. Municipal Bonds	1.90%	4.20%
Global Bonds	1.50%	5.30%
Floating Rate Bonds	3.00%	6.20%
Treasury Inflation-Protected (TIPS)	2.00%	5.10%

Real Assets

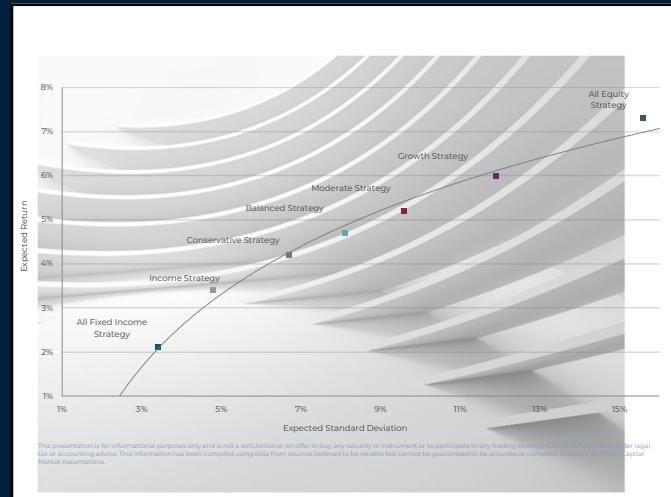
	Return	Risk
U.S. Public Real Estate	5.75%	18.40%
U.S. Core Private Real Estate	5.75%	9.20%
Core Private Real Assets	5.20%	6.10%

Strategic Opportunities

	Return	Risk
Core Private Equity	9.75%	10.40%
Hedged Strategies	4.00%	6.00%
Core Private Credit	6.50%	7.40%

Source: CAPTRUST Research as of September 2021

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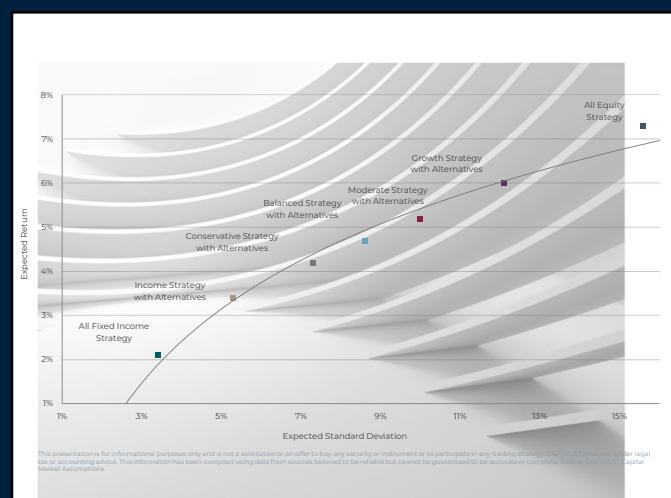


Strategic Asset Allocations - CAPTRUST Investment Committee

Asset Class	All Fixed Income Strategy	Income Strategy	Conservative Strategy	Balanced Strategy	Moderate Strategy	Growth Strategy	All Equity Strategy
U.S. Large-Cap Stocks	0.0%	13.1%	21.0%	26.3%	31.5%	39.4%	52.5%
U.S. Mid-Cap Stocks	0.0%	3.8%	6.0%	7.5%	9.0%	11.3%	15.0%
U.S. Small-Cap Stocks	0.0%	1.9%	3.0%	3.8%	4.5%	5.6%	7.5%
International Stocks	0.0%	4.7%	7.5%	9.4%	11.3%	14.1%	18.4%
Emerging Market Stocks	0.0%	1.6%	2.5%	3.1%	3.6%	4.7%	6.1%
Bonds	99.5%	74.5%	59.5%	49.5%	39.5%	24.5%	0.0%
Low Volatility Alternatives	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Commodities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Real Estate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Cash	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
Expected Return	2.0%	3.3%	4.1%	4.6%	5.1%	5.9%	7.2%
Expected Standard Deviation	3.6%	4.6%	6.6%	8.1%	9.6%	12.0%	15.9%
Expected Sharpe Ratio	0.11	0.37	0.38	0.37	0.36	0.36	0.35

* Adding diversifying asset classes can provide investors with higher expected returns with lower projected risk
* Selecting an asset allocation should account for both return goals and risk tolerances

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Asset Class	CAPTRUST Investment Committee						
	All Fixed Income Strategy	Income Strategy w/ Alternatives	Conservative Strategy w/ Alternatives	Balanced Strategy w/ Alternatives	Moderate Strategy w/ Alternatives	Growth Strategy w/ Alternatives	All Equity Strategy
U.S. Large-Cap Stocks	0.0%	18.1%	21.0%	26.3%	31.5%	39.4%	52.5%
U.S. Mid-Cap Stocks	0.0%	3.8%	6.0%	7.5%	9.0%	11.3%	15.0%
U.S. Small-Cap Stocks	0.0%	1.9%	3.0%	3.8%	4.5%	5.6%	7.5%
International Stocks	0.0%	4.7%	7.5%	9.4%	11.3%	14.1%	18.4%
Emerging Market Stocks	0.0%	1.6%	2.5%	3.1%	3.8%	4.7%	6.1%
Bonds	99.5%	52.2%	41.7%	34.7%	27.7%	17.2%	0.0%
Low Volatility Alternatives	0.0%	22.4%	17.9%	14.9%	11.9%	7.4%	0.0%
Commodities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Real Estate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Cash	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%
Expected Return	2.0%	3.8%	4.5%	4.9%	5.4%	6.1%	7.2%
Expected Standard Deviation	3.6%	5.0%	7.0%	8.4%	9.9%	12.1%	15.9%
Expected Sharpe Ratio	0.11	0.44	0.41	0.39	0.38	0.37	0.35

• Adding diversifying asset classes can provide investors with higher expected returns with lower projected risk

• Selecting an asset allocation should account for both return goals and risk tolerances

Current Tactical Asset Allocations – CAPTRUST Investment Committee						
	U.S. Stocks	International Stocks	Bonds	Low Volatility Stocks	Small Stocks	Cash
Expected Total Return	-	-	-	-	-	-
Expected Standard Deviation	-	-	-	-	-	-
Trailing 12-Month Yield	-	-	-	-	-	-
Expense Ratio	-	-	-	-	-	-
Healthcare MD&A	-	-	-	-	-	-
All Fixed Income Strategy	2.0%	3.6%	2.62%	0.52%	-	-
Income Strategy	3.3%	4.6%	2.17%	0.46%	22.0%	6.0%
Conservative Strategy	4.1%	6.6%	1.93%	0.39%	83.9%	58.6%
Balanced Strategy	4.6%	8.1%	1.77%	0.41%	41.6%	11.5%
Moderate Strategy	5.1%	9.6%	1.61%	0.39%	49.4%	13.6%
Growth Strategy	5.9%	12.0%	1.37%	0.36%	61.2%	16.9%
All Equity SIC 4000	7.2%	15.5%	1.03%	0.32%	78.0%	21.5%
Income Strategy w/ Alternatives	-	-	-	-	-	-
Income Strategy w/ Alternatives	3.8%	5.0%	1.97%	0.56%	22.0%	6.0%
Current Income = Conservative	3.8%	4.8%	3.87%	0.67%	28.0%	-
Conservative Strategy w/ Amts	4.5%	7.0%	1.69%	0.51%	33.7%	9.3%
Balanced Strategy w/ Amts	5.0%	8.4%	1.57%	0.49%	48.8%	13.6%
Moderate Strategy w/ Amts	5.4%	9.9%	1.46%	0.44%	49.4%	13.6%
Growth Strategy w/ Amts	6.1%	12.1%	1.28%	0.39%	61.2%	16.9%
Low Vol Alt Strategy	4.0%	6.0%	1.27%	0.36%	-	-
INVESTMENT MAP ETFs	-	-	-	-	-	-
ETF Income Strategy	3.3%	4.6%	1.56%	0.05%	21.8%	6.2%
ETF Conservative Strategy	4.7%	6.6%	1.56%	0.05%	33.5%	9.5%
ETF Balanced Strategy	4.6%	8.1%	1.56%	0.05%	41.3%	11.7%
ETF Moderate Strategy	4.7%	9.6%	1.56%	0.05%	46.0%	14.0%
ETF Growth Strategy	5.1%	12.0%	1.56%	0.05%	52.4%	21.0%
Disclosure: This illustration has been prepared solely for informational purposes, and is not a solicitation to invest in any security. The information and statistics used have been obtained from sources considered to be reliable, but are not guaranteed as to accuracy.						
Equity Income Strategy	15.0%	19.0%	9.00%	88.7%	-	-
Ultra Growth Strategy	3.5%	21.0%	12.0%	60.0%	2.4%	21.0%
Core Growth Strategy	3.5%	21.0%	12.0%	60.0%	2.4%	21.0%
Investment returns will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost.						
CAPTRUST does not render legal, accounting or tax advice. This is not a mutual fund. Risks associated with investing in this strategy are not included here. Please visit captrust.com/risk-disclosures/ for a detailed						
As of 12/31/2021						



WHY CAPTRUST

DEPTH, LEVERAGE, AND ACCESS

Our Goals

1. Proactively manage assets to achieve risk and return goals and clearly report the results
 2. Provide access to leading institutional investment managers
 3. Leverage our scale to achieve better economics
 4. Ensure the right firm resources are available to you

Why CAPTRUST

1. Dedicated experienced team with direct access to firm resources
 2. Alignment of interests (No Golf Ball Rule)
 3. Proven track record advising fiduciaries and managing risks
 4. Our client to consultant ratio means a higher level of service
 5. Mission alignment – we are involved in our communities



CAPTRUST

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DIRECT FIDUCIARY PLAN SERVICES

CAPTRUST 341 C

OVERVIEW

DIRECT Fiduciary™ is a program designed for retirement plan sponsors to reduce the complexity, distraction, and day-to-day resource drain of managing the investments of your retirement plan.

You get:

- A **dedicated experienced retirement plan advisor** who will establish and monitor an appropriate investment menu for your retirement plan
- CAPTRUST Direct, a **secure online plan sponsor portal** to help you manage your fiduciary process
- The highest level of **investment fiduciary liability transfer** under ERISA through 3(38) contract

Benefits to you include:

- **More time** to focus on providing your associates with the resources they need to help them get in the plan, to save more, and invest well
- **Less risk** with complete removal of investment selection responsibility with 3(38) solution
- **Meeting schedule at your preference** (ad hoc and on-demand)
- **Competitive pricing** for superior 3(38) service delivery

CAPTRUST 342 C

CAPTRUST FIDUCIARY SOLUTIONS

Plan sponsors can choose to maintain discretion over their retirement plans or shift responsibility to an advisor. This choice will determine whether the advisor will serve in a 3(21) or 3(38) fiduciary capacity as defined by ERISA.

3(21) Investment Advisor (non-discretionary)	3(38) Investment Manager (discretionary)
	
Recommends and monitors investment options based upon investment policy statement.	Selects investment options, monitors, and replaces investment options per the process outlined in the investment policy statement.

CAPTRUST 343 C

COMPETITIVE LANDSCAPE

Spectrum of Advisory Services			
	Electronic Fiduciary-in-a-Box (e.g., Ibbotson, Mesriow)	CAPTRUST DIRECT Fiduciary™	Full-Service Advisory/Consulting
Fiduciary Status	3(21) or 3(38)	3(38)	Typically 3(21)
Service Model	Subscription service model	Dedicated advisor accessed virtually	Dedicated advisor in the field
Cost	\$	\$\$	\$\$\$
Advice	Investments only	Holistic	Holistic
Investment Responsibility	Plan sponsor selects funds (3(21)) or selects line-up (3(38)) from lists	CAPTRUST takes responsibility	Plan sponsor keeps responsibility

CAPTRUST 344 C

THE CAPTRUST INVESTMENT EDGE

It's what you can't see that can hurt you.

Unlike firms that rely upon third-party reports, we conduct our research in the field with "boots on the ground" and direct access to senior portfolio managers. This approach provides valuable perspective on a fund's potential performance.

Investment Due Diligence Calls	Portfolio Manager Interviews	Onsite Due Diligence Trips	Daily Monitoring	Stable Value/Money Market Review
33,500+ annually	300+ one-on-one visits annually	100+ visits annually	2,000+ investment funds	50+ products evaluated quarterly

Research — Sample Highlights

- Analyzed "stability" of stable value wrap providers to warrant off potential loss
- Moving clients out of general accounts exposure with insurance carriers
- Evaluated target date funds assumptions and later, provided expert analysis for the GAO's independent study on target date funds

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INVESTMENT CONSULTING PROCESS

Long-term investment success is derived from a disciplined and consistent process.

STEP 1	Investment Policy Development/Documentation
STEP 2	Investment Asset Class
STEP 3	Investment Manager Selection
STEP 4	Investment Vehicle Selection
STEP 5	Monitoring and Due Diligence

CAPTRUST 346 C

STEP 1: INVESTMENT POLICY STATEMENT DEVELOPMENT

Your plan's Investment Policy Statement (IPS) sets the guidelines and objectives for the ongoing investment management of your plan. A well-designed IPS ensures a sound decision-making process in keeping with fiduciary best practices.

INVESTMENT POLICY STATEMENT

STATEMENT OF PURPOSE

This document is intended by the fiduciary and plan sponsor for investment management of the plan. The document is established in accordance with fiduciary responsibilities set forth in the Employee Retirement Income Security Act of 1974 (ERISA), as amended, and the Department of Labor's regulations adopted by the Department of Labor in 1975.

A fiduciary may not lawfully delegate its responsibility to manage plan assets to another entity without fiduciary status, except where such delegation is made in accordance with fiduciary best practices. Fiduciaries are responsible for selecting service providers and for evaluating their performance. This document is designed to provide a brief overview of the overall performance of the plan.

POLICY GOALS & OBJECTIVES

Performance Objectives:

The investment manager is responsible for selecting funds and methods to put all of a participant's savings to work in a diversified manner to achieve the maximum return consistent with the risk tolerance of the participant.

Statement of Investment Objectives:

A participant's investment objective is usually used to determine the suitability of all investment options offered under the plan.

Management Responsibilities:

For each investment option, it is usually used to determine the availability of all investment options offered under the plan.

Participant Options:

Information about participant options is usually used to determine the availability of all investment options offered under the plan.

Management Services:

It is of mounting importance to use in order to measure investment options separately against different categories of investments. It is also important to measure the performance of the investment options offered under the plan.

Statement of Policy:

Investment options are considered for nomination and selection on the basis of the stated performance objectives as described above.

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STEP 2: INVESTMENT MENU CONSTRUCTION | 4-TIER APPROACH TO PLAN DESIGN

A tiered approach is used to solve for different types of plan participants—from the disengaged to the highly engaged. By including both active and passive management, participants have multiple ways to build diversified portfolios.

ALLOCATION TIER (1 OPTION)	PASSIVE TIER (4 OPTIONS)	ACTIVE TIER (8 OPTIONS)	INCOME TIER (5 OPTIONS)
ASSET CLASSES	<ul style="list-style-type: none"> Target date fund 	<ul style="list-style-type: none"> Intermediate term bond Domestic large cap stocks Domestic mid and small cap International stocks 	<ul style="list-style-type: none"> Multi-Sector Bond Large Cap Value Large Cap Growth Mid Cap Value Mid Cap Growth International Large Cap Small Cap Value Small Cap Growth
RATIONALE	<ul style="list-style-type: none"> For disengaged participants that desire a pre-made diversified portfolio (do-it-for-me). Qualifies as a qualified default investment alternative (QDIA) for auto-enrolled participants 	<ul style="list-style-type: none"> For investors who do not wish to take on active management risk in addition to market risk. For investors who only want low-cost market exposure All major asset classes are represented (same as active) 	<ul style="list-style-type: none"> Gives investors the opportunity to outperform passively managed offerings. All major asset classes are represented, so engaged participants can create diversified portfolios (do-it-yourself)

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STEP 3: INVESTMENT SELECTION

Our selection process combines both quantitative and qualitative metrics to identify best-of-breed investment solutions.



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STEP 4: MONITORING AND DUE DILIGENCE

Our investment scoring system is designed to evaluate each fund's quarterly performance based on how well it meets the guidelines and objectives established in your plan's Investment Policy Statement.

INVESTMENT	QUANTITATIVE						QUALITATIVE		TOTALS		
	RISK-ADJUSTED PERFORMANCE		PERFORMANCE VS. PEERS		STYLE		CONFIDENCE		FUND MGMT	FUND FIRM	OVERALL
	3 YEAR	5 YEAR	3 YEAR	5 YEAR	3 YEAR	5 YEAR	3 YEAR	5 YEAR			
1 ST QUARTER 2022											
Investment A	●	●	●	●	●	●	●	●	●	●	100
Investment B	▼	●	●	●	●	●	●	●	●	●	67
Investment C	●	●	●	●	●	●	●	●	●	●	92

Methodology

- Each fund is evaluated on both quantitative and qualitative factors
- Measures such as style are evaluated to reach a quantitative score
- Subjective behavior of management issues determine the qualitative score (30 points)
- The sum of the values assigned to each category determines the total score



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STEP 4: MONITORING AND DUE DILIGENCE

VANGUARD TARGET RETIREMENT

Initial Assumptions/Inputs/Methodology		Period Ending 6/30/21 02/21	
Giltpath Management	(Through retirement (assumed at age 65) ending 7 years after retirement)		
Assumed Investor Savings Rate:	- Contributions start at 1% at age 25 and increase to 10% at age 65. Also includes a 5.0% employer match to 10%.		
Assumed Retirement Income Growth Rate	- 1.1% annual salary growth		
Income Reinvestment	- Used to provide withdrawals in retirement based on a multiple of an investor's age (65 salary)		
Assumed Accumulated Retirement Savings	- N/A		
Life Expectancy	- Through age 95		
Asset Allocation Flexibility	- Strict targets with narrow ranges		
Other Assumptions	- Giltpath was tested against 10,000 potential lifetime return scenarios		

Vanguard uses a proprietary capital markets modeling tool to statistically analyze historical data, including interest rates, dividends, and other risk factors for public equities, fixed income, and other asset classes. The tool also provides a range of potential outcomes for each asset class and portfolio with asset allocations that seek to provide the highest probability of a successful outcome (but not guarantee success).

Invested Profile		
% Open Architecture:	0%	
% Active/Pension:	Passive	
Inception Date:	10-27-2003 % Active:	0%
Net Assets (\$M):	\$248.00 Manager Tenure:	8.42 years (longest)
Manager Name:	Troy J. Johnson Mr. Expense Range:	0.02-0.05%
Arg # of Holdings:	5 Investment Structure:	Mutual Fund

Important Information: This profile is intended only for institutional use. The opinions expressed in this report are those of the manager and are not guaranteed to be accurate or complete. Any performance quoted represents past performance and does not guarantee future results. Index averages are derived from historical data and are not indicative of future results. Past performance is no guarantee of future results. Any such rate information must be made by prospectus only. For more information or to obtain a prospectus, please contact your financial advisor at 800.263.6445. CAPTRUST® Financial Advisors.

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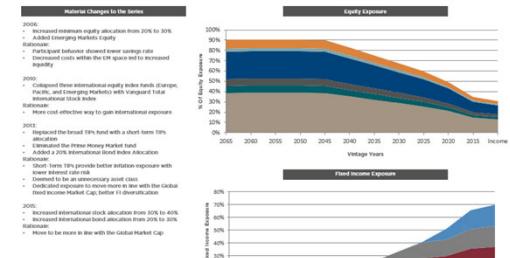
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STEP 4: MONITORING AND DUE DILIGENCE

VANGUARD TARGET RETIREMENT

Period Ending 6/30/21 02/21



*All information provided by the asset manager, as of 12/31/20. Asset allocations shown are static. In mature and final stages, asset allocations may fluctuate significantly.

Important Disclosures: This slide is intended solely for institutional use. The opinions expressed in this report are subject to change without notice. The statistics and data have been compiled from sources believed to be reliable, but cannot be guaranteed. The information is not intended to be investment advice. This material is a presentation. This material is not a solicitation or an offer to buy or sell any security or to participate in any investment strategy. Any such solicitation must be made by prospectus only. For more information or to obtain a prospectus, please contact your financial advisor at 800.263.6445. CAPTRUST® Financial Advisors.

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STEP 5: PROACTIVE NEW PRODUCT RESEARCH

We constantly monitor and review product developments and marketplace trends—providing plan sponsors with critical insight for more informed decision making.

Retirement Income Solutions: DC Plan Participants Look to Transfer Risk
A Three-step Approach To Nonqualified Plan Financing: Now is the Time to Revisit Your Strategy
Conducting An Effective Advisor RFP Process: Best Practices for the Evaluation and Selection of Retirement Plan Advisors
Capital Market Assumptions: The Long Road Toward Normalization

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INVESTMENT MANAGER RESEARCH

Our unique due diligence process is designed to identify institutional-quality managers who approach our relationship as a strategic partnership.

Total Universe of 418 Distinct Strategies
368 were eliminated due to the model, short track records, or low AUM.

Beyond the Numbers
40 were eliminated due to lack of consistency.

In-Depth Fundamental Analysis
7 were eliminated based on fundamental evaluation and due diligence.

Ongoing Due Diligence
After narrowing in through review and creating the initial investment thesis, communicate extensively with portfolio management in order to confirm findings and challenge assumptions.

Selection
Managers are selected and optimized if multiple managers are chosen.

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INVESTMENT MANAGER RESEARCH

Quantitative data is all about looking in the rearview mirror. Our qualitative due diligence looks to confirm current performance and concentrate on forward-looking strategy.

Due Diligence Processes	Process Outcomes	Client Outcomes
Investment Due Diligence Calls	+ 1,000+ Annually + Executed continuously	
Portfolio Manager Interviews	+ 300+ Annually (phone and in-person) + Senior Portfolio Managers and Team	+ Confirmation of strategy + Fund management changes and additions + Fund company litigation + Fund company reinvestment + Technology
Due Diligence Trips	+ 100+ Meetings + Inst. Inv. Managers + On-site with Portfolio Managers and Team	+ People + Sector over weights + Cash flows (in/out) + Analyst support
Quarterly Review of All Client Ponds	+ Systematic review	+ Forward looking thoughts on strategy + Confirmation of over and underperformance + Confirmation of prospectus allocation mandates
Daily Monitoring	+ 2,000+ Mutual Funds	
Stable Value/Money Market Review	+ Quarterly Review of 50+ Products	

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INVESTMENT MANAGER RESEARCH

Bloomberg Morningstar eVestment Alliance Zephyr MPI TAMALE FIRMS

	Manager Database	Market/Economic Data	Returns Based Analysis	Holdings Based Analysis	Portfolio Risk Analysis
Bloomberg	X	X	X	X	X
Morningstar Direct	X	X	X	X	
Morningstar Principia	X				
eVestment Alliance	X			X	
Zephyr Style Advisor	X	X	X		
MPI	X	X	X		
Tamale	X				

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<h3>SUMMARY OF SERVICES AND FEES</h3> <p>✓ Dedicated Experience Retirement Plan Advisor This advisor will establish and monitor an appropriate investment menu for your retirement plan</p> <p>✓ CAPTRUST Direct, a Secure Online Plan Sponsor Portal To help you manage their fiduciary process</p> <p>✓ Investment Fiduciary Liability Transfer Highest level of investment fiduciary liability transfer under ERISA through 3(38) contract</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="background-color: #003366; color: white; text-align: left; padding: 5px;">Annual Advisory Fee</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">Direct Fiduciary™ Services</td> </tr> <tr> <td style="padding: 5px;">\$5,000 annual base fee</td> </tr> <tr> <td style="padding: 5px;">Plus 0.05% (5 bps) on assets in institutional contracts</td> </tr> <tr> <td style="padding: 5px;">\$5,000 annual base fee is billed \$1,250 per quarter</td> </tr> </tbody> </table>	Annual Advisory Fee	Direct Fiduciary™ Services	\$5,000 annual base fee	Plus 0.05% (5 bps) on assets in institutional contracts	\$5,000 annual base fee is billed \$1,250 per quarter	<h3>ONBOARDING AND TIMELINE DIRECT FIDUCIARY™</h3> <table border="1" style="width: 100%; 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DELIVERABLES PREPARED | ABOUT DIRECT FIDUCIARY™



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DIRECT FIDUCIARY PLAN SERVICES – SMALL PLAN

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CAPTRUST DIRECT FIDUCIARY®

Presentation of Retirement Advisory Services

THE CHALLENGE

Across the nation, business managers are stretched thin by having to get more done with fewer resources. Sponsoring a 401(k) plan has become more challenging, demanding more of their valuable time.

- **Complexity is growing** with more and more government regulations and requirements.
- **Providers are in a consolidation phase**, which has forced them to reduce costs to remain competitive, potentially reducing service quality. Consolidation can also cause plan disruption.
- **Unrewarded business risks are growing** with record levels of new regulation, Internal Revenue Service and Department of Labor audits, and litigation.
- **Participant anxiety is soaring** as they find themselves under-saved and unprepared for retirement.

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THE CHALLENGE

The Asbestos of the Next Decade?



Fee Litigation—Class Action Lawsuits

- Fees and expenses improperly reduce accounts
- Unreasonable and excessive
- Not adequately analyzed

Department of Labor and Securities and Exchange Commission Regulations

- Service provider disclosure
- Participant fee disclosure

Heightened Fiduciary Scrutiny

- Contributions
- Share class selection
- Investment monitoring
- Target date funds
- Investment policy statement
- Testing issues
- Meeting minutes

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THE BENEFITS

What Are the Benefits of Direct Fiduciary?



Less Time – Reduced time spent managing the plan



Lower Risk – Outsourced investment and administrative fiduciary risk to industry experts



Lower Cost – Benefit from CAPTRUST's scale and expertise in delivering cost-effective solutions for retirement plans



Better Outcomes – Improved employee outcomes through sound financial advice, best-in-class investment options, and world-class service providers

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MAINTAIN YOUR FREEDOM

CAPTRUST's Direct Fiduciary program is for plan sponsors that want to improve plan outcomes, lower costs, and outsource their fiduciary responsibilities to industry experts, all within a flexible framework.

Through Direct Fiduciary, you can take advantage of the combined scale of multiple employers and outsource your fiduciary responsibilities without joining a multiple employer plan (MEP) or pooled employer plan (PEP).

You maintain plan design flexibility because your plan is a single employer plan.

- ✓ Plan design flexibility
- ✓ Payroll provider flexibility
- ✓ Service provider control
- ✓ Plan sponsor and plan participant engagement options

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GET THE HELP YOU NEED

With Direct Fiduciary, you receive ongoing assistance with the remaining fiduciary responsibilities you can never outsource, including monitoring your plan's service providers and determining reasonableness of fees.

Each service provider in Direct Fiduciary remains an independent party so you don't have to worry about potential conflicts of interest. CAPTRUST provides:

Ongoing monitoring and due diligence of the recordkeeper, third-party administrator (TPA), and 3(16) providers

Fee benchmarking of recordkeeping, administrative, and advisory costs

Annual 3(38) investment manager request for information (RFI)

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ROLES AND RESPONSIBILITIES

Presentation of Retirement Advisory Services

YOUR TEAM — ROLES AND RESPONSIBILITIES

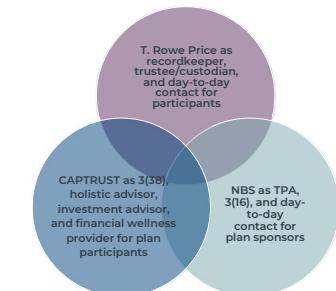
Multiple providers working together to bring you a comprehensive 401(k) solution

C CAPTRUST

T.RowePrice

nbs
national
benefit
services

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YOUR TEAM — TIP OF THE ICEBERG

NBS relationship manager is your day-to-day contact for plan-related needs.

CAPTRUST - 3(38) Investment Manager
~900 full-time employees

CAPTRUST Dedicated Service Team

T. Rowe Price Dedicated Relationship Manager

NBS Dedicated Relationship Manager

CAPTRUST - 3(38) Investment Manager
~900 full-time employees

T. Rowe Price - Recordkeeping
~7,000 full-time employees

National Benefit Services - 3(16)
~100 full-time employees

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ROLES AND RESPONSIBILITIES

CAPTRUST as 3(38) Investment Manager

- Leading national provider of investment management services for institutional plan sponsors
- Accepts fiduciary liability for selection and monitoring of investment options
- Drafts and maintains the investment policy statement (IPS)
- Provides quarterly and monthly investment reporting
- Secure repository for plan documents and information (CAPTRUST Direct Portal)

CAPTRUST as Holistic Investment Advisor

- Provides market, legislative, and regulatory plan sponsor updates through webinars, articles, and videos
- Ongoing fiduciary training
- Annual fee benchmarking of total plan costs
- Annual 3(38) request for information (RFI) (to monitor CAPTRUST)
- Assists with ongoing monitoring of recordkeeper, TPA, and 3(16)

CAPTRUST as Investment Advice Fiduciary to Plan Participants

- Participant engagement and individual investment advice
- Access to managed account advice program through T. Rowe Price website

CAPTRUST as 3(38),
holistic advisor,
investment advisor,
and financial
wellness support
for plan
participants

With more than 750 clients,
\$36 billion in assets under
management, and a decade
of experience, CAPTRUST's
defined contribution
discretionary management
service is in a league of
its own.

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C

ROLES AND RESPONSIBILITIES

T. Rowe Price as Recordkeeper and Trustee/Custodian

- Administrative and recordkeeping services
- Processes distributions, contributions, loans, etc.
- Maintains participant accounts and demographic data
- Quarterly benefit statements, participant website, and participant call-center support
- Supports plan conversion or new plan setup
- Annual audit support
- Supports merger and acquisition activity affecting the plan
- Distributes participant notices and communications
- Tracks eligibility
- Plan sponsor website and plan health report

T. Rowe Price as Day-to-Day Contact for Participants

- Call center and mobile application support
- Distribution, loan, QDRO, contribution requests
- General questions about the plan
- Participant education and financial wellness material



ROLES AND RESPONSIBILITIES

NBS as Third-Party Administrator (TPA)

- Performs all required plan compliance testing
- Prepares 5500 and schedules
- Prepares plan document and offer plan design consulting
- Prepares and submits plan amendments
- Assists with missing participants and small-balance force-outs
- Facilitates annual audit

NBS as 3(16) Fiduciary

- Monitors and submits* payroll contributions
- Monitors and ensures compliance with plan document
- Approves compliance testing results
- Approves all loans, qualified domestic relations orders (QDROs), and participant distributions
- Coordinates and ensures distribution of required participant notices
- Signs Form 5500
- Determines participant vesting
- Supports audit or Department of Labor (DOL) inquiries

* Dependent upon level of payroll integration



SERVICE DETAILS - PARTNERS

	NBS 3(16)	NBS TPA	T. Rowe Price	CAPTRUST	Plan Sponsor
Participant Transactions:	X	X	X		
Review and approve basic distributions, rollovers, transfers, QDROs, hardships					
Process participant transactions					
Review/submit trustee documentation for QDROs and hardships					
Issue payments and prepare Form 1099s		X			
Monitor timeliness of participant transactions	X				
Monitor contributions and loan defaults	X	X			
Responsible for small balance rollover sweep for termed <\$5k	X	X			
Responsible for accuracy of termination packages	X	X			
Responsible for timely distribution of termination packages	X	X			
Responsible for request and approval of spousal consent (if required)	X				
Reconcile all activity including distributions, contributions, and loans	X				
Determine participant disability	X	X	X		
Review and approve loan termination	X				
Monitor break in service rules	X				
Assistance with terminated participants	X	X	X		
Monitor and resolve benefit designations	X				
Calculate and track eligible	X				
Provide enrollment report to plan sponsor and kits to participants	X				
Review and approve eligibility tracking	X				
Notify plan sponsor of plan changes	X				
Conversion:					
Corrective Distributions:					
Manage plan conversion, transfer assets		X			
Prepare corrective distributions		X			
Review and approve corrective distributions	X				
Process corrective distributions	X	X	X		
Responsible for calculation of lost earnings as needed	X	X			



SERVICE DETAILS - PARTNERS

	NBS 3(16)	NBS TPA	T. Rowe Price	CAPTRUST	Plan Sponsor
Form 5500/Form 8955-SSA/Form 5508/SAR:		X			
Preparation of IRS and DOL Filings	X				
Review for completeness and accuracy	X				
Form 5500 and Form 8955-SSA signing & timely filing	X				
Select independent auditor (if applicable)					
Review audit reports and findings prepared by independent auditor	X	X			
Assist with data gathering for plan audit and provide support	X	X			
Assist with data gathering for IRS/IRS inquiries and provide support	X	X			
Submit Form 5500 and Form 8955-SSA to the administrator	X				
Submit payroll (depends on payroll service)					
Update payroll with participant elections (depends on payroll service)					
Monitor timeliness of payroll contributions and loan payments	X				
Logically group participants	X				
Monitor automatic enrollment and escalation	X				
Assist employer with calculating and allocating employer contributions					
Assist employer with calculating and allocating employee contributions					
Reconcile employee census data					
Review and monitor allocation of forfeitures					
Complete annual questionnaire					
Complete quarterly questionnaire					
Communicate acquisitions and changes in business structure					
Coordinate tasks required as a result of a merger or acquisition					
Provide plan census					
Perform compliance testing					
Review and determine accuracy of compliance testing	X				







SERVICE DETAILS - PARTNERS

Document:

	NBS J(R)	NBS TPA	T. Rowe Price	CAPTRUST	Plan Sponsor
Prepare documents/restatements/amendments/SPD/loan program	X				
Review and approve documents/amendments/SPD/loan program	X				
Sign documents/amendments	X	X			
Ensure all documents are in compliance with plan document and IRS/DOL regulations	X	X			
Plan design consulting			X		
Notices:					
Preparation of 404(a)(9) Fee Disclosure and QDIA notices			X		
Preparation of all other required notices			X		
Delivery of notices to participants			X		
Review for accuracy and document delivery of notices			X		
Reports:					
Provide Plan Sponsor with annual financial summary			X		
Provide quarterly financial statements			X		
ERISA Bond/Fiduciary Liability Insurance:			X		
Assist plan sponsor in obtaining fiduciary liability insurance and fidelity bond	X		X		
Review fidelity bonding for appropriate coverage	X				
Retention of all documentation	X	X	X	X	X
Document Retention:			X	X	X
Respond to participant document requests and other inquiries			X		

CAPTRUST 377 **C**

SERVICE DETAILS - PARTNERS

Plan Governance:

	NBS J(R)	NBS TPA	T. Rowe Price	CAPTRUST	Plan Sponsor
Conduct fiduciary training				X	X
Conduct fiduciary committee meeting and keep minutes (Level 2 & 3 Service Only)				X	
Investment Responsibilities:					
Identify and monitor investment options				X	
Make fund change decisions				X	
Review and execute fund change documents				X	
Execute fund change				X	
Support:					
Select QDIA type (TDF or Managed Account)				X	
Create IPS				X	
Provide participant website access to plan assets and activity				X	X
Provide participant website access to their plan assets, VRU, mobile app				X	
Assist Plan Sponsor in monitoring service providers				X	
Assist Plan Sponsor in the benchmarking of plan fees to determine reasonableness				X	X

CAPTRUST 378 **C**

T. ROWE PRICE PAYROLL INTEGRATIONS

Currently Integrated:

Payroll Vendor	Integration Type
ADP	360 integration for certain service centers and Workforce Now plans
Cardinal	180 integration
Payflex	360 integration
CorPay	360 integration
Paycom	180 integration
Everything Benefits	360 integration (connectivity with multiple payroll providers)
iSolved	360 integration
Kronos	360 integration
One Point	360 integration
Altisira	360 integration
APS Workforce Mgmt	360 integration
Mosaic HCM	360 integration
Paycor	360 integration
Workday	360 integration (custom solution/dedicated SFTP)
UltiPro	180 integration
Paycom Flex	180 integration
ADP TotalSource	180 integration
Paykomatic	360 integration (connectivity with multiple payroll providers)
Dominion	360 integration
Crescent Payroll	360 integration
Ahola	360 integration
Coastal Payroll	360 integration
Solex	360 integration
Naively	180 integration

Coming Soon:

Payroll Vendor	Integration Type
Prolliant	360 integration
iSolved	180 integration
Heartland Payroll	180 integration
Netchex	180 integration
Balance Point	360 integration
Complete Payroll Solutions	180 integration
Paycom	180 integration
Payroll Data Service/B2E Solutions	180 integration
Complete Payroll Processing	180 integration
ArcusPay	180 integration
AccuData	180 integration
HR Butler	180 integration
Payroll Success	180 integration
PayDay	180 integration
HS And A Payroll	180 integration
Paycom	180 integration
Payroll Partners	180 integration
Payroll Solutions	180 integration
NCR Payments	180 integration

CAPTRUST 379 **C**

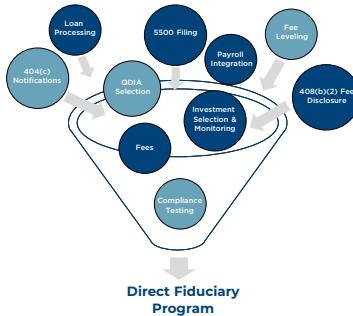


REDUCE TIME SPENT AND FIDUCIARY LIABILITY

Presentation of Retirement Advisory Services

FOCUS MORE ON RUNNING YOUR BUSINESS

The Direct Fiduciary program allows companies to significantly reduce the amount of time spent managing their 401(k) plans by outsourcing administrative and investment oversight.



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THE BENEFITS OF A DIRECTED TRUSTEE

Reliance Trust is an independent organization that specializes in providing fiduciary trust services for retirement plan and other trusts. As a directed trustee, Reliance Trust is responsible for holding legal title to and the safekeeping of trust assets.

What are the benefits of a directed trustee?

- ✓ Transfer fiduciary responsibilities

Additional protection for the plan sponsor, the plan and participants. A directed trustee must act in the best interests of participants, which adds an extra layer of confidence that assets will be used solely for their benefit.

- ✓ Leverage expertise

A directed trustee specializes in trust services and minimizes the possibility that responsibilities might be overlooked that could lead to penalties to fiduciaries and jeopardize the plan's qualified tax-exempt status.

- ✓ Save time

Alleviate many time-consuming administrative functions by providing consolidated asset and income statements.

- ✓ Lower expenses

The trust statements certified by a directed trustee qualifies the plan for a potential "limited scope" audit, possibly saving thousands of dollars annually in lieu of a full scope audit.

Reliance Trust professionals average more than 20 years of trust experience.

Reliance Trust provides directed trustee services to over 83,000 clients, with over \$1 trillion in assets under management.

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MANAGE PLAN COSTS

Presentation of Retirement Advisory Services



TAKE ADVANTAGE OF ECONOMIES OF SCALE

How We Lower Cost

- Reduce investment expenses by negotiating lower manager fees
- Reduce the number of service providers involved, which eliminates redundant servicing costs
- Proactively monitor and benchmark plan-related fees and expenses
- Regular reporting

How We Increase Benefits

- Improve your experience with a dedicated relationship manager
- Improve the participant experience through highly personalized advice programs
- Reduce unrewarded business risk by assuming fiduciary responsibility for investment-related and administrative fiduciary decisions
- Implement industry-leading service providers, technology, and employee experience



We have created a premium service at a price point that is the same or less than most plan sponsors currently pay.

CAPTRUST

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PLAN COSTS

There are dozens of functions that must be effectively managed to deliver a successful 401(k) plan. In the traditional model, these functions require coordination and payment of several service providers, including:

- Plan administrator
- Plan recordkeeper
- Investment managers
- Plan advisor or consultant
- Participant advice and financial wellness
- Plan trustee
- Plan custodian

# of Participants	Total Plan Fees		
	Average Account Balance \$10,000	\$50,000	\$100,000
10	3.95%	1.83%	1.44%
25	2.66%	1.49%	1.29%
50	2.22%	1.35%	1.14%
100	1.86%	1.20%	1.01%

Source: 401(k) Averages Book, 17th Edition. Total plan cost includes investment fees, administrative fees, recordkeeping fees, and advisory fees if paid through revenue sharing. Does not include 3(38) services.



IMPROVE OUTCOMES FOR YOUR PARTICIPANTS

Presentation of Retirement Advisory Services

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CAPTRUSTADVICE.COM

Our financial wellness and advice website puts resources at your employees' fingertips.

Employees can access a range of resources at captrustadvice.com:

- Schedule an appointment with a retirement counselor
- Access helpful articles on a range of topics
- Check progress with nine financial calculators
- Watch short videos from CAPTRUST subject matter experts
- Register for topical financial webinars
- View recordings of past webinars

**Include if pitching PAS or
hing level 3 Direct Fiduciary**

Inclusion of Managed Accounts via T. Rowe Price Participant Website

Employee

- Attend Live Webinars
- Visit the Advice Website
- Engage with Electronic Communication
- Engage with Other Modes of Communication
- Consult with a Retirement Counselor

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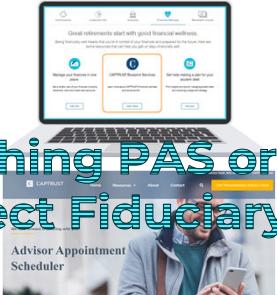
INTEGRATED WITH T. ROWE PRICE

PARTICIPANT ADVICE AND WELLNESS

Participants can link directly to make appointments with CAPTRUST from their T. Rowe Price account page.

Using the embedded tile, participants are taken to www.captrustadvice.com where they can schedule an appointment or view available services.

Include if pitching PAS or being level 3 Direct Fiduciary



CAPTRUST 389 C

WHAT IS BLUEPRINT MANAGED ADVICE?

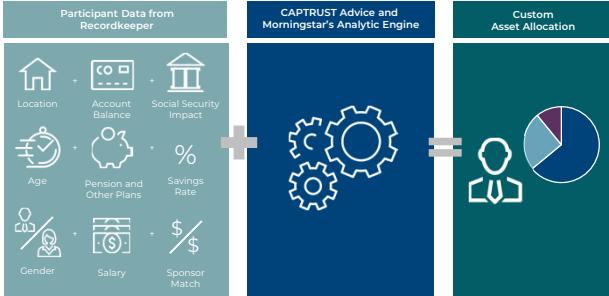
Blueprint Managed Advice is an integrated managed account program that leverages Morningstar's technology platform, participant data from the recordkeeper, and CAPTRUST's independent investment advice.

 CAPTRUST <ul style="list-style-type: none"> • Serves as 3(38) fiduciary to participants • Populates models using a plan's unique investment menu • Reviews and monitors Morningstar's participant assignment methodology
 Morningstar <ul style="list-style-type: none"> • Provides technology platform and participant portfolio assignment methodology • Provides user-friendly participant interface
 Recordkeeper <ul style="list-style-type: none"> • Manages plan and participant data exchanges with Morningstar • Implements participant portfolio assignment and rebalance transactions

CAPTRUST 390 C

HOW DOES BLUEPRINT MANAGED ADVICE WORK?

The analysis uses data from the recordkeeping system, such as account balance, salary, and savings rate, and then passes it through CAPTRUST's independent advice and Morningstar's analytics engine to arrive at an individualized asset allocation recommendation.



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INTEGRATION WITH T. ROWE PRICE

LANDING PAGE BLUEPRINT MANAGED ADVICE

All links on the site lead to this page.

Clicking on the "Get Your Personalized Strategy" button will launch the Blueprint Managed Advice Experience in a new tab.

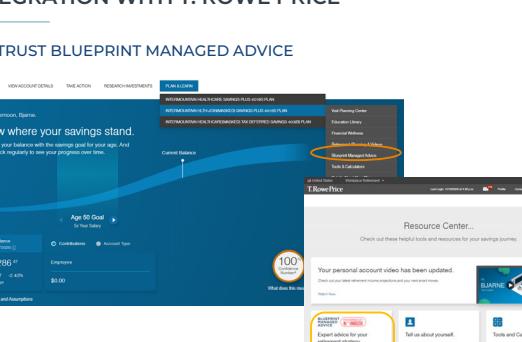
This is an SSO connection so participants will not need to log in again. Participant recordkeeping data is also preloaded.



CAPTRUST 392 C

INTEGRATION WITH T. ROWE PRICE

CAPTRUST BLUEPRINT MANAGED ADVICE



The screenshot displays the Captrust Blueprint Managed Advice platform. On the left, a summary dashboard shows a current balance of \$130,286.47, a goal of \$130,000, and a projected growth rate of 4.4%. It includes sections for contributions, account type, employer, and information and resources. On the right, a modal window from T. Rowe Price provides a resource center with links to a personal account video, financial calculators, and tools like a retirement calculator.

The background of the slide features a minimalist, abstract design. It consists of several thick, white, curved bands that overlap each other, creating a sense of depth and motion. These bands are set against a light gray background, which provides a clean and professional look. The overall aesthetic is modern and sophisticated, suggesting themes of growth, innovation, and financial stability.

INVESTMENT LINEUP — MENU DESIGN					
	PLAN DESIGN	PARTICIPANT ENGAGEMENT	INVESTMENT MANAGEMENT	FIDUCIARY PROCESS	PLAN ADMINISTRATION
KEY OBJECTIVES	<ul style="list-style-type: none"> Ensure that retirement programs are aligned with corporate policies and business needs Ensure that plan features and strategies are aligned with the needs or participant demographics Ensure that the plan remains competitive with other companies that may compete for our employees 	<ul style="list-style-type: none"> Provide the information, resources, and advice to help our participants effectively plan, save, and invest for their retirement Viewed as very attractive and highly competitive benefit plan by our employees 	<ul style="list-style-type: none"> Providing an attractive menu of investment options and account management programs to enable our participants to prudently invest their retirement savings To allow for the diverse financial needs and goals of our employees Maintain a diverse but reasonable number of core menu options 	<ul style="list-style-type: none"> Develop, follow, and document a consistent process and procedures to satisfy our fiduciary obligations to our employees Ensure that our retirement committee remains informed of prevailing regulatory considerations and requirements Ensure that prudent policies are established and followed to allow for the inclusion of company stock in the plan 	<ul style="list-style-type: none"> Timely and accurate reporting and processing Ensure that we retain easy-to-use and user-friendly resources for the management of our plan Meet compliance with prevailing regulatory requirements Ensure that the plan is paying fair and reasonable fees for the services provided
BEST PRACTICES	<ul style="list-style-type: none"> Peer review key plan features: matching, and vesting policies Evaluate automatic features such as enrollment and deferral increases Evaluate re-enrollment Evaluate optional testing methods Evaluate Roth feature 	<ul style="list-style-type: none"> Allow multiple options for personalized advice Conduct targeted outreach campaigns Conduct demographic analysis Conduct participant satisfaction surveys Provide multiple forms of participant communications 	<ul style="list-style-type: none"> Evaluate risk versus age-based asset allocation strategies Evaluate model portfolios versus manager accounts Qualified Default Investment Alternative (QDIA) Selection Evaluate active and passive investing strategies 	<ul style="list-style-type: none"> Formal investment policy statement Evaluate investment oversight advisory services—3(2)(i) or 3(38) Formal fee payment policy Fiduciary training 	<ul style="list-style-type: none"> Fee benchmarking for service providers 404(c) compliance 408(b)(2) compliance

INVESTMENT LINEUP — CURRENT				
	ALLOCATION TIER (REC - 1 OPTION)	PASSIVE TIER (REC - 4-5 OPTIONS)	ACTIVE TIER (REC - 9 OPTIONS)	OTHER
ASSET CLASSES	<ul style="list-style-type: none"> Target Date Fund Allocation Fund [2] Risk-based series Managed Accounts 	<ul style="list-style-type: none"> Intermediate Term Bond Domestic Large Cap Blend Domestic Small Cap Blend International Blend 	<ul style="list-style-type: none"> Capital Preservation Intermediate Term Bond Large Cap Value [2] Large Cap Growth [3] Mid Cap Value Mid Cap Growth International Large Cap International Small Cap 	<ul style="list-style-type: none"> Self-Directed Brokerage Account Loan
	<ul style="list-style-type: none"> 3 Current Options 	<ul style="list-style-type: none"> 0 Current Options 	<ul style="list-style-type: none"> 11 Current Options 3 Non-Core Options 	
RATIONALE		<ul style="list-style-type: none"> For disengaged participants that desire a pre-made diversified portfolio (<i>Do it for me</i>) Can be used as a Default Investment Alternative (QDA) for auto-enrolled participants 	<ul style="list-style-type: none"> For investors that do not wish to take on active management risk or have a higher risk tolerance For investors who only want low-cost market exposure All major asset classes are represented (more as active) 	<ul style="list-style-type: none"> Gives investors the opportunity to implement passive index options All major asset classes are represented so engaged participants can create diversified portfolios (<i>Do it for yourself</i>)

This analysis is intended to be educational and is not a solicitation to invest in any securities. Comparisons are hypothetical illustrations based on data information provided to CAPTRUST by a third party and is not guaranteed to be accurate or complete. Data current as of 6/20/21.

INVESTMENT LINEUP — CURRENT

Allocation Solutions

% of plan assets	Asset Class	Fund Name	Notes
Target Date Series	Fidelity Advisor Freedom series	Consider monitoring the asset growth and underlying allocation on a continual basis to gauge its appropriateness for plan participants.	
Allocation Fund	Fidelity Advisor® Balanced M	Consider the appropriateness of target risk/static allocation strategies as compared to age-based solutions built for the participant.	
Allocation Fund	Fidelity Advisor® Strategic Div & Inc® M	Consider the appropriateness of target risk/static allocation strategies as compared to age-based solutions such as target date funds.	

Passive Management

% of plan assets	Asset Class	Code Name	Ticker	Comments
-	Intermediate-Term Bond Index	No Current Option		
-	Large Value Index	No Current Option		
-	Mid-Cap Blend/Excl. Market Index	No Current Option		
-	Small-Cap Blend Index	No Current Option		Consider adding passive exposure to complement active managers.

Active Management: Capital Preservation

% of plan assets	Asset Class	Fund Name	Notes
Money Market	Fidelity® Government	Update	Invest in money market funds with the risk/return profiles of all capital preservation

Active Management: Core Lineup

% of plan assets	Asset Class	Fund Name	Ticker	Risk-Based Portfolio Ranks			Performance Guard Ranks		
				3 Year	5 Year	10 Year	3 Year	5 Year	10 Year
0.20%	Short-Term Bond	Fidelity Advisor® Limited Term Bond M	FTBRX	2	1	3	2	1	3
6.40%	Intermediate Government	Fidelity Advisor® Government Income M	FVITX	11.58	4	4	4	2	1
1.40%	Money Market Fund	Fidelity Advisor® Money Market M	FMMKX	14.47	1	1	1	1	1
8.50%	Large Value	Fidelity Advisor® Dividend Growth M	FDGTX	10.00	5	4	4	2	1
8.50%	Large Value	Fidelity Advisor® Equity Income M	FEIRX	14.57	1	4	4	1	4
24.20%	Large Growth	Fidelity Advisor® Large Growth M	FGLGX	14.47	1	2	1	1	2
3.70%	Large Growth	Fidelity Advisor® Growth Opps M	FAGOX	6.00	1	1	1	1	1
2.20%	Large Growth	Fidelity Advisor® Large Growth M	FGLGX	14.47	1	2	1	1	2
1.45%	Foreign Large Growth	Fidelity Advisor® Overseas M	FAERX	4.75	3	1	4	4	4
1.00%	Small Blend	Fidelity Advisor® Small Cap M	FSCTX	3.00	1	2	1	1	4

Manager Totals

Legend			
Guaranteed Ranking	3-Year	5-Year	10-Year
Guaranteed Ranking	3rd	3rd	4th

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INVESTMENT LINEUP — CURRENT

Allocation Tax

Asset Class	Investment Name	Ticker	Value	% Assets	Total Cost	Expense Ratio	Allocation Cost	Revenue Share
Allocation 2004 to 2050 Equity	Fidelity Advisor® Strategic Div & Inc® M	FTSDX	\$4,091	0.58%	124%	\$0.05%	\$20	
Allocation 70% to 85% Equity	Fidelity Advisor® Freedom Income M	FTAFX	\$12,811	0.46%	97%	\$0.05%	\$16	
Target Date Retirement	Fidelity Advisor® Freedom 2025 M	FTFVX	\$0	0.00%	100%	\$0.05%	\$0	
Target Date 2000-2010	Fidelity Advisor® Freedom 2010 M	FTFTX	\$0	0.00%	100%	\$0.05%	\$0	
Target Date 2015	Fidelity Advisor® Freedom 2025 M	FTFVX	\$0	0.00%	100%	\$0.05%	\$0	
Target Date 2020	Fidelity Advisor® Freedom 2030 M	FTFX	\$13,644	0.40%	143%	\$0.05%	\$20	
Target Date 2025	Fidelity Advisor® Freedom 2035 M	FTFWX	\$0	0.00%	113%	\$0.05%	\$0	
Target Date 2030	Fidelity Advisor® Freedom 2040 M	FTFHX	\$0	0.00%	117%	\$0.05%	\$0	
Target Date 2035	Fidelity Advisor® Freedom 2045 M	FTFJX	\$0	0.00%	125%	\$0.05%	\$0	
Target Date 2040	Fidelity Advisor® Freedom 2050 M	FTFKX	\$0	0.00%	125%	\$0.05%	\$0	
Target Date 2045	Fidelity Advisor® Freedom 2055 M	FTFLX	\$0	0.00%	125%	\$0.05%	\$0	
Target Date 2050	Fidelity Advisor® Freedom 2060 M	FTFMX	\$0	0.00%	125%	\$0.05%	\$0	
Target Date 2055	Fidelity Advisor® Freedom 2065 M	FTFNX	\$0	0.00%	125%	\$0.05%	\$0	
Allocation Total			\$607,890	100%	1,106%	\$1,007	0.05%	\$938

Active Tax

Asset Class	Investment Name	Ticker	Value	% Assets	Total Cost	Expense Ratio	Allocation Cost	Revenue Share
Money Market - Troubled	Fidelity® Government MM Fund	FTBXX	\$20,406	0.32%	107%	\$0.05%	\$0	
Short-Term Bond	Fidelity Advisor® Limited Term Bond M	FTBRX	\$70,765	9.93%	97%	\$0.25%	\$177	
Intermediate Government	Fidelity Advisor® Government Income M	FVITX	\$45,158	6.40%	97%	\$0.25%	\$115	
Middle-Cap Blend	Fidelity Advisor® Strategic Div & Inc® M	FTSDX	\$23,828	0.58%	124%	\$0.05%	\$22	
Large Value	Fidelity Advisor® Dividend Growth M	FDGTX	\$7,807	8.13%	105%	\$0.05%	\$289	
Large Value	Fidelity Advisor® Equity Income M	FEIRX	\$93,287	8.85%	106%	\$0.05%	\$206	
Large Growth	Fidelity Advisor® Large Growth M	FGLGX	\$20,332	3.70%	130%	\$0.05%	\$185	
Large Growth	Fidelity Advisor® Growth Opps M	FAGOX	\$20,332	3.70%	130%	\$0.05%	\$181	
Large Growth	Fidelity Advisor® Large Growth M	FTLGX	\$2,373	1.43%	121%	\$0.05%	\$20	
Foreign Large Growth	Fidelity Advisor® Overseas M	FAERX	\$10,140					

Active Total

Plan Totals					
	\$708,937	100%	1,098%	\$7,705	\$1,070

Total Recordkeeper Cost: **\$4,949** **\$1,070**

Total Plan Cost: **1,098** **\$7,705**

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INVESTMENT LINEUP — DIRECT FIDUCIARY

Allocation Tax

Asset Class	Investment Name	Ticker	Value	% Assets	Total Cost	Expense Ratio	Allocation Cost	Revenue Share
Target Date 2000-2010	T. Rowe Price Retirement 2000 M	TRWIX	\$1,043	0.44%	0.37%	\$0.02%	\$0	
Target Date 2000-2010	T. Rowe Price Retirement 2000 I	TRIXA	\$0	0.00%	0.37%	\$0.02%	\$0	
Target Date 2010-2020	T. Rowe Price Retirement 2010 M	TRWIX	\$0	0.00%	0.37%	\$0.02%	\$0	
Target Date 2010-2020	T. Rowe Price Retirement 2010 I	TRIXA	\$0	0.00%	0.37%	\$0.02%	\$0	
Target Date 2020-2030	T. Rowe Price Retirement 2020 M	TRWIX	\$1,044	0.54%	0.42%	\$0.02%	\$0	
Target Date 2020-2030	T. Rowe Price Retirement 2020 I	TRIXA	\$0	0.00%	0.42%	\$0.02%	\$0	
Target Date 2030-2040	T. Rowe Price Retirement 2030 M	TRWIX	\$0	0.00%	0.49%	\$0.02%	\$0	
Target Date 2030-2040	T. Rowe Price Retirement 2030 I	TRIXA	\$0	0.00%	0.49%	\$0.02%	\$0	
Target Date 2040-2050	T. Rowe Price Retirement 2040 M	TRWIX	\$0	0.00%	0.56%	\$0.02%	\$0	
Target Date 2040-2050	T. Rowe Price Retirement 2040 I	TRIXA	\$0	0.00%	0.56%	\$0.02%	\$0	
Target Date 2050-2060	T. Rowe Price Retirement 2050 M	TRWIX	\$0	0.00%	0.56%	\$0.02%	\$0	
Target Date 2050-2060	T. Rowe Price Retirement 2050 I	TRIXA	\$0	0.00%	0.56%	\$0.02%	\$0	
Target Date 2060-2070	T. Rowe Price Retirement 2060 M	TRWIX	\$0	0.00%	0.56%	\$0.02%	\$0	
Target Date 2060-2070	T. Rowe Price Retirement 2060 I	TRIXA	\$0	0.00%	0.56%	\$0.02%	\$0	
Allocation Total			\$907,893	36.48%	0.47%	\$8,877	0.02%	\$0

Allocation Tax

Asset Class	Investment Name	Ticker	Value	% Assets	Total Cost	Expense Ratio	Allocation Cost	Revenue Share
Intermediate Core Bond	Fidelity® U.S. Bond Index							
Large Blend	Fidelity® 60/40 Index							
Mid-Cap Value	Fidelity® Mid-Cap Value Index							
Mid-Cap Growth	Fidelity® Mid-Cap Growth M	FTMNX	\$1,044	30.26%	0.44%	\$0.02%	\$0	
Large Growth	Fidelity® Large Growth M	FTLGX	\$0	0.00%	0.44%	\$0.02%	\$0	
Foreign Large Growth	American Funds European Fund, Growth M	RENDX	\$0,140	14.83%	0.44%	\$0.02%	\$0	
Small Blend	Fidelity® Small Blend Index	FTSIX	\$0	0.00%	0.44%	\$0.02%	\$0	
Small Growth	Principia SmallCap Growth & Div M	PCSMX	\$0	0.00%	0.44%	\$0.02%	\$0	
Active Total			\$907,893	74.82%	0.47%	\$8,877	0.02%	\$0

Plan Totals

	\$708,937	100%	1,098%	\$7,705

Increase in cost from current lineup: \$1,200 base fee + \$40 per participant
Decrease in cost from current lineup: \$2,000 base fee + \$40 per participant
Total Recordkeeper Cost: \$4,949
Total Plan Cost: 1,098 \$7,705

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INVESTMENT LINEUP — FEE COMPARISON

Current Lineup

Asset Class	Investment Name	Ticker	Value	% Assets	Total Cost	Expense Ratio	Allocation Cost	Revenue Share
Total Plan Cost					\$ 7,705	\$ 7,483	\$ 221	
Paid from Plan Assets					\$ 7,705	\$ 2,137		
External Cost					\$ -	\$ 5,346		

Recordkeeping & Administration

Asset Class	Investment Name	Ticker	Value	% Assets	Total Cost	Expense Ratio	Allocation Cost	Revenue Share
Total Recordkeeping & Admin Cost					\$ 3,079	\$ 5,346	\$ (2,267)	
Paid from Plan Assets					\$ 3,079	\$ -		
External Cost					\$ -	\$ 5,346		

Asset Management

Asset Class	Investment Name	Ticker	Value	% Assets	Total Cost	Expense Ratio	Allocation Cost	Revenue Share
Total Asset Management Cost					\$ 2,137	\$ 2,488		
Paid from Plan Assets					\$ 2,137	\$ 2,488		
External Cost					\$ -	\$ -		

Increase in cost from current lineup: \$1,200 base fee + \$40 per participant
Decrease in cost from current lineup: \$2,000 base fee + \$40 per participant
*Pricing difference can be positive or negative, depending on specific investment options utilized
Assumes all investment and mapping is implemented.

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SUMMARY OF FEES AND SERVICES

Presentation of Retirement Advisory Services

PLAN PRICING

	Plan Expense
Investments (est)	0.35%
T. Rowe Price	0.06%
NBS	0.36%
Total Plan Cost:	0.77%

Based on 28 participants and \$1.4M in total plan assets
 Does not include CAPTRUST fees or participant transaction fees
 Additional fees for payroll services may apply depending on payroll provider
 Does not include NBS one-time set up fee of \$1,350

Update and confirm in red areas

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SUMMARY OF SERVICES AND FEES

- ✓ **Fiduciary Advisory Services**
 - Fiduciary training
 - Real-time access to industry research
 - Fiduciary process management
- ✓ **Investment Services**
 - Plan-level consulting
 - Investment menu development
 - Ongoing investment due diligence
- ✓ **Plan Provider Analysis**
 - Vendor analysis and benchmarking
 - Plan administration and investment cost comparison
 - Ongoing provider due diligence
- ✓ **Blueprint Services**
 - Participant investment advice delivered:
 - Via phone (Advice Desk)
 - Blueprint Managed Advice (online managed account)
 - Individual Retirement Blueprint access
 - Online self-service tools available through Blueprint

Update and confirm in red areas

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FREEDOM 401K PLAN SERVICES

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CAPTRUST FREEDOM 401K®

Presentation of Retirement Advisory Services

THE CHALLENGE

Across the nation, business managers are stretched thin by having to get more done with fewer resources. Sponsoring a 401(k) plan has become more challenging, demanding more of their valuable time.

- **Complexity is growing** with more and more government regulations and requirements.
- **Providers are in a consolidation phase**, which has forced them to reduce costs to remain competitive, potentially reducing service quality. Consolidation can also cause plan disruption.
- **Unrewarded business risks are growing** with record levels of new regulation, Internal Revenue Service and Department of Labor audits, and litigation.
- **Participant anxiety is soaring** as they find themselves under-saved and unprepared for retirement.

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THE CHALLENGE

The Asbestos of the Next Decade?



Fee Litigation—Class Action Lawsuits

- Fees and expenses improperly reduce accounts
- Unreasonable and excessive
- Not adequately analyzed

Department of Labor and Securities and Exchange Commission Regulations

- Service provider disclosure
- Participant fee disclosure

Heightened Fiduciary Scrutiny

- Contributions
- Share class selection
- Investment monitoring
- Target date funds
- Investment policy statement
- Testing issues
- Meeting minutes

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THE BENEFITS



FREEDOM401K® SUMMARY OF SERVICES

Our years of experience have yielded valuable perspective that allows our clients to focus their time and resources on the areas that matter most for improving their 401(k) results.



For your employees:

- Access to range of investment choices, including cost-efficient, diversified options
- Personalized advice from an unbiased and skilled advisor to help plan, save, and invest for retirement

For your company:

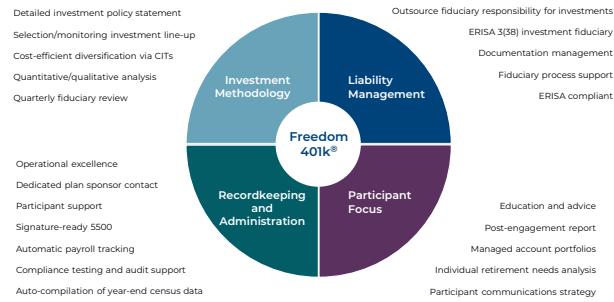
- Less time spent managing the plan
- Reduce unrewarded business risk
- More value for dollars spent on the plan

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FREEDOM401K® SOLUTION



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ROLES AND RESPONSIBILITIES

Presentation of Retirement Advisory Services



YOUR TEAM — ROLES AND RESPONSIBILITIES

Multiple providers work together to bring you a comprehensive 401(k) solution.



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YOUR TEAM — TIP OF THE ICEBERG

Milliman plan manager is your day-to-day contact for plan-related needs.

The infographic illustrates the scale of the Milliman team. It features a large blue iceberg icon. Above the waterline, there are two icons: one for CAPTRUST Dedicated Financial Advisor Relationship Manager and one for Milliman Dedicated Plan Manager. Below the waterline, there are two groups of icons representing employees: CAPTRUST 3(38) Investment Manager (over 1000 full-time employees) and Milliman Recordkeeping TPA (over 4,000 full-time employees).

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ROLES AND RESPONSIBILITIES

CAPTRUST as 3(38) Investment Manager

- Leading national provider of investment management services for institutional plan sponsors
- Accepts fiduciary liability for selection and monitoring of investment options
- Drafts and maintains the investment policy statement (IPS)
- Provides quarterly and monthly investment reporting
- Secure repository for plan documents and information (CAPTRUST Direct Portal)

CAPTRUST as Holistic Investment Advisor

- Provides market, legislative, and regulatory plan sponsor updates through webinars, articles, and videos
- Ongoing fiduciary training
- Annual fee benchmarking of total plan costs
- Annual 3(38) request for information (RFI) (to monitor CAPTRUST)
- Assists with ongoing monitoring of recordkeeper, TPA, and 3(16)

CAPTRUST as Investment Advice Fiduciary to Plan Participants

- Participant engagement and individual investment advice

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CAPTRUST as 3(38), holistic advisor, investment advisor, and financial wellness support for plan participants

With more than 990 clients, \$48 billion in assets under management, and a decade of experience, CAPTRUST's defined contribution discretionary management service is in a league of its own.

ROLES AND RESPONSIBILITIES

Milliman as Recordkeeper

- Administrative and recordkeeping services
- Processes distributions, contributions, loans, etc.
- Maintains participant accounts and demographic data
- Quarterly benefit statements, participant website, and participant call-center support
- Supports plan conversion or new plan setup
- Annual audit support
- Supports merger and acquisition activity affecting the plan
- Distributes participant notices and communications
- Tracks eligibility
- Plan sponsor website and quarterly reporting

Milliman as Third-Party Administrator (TPA)

- Performs all required plan compliance testing
- Prepares 5500 and schedules
- Prepares plan document and offers plan design consulting
- Prepares and submits plan amendments
- Assists with missing participants and small-balance cash outs
- Facilitates annual audit

Milliman as Day-to-Day Contact for Participants

- Call center and mobile application support
- Distribution, loan, QDRO, contribution requests
- General questions about the plan
- Participant education and financial wellness material

Milliman as Day-to-Day Contact for Plan Sponsor

- Provides ongoing relationship management
- Arranges necessary support services
- Answers plan sponsor questions about the plan
- Keeps plan sponsor updated on plan events

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Milliman as Day-to-Day Contact for Participants

SERVICE DETAILS - PARTNERS

Services	Milliman	Plan Sponsor
Participant Transactions:		
Review and approve loans, distributions, rollovers, transfers, QDROs	X	
Approve hardships	X	
Process participant transactions	X	
Issue payments and prepare Form 1099R	X	
Monitor timeliness of participant transactions	X	
Monitor loan repayments and loan defaults	X	
Responsible for small balance rollover sweep for terms >\$5k	X	
Reconcile all activity including distributions, contributions, and loans	X	
Determine participant disability	X	
Review accuracy of vesting determination	X	
Monitor break in service rules	X	
Assistance with missing participants	X	
Monitor missing beneficiary designations	X	
Eligibility:		
Calculate and track eligibility	X	X
Provide enrollment report to plan sponsor and kits to participants	X	
Notify participant of eligible status	X	X
Conversion:		
Manage plan conversion/transfer assets	X	
Corrective Distributions:		
Prepare and process corrective distributions	X	
Approve corrective distributions	X	
Responsible for calculation of lost earnings as needed	X	

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SERVICE DETAILS - PARTNERS

	Services	Milliman	Plan Sponsor
Form 5500/Form 8955-SSA/Form 5588/ SAR:	Preparation of IRS and DOL Filings	X	
Audit Support:	Form 5500 and Form 8955-SSA signing & timely filing	X	X
	Select independent auditor		X
	Review completed audit report provided by independent auditor	X	X
Contributions:	Assist with data gathering for plan audit and provide support	X	
	Assist with data gathering for DOL/IRS inquiries and provide support	X	X
	Respond to DOL/IRS inquiries if given authority from plan sponsor	X	
	Submit payroll		X
	Update payroll with participant elections		X
	Monitor timeliness of payroll contributions and loan payments	X	
	402(g) limit and 415 limit monitoring	X	
	Monitor automatic enrollment and escalation	X	
Compliance Testing:	Assist employer with calculating and allocating employer contributions	X	
	Review and monitor employer contributions	X	
	Reconcile employee census data	X	
	Review and monitor allocation of forfeitures	X	
	Complete annual questionnaire		X
	Process annual questionnaire	X	
	Communicate acquisitions and changes in business structure		X
	Coordinate tasks required as a result of a merger or acquisition	X	

SERVICE DETAILS - PARTNERS

	Services	Milliman	Plan Sponsor	CAPTRUST
Document:	Prepare documents/restatements/amendments/SPD/loan program		X	
Notices:	Sign documents/amendments			X
	Ensure plan is in compliance with plan document and IRS/DOL regulations		X	
Reports:	Plan design consulting	X		X
ERISA Bond/Fiduciary Liability Insurance:	Preparation of 404(a)(5) Fee Disclosure and QDIA notices	X		
Document Retention:	Preparation of all other required notices	X		
Plan Governance:	Delivery of notice to participants	X		
Investment Responsibilities:	Provide Plan Sponsor with annual report/summary	X		X
	Prepare and distribute quarterly participant statements	X		
	Obtain fiduciary liability insurance and fidelity bond		X	
	Review fidelity bonding for appropriate coverage	X		
	Retain required documentation	X	X	X
	Respond to participant document requests and other inquiries	X		
	Conduct fiduciary training	X	X	
	Coordinate plan committee meeting and keep minutes	X	X	
	Identify and monitor investment options		X	
	Make fund change decisions		X	
	Sign and approve fund change documents		X	
	Execute fund change trades	X		
	Create IRPs		X	

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MANAGE PLAN COSTS

Presentation of Retirement Advisory Services

TAKE ADVANTAGE OF ECONOMIES OF SCALE

How We Lower Cost

- Reduce investment expenses by negotiating lower manager fees
- Reduce the number of service providers involved, which eliminates redundant servicing costs
- Proactively monitor and benchmark plan-related fees and expenses
- Regular reporting

How We Increase Benefits

- Improve your experience with a dedicated service team
- Improve the participant experience through highly personalized advice programs
- Reduce unrewarded business risk by assuming fiduciary responsibility for investment-related and administrative fiduciary decisions
- Implement industry-leading service providers, technology, and employee experience





We have created a premium service at a price point that is the same or less than most plan sponsors currently pay.

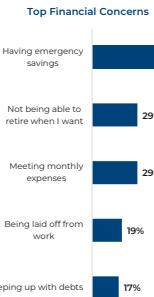
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Include if pitching PAS

IMPROVE OUTCOMES FOR YOUR PARTICIPANTS

Presentation of Retirement Advisory Services

FINANCIAL STRESS IS A WORKPLACE PROBLEM



Financial stress leads to decreased employee productivity, increased absenteeism, and higher employer healthcare costs.

According to Gallup, workplace distractions, physical stress, employee dissatisfaction, and weakened job performance cost employers \$300 billion in lost productivity annually.

A primary factor is a workforce ill-equipped for financial wellness.

The resulting financial stress leads to a higher incidence of:

- Muscle tension/back pain
- Migraines
- Insomnia
- High blood pressure
- Stomach ulcers

A workforce of financially stressed employees translates into more sick days, higher healthcare costs, and absenteeism.

29% of defined contribution participants reported missing work to deal with the emotional stress caused by their finances.

Sources: PwC, "Employee Financial Wellness Survey 2017 Results," 2017; New York Times, "Do Happier People Work Harder?," September 2011; AIAACI, "Debt Stress: The Toll Owing Money Takes on the Workplace," 2010; Deloitte Global, "Global Human Capital Trends 2011."

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FINANCIAL STRESS IS A WORKPLACE PROBLEM

Better Outcomes for Employees

88% of those who received help invested appropriately for their risk tolerance levels

Meanwhile, only 39% of those who went unadvised invested appropriately

When a professional advisor calculates the amount an employee needs to save to achieve financial goals, deferral amounts increased by an average of \$1,150 per year

Better Outcomes for Employers

A one-year delay in an employee's retirement results in \$50,000 of increased workforce costs

Across an entire workforce, the same delay could raise workforce costs by 1.0 to 1.5%

Employers who have a financial wellness program see healthcare costs decrease by as much as 4.5%

Sources: Financial Engines and Aon Hewitt Study, "Help in Defined Contribution Plans: 2006 Through 2007/2009; Center for Retirement Research at Boston College, "Do Income Projections Affect Retirement Saving?," April 2013; Prudential, "Why Employers Should Care About the Cost of Delayed Retirement," 2017; Corporate Wellness Magazine, "Beyond the Paycheck: When Does a Financial Wellness Program Make Sense?"

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CAPTRUST BLUEPRINT SERVICES

Our financial wellness and advice program provides high-quality advice and information to help your employees plan, save, invest, and retire successfully.

With Blueprint Services, your employees get:

- One-on-one advice for individuals on the phone or in person
- CAPTRUST's proprietary Retirement Blueprint™ tablet technology
- Financial wellness and advice via captrustadvice.com, including articles, calculators, webinars, and appointment scheduling
- Proactive outreach to engage employees via email
- Development of an implementation plan to engage employees
- Ongoing measurement and reporting of employee activity and results

Blueprint Services can be tailored to your company's needs and the needs of your employees.



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TAP INTO A RANGE OF KNOWLEDGE

Early-Career	Mid-Career	Late-Career
Enrollment assistance	Determining saving amounts	Investment strategies
Investment recommendations	Investment advice	Stock market exposure
Determining saving amounts	Automatic increase	Saving rates and opportunities
Discussing plan design	Life events—marriage, children, divorce	Catch-up options
Auto features	Home ownership	Extending career
Utilize the match	Emergency savings	Social Security options
Budgeting questions	College savings	Creating income
Health savings accounts (HSAs)	HSAs	Consolidating accounts
Emergency savings	Protecting family	HSAs
Debt payoff strategies	Measuring progress	Retirement preparation

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MANY WAYS TO ENGAGE

The diagram illustrates multiple engagement channels for employees:

- Attend an Individual On-Site Meeting
- Meet with a Financial Advisor
- Consult with a Retirement Counselor (Via phone appointment)
- Engage with Electronic Communication (Promoting webinars, materials, and targeted messages)
- Engage with Other Modes of Communication (Payroll stuffers, statement messages, assistance with fund change communication, Intranet links to CAPTRUST resources, posters, etc.)
- Visit the Advice Website (Recorded presentations, calculators, and the ability to set appointments for advice-online) captrustadvice.com
- Attend an On-Site Group Meeting
- Attend Live Webinars

CAPTRUST 426 **C**

PERSONALIZED ADVICE THREE WAYS

CAPTRUST's Retirement Blueprint® technology allows our retirement counselors to deliver personalized retirement planning advice over the phone, on-site, or in a group setting.

CAPTRUST's retirement counselors are fiduciaries dedicated to working with our clients' employees:

- They do not sell products or services
- They are easily accessible via phone or on-site

Employees can schedule individual appointments using online technology or call at their convenience:

- Retirement counselors guide employees in identifying their goals and risk tolerance
- What-if scenario planning allows retirement strategies to be optimized for the individual
- Employees can execute their strategy on the spot with assistance from the retirement counselor
- Each Blueprint is delivered directly to the employee, so they have their personal report
- CAPTRUST provides tablets that are used to develop a personalized Retirement Blueprint® when meeting in person

Annual reminders are sent to employees to encourage continuous engagement.

CAPTRUST 427 **C**

THE RETIREMENT BLUEPRINT® EXPERIENCE

During a Retirement Blueprint® session, employees provide a small amount of information to get big insights into their ability to retire.

Over the phone or in person, Retirement Blueprint® sessions follow a step-by-step approach to:

- Allow employees to develop a full financial picture
- Identify current and retirement income sources
- Incorporate other financial priorities (buying a house, college savings, inheritance, etc.)
- Establish a risk tolerance profile
- Determine realistic goals for retirement

What-if analysis allows employees to "try on" retirement inputs, including:

- Savings rate
- Retirement age
- Retirement income
- Portfolio returns

Finalize and implement the plan, including making deferral or portfolio changes

CAPTRUST 428 **C**

CAPTRUSTADVICE.COM

Our financial wellness and advice website puts resources at your employees' fingertips.

Employees can access a range of resources at captrustadvice.com:

- Schedule an appointment with a retirement counselor
- Access helpful articles on a range of topics
- Check progress with nine financial calculators
- Watch short videos from CAPTRUST subject matter experts
- Register for topical financial webinars
- View recordings of past webinars

CAPTRUST 429 **C**

IMPLEMENTING YOUR PROGRAM

CAPTRUST has the experience to deliver financial wellness and advice to all types of employees

Getting started with a program for your company and employees:

- We assign a relationship manager to be responsible for your program*
- We will work with you to design a program that meets your unique needs
- We will set shared goals and measure results

Regular electronic communications:

- Monthly electronic newsletters that deliver articles and videos and promote our quarterly employee webinar
- "Let's Talk" Advice Desk promotion
- Annual Retirement Blueprint® follow-up reminder
- Periodic market updates

*Relationship is based on certain criteria, including number of on-site days.

Additional ways to help get the word out:

- Posters
- Statement messages
- Intranet links to CAPTRUST resources
- Payroll stuffers

CAPTRUST 430 **C**

PARTICIPANT ENGAGEMENT CALENDAR

	Jan	Feb	Mar	
SAVE	<ul style="list-style-type: none"> Market Update Video Program Kickoff Meeting Advice Desk Appointments 	<ul style="list-style-type: none"> Live Webinar On-site Meetings Advice Desk Appointments 	<ul style="list-style-type: none"> Topical Video Advice Desk Appointments 	
INVEST	<ul style="list-style-type: none"> Market Update Video On-site Meetings Advice Desk Appointments 	<ul style="list-style-type: none"> Live Webinar On-site Meetings Advice Desk Appointments 	<ul style="list-style-type: none"> Topical Video Advice Desk Appointments 	
RETIRE	<ul style="list-style-type: none"> Market Update Video On-site Meetings Advice Desk Appointments 	<ul style="list-style-type: none"> Live Webinar On-site Meetings Advice Desk Appointments 	<ul style="list-style-type: none"> Topical Video Advice Desk Appointments 	
PLAN	<ul style="list-style-type: none"> Annual Planning Market Update Video On-site Meetings Advice Desk Appointments 	<ul style="list-style-type: none"> Live Webinar On-site Meetings Advice Desk Appointments 	<ul style="list-style-type: none"> Topical Video Advice Desk Appointments 	
	Oct	Nov	Dec	

CAPTRUST 431 **C**

COMMUNICATION

Communication	Frequency	Description
Market Commentary	Quarterly	Focuses on key participant topics related to planning for retirement, saving enough to support retirement goals, selecting the right investments, and retiring well
Advice Desk "Let's Talk" Outreach	Quarterly	Focuses on advertising the resources that the Advice Desk provides
Webinars	Quarterly	Focus on the key tenets of sound retirement planning: planning, saving, investing, and retiring
PAS Topical Spotlight	Quarterly	Focusing on topics related to financial wellness to help participants make better financial decisions in their day-to-day lives
Market Updates	Ad Hoc	When necessary, this email outlines what has happened in the markets and explains it relative to the participant perspective
One-on-One Meetings/Workshops	Periodically	Individual advice sessions for employees that are delivered in person by a CAPTRUST Retirement Counselor
Advice Desk Appointments	On Demand	Individual advice sessions for employees that are delivered by phone by a CAPTRUST Retirement Counselor
Group Meetings	Periodically	Educational sessions led by a CAPTRUST Retirement Counselor covering various financial topics

CAPTRUST 432 **C**

COMMUNICATION

CAPTRUST advice team members meet one-on-one in person, on the phone, and via the web. They also conduct on-site group meetings and live web events. Their goal is to make sure employees feel confident about where they are on their path toward retirement.

Category	2021	SINCE 2015
Participants	45,463	282,344
Meetings	6,746	2161
Blueprints	46,738	12,135
Total Took Action	70%	

Source: CAPTRUST data as of 12/31/2021

CAPTRUST 433 **C**

ENRICHING THE LIVES OF PLAN PARTICIPANTS

We value our clients' employees and want to provide the best service possible. When employees rate their experience with CAPTRUST, the results speak for themselves.

After your experience with CAPTRUST, do you feel more confident and knowledgeable about planning for your retirement?

Yes	96%
-----	-----

After meeting with CAPTRUST, did you have a clear understanding of the action(s) that you may need to take related to your retirement account?

Yes	98%
-----	-----

Do you think retirement advice like you received from CAPTRUST is a valuable benefit?

Yes	97%
-----	-----

Would you recommend a meeting with CAPTRUST to a co-worker?

Yes	97%
-----	-----

Source: CAPTRUST survey results 2021
Survey information was collected from individuals in 2020 who received individual advice provided by CAPTRUST Financial Advisors.

CAPTRUST 434 **C**

INVESTMENT MENU

Investment Lineup and Fee Comparison

CAPTRUST 435 **C**

INVESTMENT LINEUP — MENU DESIGN

	PLAN DESIGN	PARTICIPANT ENGAGEMENT	INVESTMENT MANAGEMENT	FIDUCIARY PROCESS	PLAN ADMINISTRATION
KEY OBJECTIVES	<ul style="list-style-type: none"> Ensure that retirement programs are aligned with corporate objectives and invest for their retirement Viewed as very attractive and highly competitive target by our employees Remains competitive with other companies that may compete for our employees 	<ul style="list-style-type: none"> Provide the information, resources, and advice to help employees effectively plan, save, and invest for their retirement 	<ul style="list-style-type: none"> Providing an attractive menu of investment options and risk management programs to enable our employees to prudently invest their retirement savings To allow for the diverse needs and sophistication of our employees Maintain a diverse but reasonable number of core menu options 	<ul style="list-style-type: none"> Develop, follow, and document a consistent series of processes to satisfy our fiduciary obligations to our employees Ensure that our retirement committee remains informed of prevailing regulatory requirements and market trends Ensure that prudent policies are established and followed to allow for the inclusion of company stock in the plan 	<ul style="list-style-type: none"> Timely and accurate account reporting and processing Ensure that we retain effective and user-friendly resources for the management of our plans Have full compliance with prevailing regulatory requirements Ensure that the plan is paying fair and reasonable fees for the services provided
BEST PRACTICES	<ul style="list-style-type: none"> Peer review key plan features: eligibility, matching, and vesting Evaluate automatic features for enrollment and deferral increases Evaluate re-enrollment Evaluate optional testing methods Evaluate Roth feature 	<ul style="list-style-type: none"> Allow multiple options for personalized advice Conduct targeted outreach campaigns Conduct demographic analysis Provide participant satisfaction surveys Provide multiple forms of participant communications 	<ul style="list-style-type: none"> Evaluate risk-versus age-based asset allocation strategies Evaluate model portfolios versus manager investments Qualified Default Investment Alternative (QDIA) selection Evaluate active and passive investing strategies 	<ul style="list-style-type: none"> Formal investment policy statement Evaluate investment oversight advisory services-3(2)(i) or 3(3)(B) Formal fee payment policy Fiduciary training 	<ul style="list-style-type: none"> Fee benchmarking for service providers 404(c) compliance 408(b)(2) compliance

CAPTRUST 436 **C**

MANAGED ACCOUNT PORTFOLIO (MAPS) CURRENT ALLOCATIONS

Asset Class	Underlying Investment Funds	Asset Class	Income	Conservative	Moderate	Growth	Aggressive
Fixed Income	NY Life Anchor Account Separate Account	Fixed Income	31.0%	15.0%	3.6%		
Fixed Income	Diversified Fixed Income CIT Class O	Fixed Income	49.0%	45.0%	36.4%	22.0%	10.0%
Large-Cap Stocks	Diversified US Large Cap Stock CIT Class O	Large-Cap Stocks	12.6%	22.9%	34.0%	43.6%	48.5%
SMID Stocks	Diversified US Small and Mid Cap Stock CIT Class O	SMID Stocks	4.6%	8.5%	12.6%	16.1%	17.9%
Intl Stocks	Diversified International Equity CIT Class O	Intl Stocks	2.8%	8.6%	13.4%	18.3%	23.6%
TOTAL			100.0%	100.0%	100.0%	100.0%	100.0%

Income MAP Conservative MAP Moderate MAP Growth MAP Aggressive MAP

Legend: Fixed Income (teal), Large-Cap Stocks (light blue), SMID-Cap Stocks (dark grey), Intl' Developed (purple)

Important Disclosures: For Institutional/Plan Sponsor Use Only. This is not intended for use with plan participants. Any performance quoted represents past performance and does not guarantee future results. CIT Performance is reported net of fund investment management fees. This does not represent performance of any plan or account. Peer group averages are derived from Morningstar. Statistics are as of 6/30/2022. The information is provided for informational purposes only and is not a solicitation or an offer to buy any security or to participate in any investment strategy. Please contact CAPTRUST at 800.216.0645 for further information.

CAPTRUST 437

MANAGED ACCOUNT PORTFOLIO (MAPS) CURRENT ALLOCATIONS

Asset Class	Underlying Investment Funds	Asset Class	Income	Conservative	Moderate	Growth	Aggressive
Fixed Income	New York Life Anchor Account (35bps)	Fixed Income	31.0%	15.0%	3.6%	0.0%	0.0%
Fixed Income CIT							
Fixed Income	BlackRock U.S. Debt Index	Fixed Income	19.40%	18.00%	14.85%	8.80%	4.00%
Fixed Income	Wells Fargo Core Bond	Fixed Income	7.35%	6.75%	5.46%	3.30%	1.50%
Fixed Income	BlackRock Total Return	Fixed Income	7.35%	6.75%	5.46%	3.30%	1.50%
Fixed Income	PIMCO Total Return	Fixed Income	7.35%	6.75%	5.46%	3.30%	1.50%
Fixed Income	Western Asset Core Plus Bond	Fixed Income	7.35%	6.75%	5.46%	3.30%	1.50%
Large-Cap CIT							
Large-Cap Stocks	MFS Value	Large-Cap Stocks	1.26%	2.29%	3.40%	4.36%	4.85%
Large-Cap Stocks	John Hancock Funds' Diversified Value Fund	Large-Cap Stocks	1.26%	2.29%	3.40%	4.36%	4.85%
Large-Cap Stocks	State Farm Large Equity Index	Large-Cap Stocks	7.35%	6.75%	2.05%	26.41%	21.24%
Large-Cap Stocks	JPMorgan Large Cap Growth Fund	Large-Cap Stocks	1.26%	2.29%	3.40%	4.36%	4.85%
Large-Cap Stocks	Harbor Capital Appreciation CIT	Large-Cap Stocks	1.26%	2.29%	3.40%	4.36%	4.85%
SMID Cap CIT							
SMID-Cap Stocks	W.F. M&S Mid-Cap Value	SMID-Cap Stocks	0.58%	1.06%	1.58%	2.01%	2.24%
SMID-Cap Stocks	BlackRock Mid-Cap Equity Index	SMID-Cap Stocks	1.15%	2.13%	3.15%	4.03%	4.48%
SMID-Cap Stocks	BlackRock Mid-Cap Growth Equity Instl	SMID-Cap Stocks	0.58%	1.06%	1.58%	2.01%	2.24%
SMID-Cap Stocks	State Farm Mid-Cap Value	SMID-Cap Stocks	0.58%	1.06%	1.58%	2.01%	2.24%
SMID-Cap Stocks	BlackRock Russell 2000 Index	SMID-Cap Stocks	1.15%	2.13%	3.15%	4.03%	4.48%
SMID-Cap Stocks	Fidelity Small-Cap Growth Fund	SMID-Cap Stocks	0.58%	1.06%	1.58%	2.01%	2.24%
International CIT							
Intl' Stocks	American Funds' Euopean Growth	Intl' Stocks	0.35%	1.08%	1.68%	2.29%	2.95%
Intl' Stocks	Wellington CIT II International Opportunities Portfolio	Intl' Stocks	0.35%	1.08%	1.68%	2.29%	2.95%
Intl' Stocks	T. Rowe Price International Core Equity	Intl' Stocks	0.35%	1.08%	1.68%	2.29%	2.95%
Intl' Stocks	EAFE Equity Index	Intl' Stocks	1.40%	4.30%	6.70%	9.15%	11.80%
Intl' Stocks	Dreyfus Emerging Markets Growth	Intl' Stocks	0.35%	1.08%	1.68%	2.29%	2.95%
TOTAL			100%	100%	100%	100%	100%

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CAPTRUST 438

SUMMARY OF FEES AND SERVICES

Presentation of Retirement Advisory Services

SUMMARY OF FEES AND SERVICES

Based on in plan assets and plan participant data

Service Provided	BPS	\$
Recordkeeping, Administration and Custody fees	BPS	\$1
Asset Management (weighted average)		26 bps ¹
Investment Management	BPS	\$
• Managed Account Portfolios (MAPs)		Included
• Fiduciary Oversight 3(38)		Included
Participant Enrollment and Education		Included
Participant Advisory Services	BPS	\$
TOTAL PLAN COST²	BPS³	\$

¹ Recordkeeping and Administration services for the Freedom401k® plan is priced on a per head basis (flat fee) and not as a percentage of assets. Custody fees are priced as a percentage of assets. The pricing for recordkeeping, administration, and custody services is presented as a percentage of assets (%) for illustration purposes.
² Expenses include fees paid by the plan sponsor and fees paid by the plan administrator. The plan's weighted average expense ratio may be higher or lower than this figure depending on participant investment choices.
³ Fees for services are based on the number of plan participants with a balance (this includes but is not limited to active, retired, and terminated participants) plus the count of all eligible employees without a current balance.
For more information about fees and expenses, please refer to the Summary Plan Description by the plan sponsor. Total plan cost may not include all fees paid to service providers, including third-party administrator or investment advisory fees, if not provided by the plan sponsor.

CAPTRUST 440

PLAN PRICING

Plan Expense	
Investments (est.)	0.XX%
Milliman	0.XX%
Total Plan Cost:	0.XX%

Based on XX participants and \$XX in total plan assets
Does not include CAPTRUST fees or participant transaction fees

Update fees and red areas for each plan

CAPTRUST 441 C

SUMMARY OF SERVICES AND FEES

Annual Advisory Fee	
3(38) Investment Management Services	X bps on plan assets
Terms	Includes a % annual increase

Update fees for each plan and confirm red areas

CAPTRUST 442 C



PLAN IMPLEMENTATION

Presentation of Retirement Advisory Services

ONBOARDING AND IMPLEMENTATION PROCESS

PHASE	ONBOARDING DESCRIPTION	TIMELINE	RESPONSIBILITY
Onboarding	<ul style="list-style-type: none"> New Business Checklist Creation of CAPTRUST and Milliman/Schwab new account paperwork Establish implementation timeline 	Up to 30 days	CAPTRUST
Planning Process	<ul style="list-style-type: none"> Kickoff meeting, timeline review, participant enrollment/education plan Determine first contribution cycle Plan document review 	Week 1	Milliman / CAPTRUST
Information Gathering	<ul style="list-style-type: none"> Collect plan documents <ul style="list-style-type: none"> Adoption agreement Plan amendments Summary plan description IRS determination/opinion letter Employee census/gather miscellaneous company information Investments Contact information for prior service provider 	Week 1-2	Milliman
Documents Creation	<ul style="list-style-type: none"> Prior service provider termination of services letter prepared Liquidation date confirmation from prior service provider Securities Exchange Act (blackout notice) and QDIA notice created for distribution Plan document package prepared and delivered for signature 	Week 1-8	Milliman
Setup	<ul style="list-style-type: none"> Plan and system setup Asset transfer/data reconciliation Payroll training provided to plan sponsor 	Week 8-11	Milliman
Go Live	<ul style="list-style-type: none"> Plan is live notice and PIN letter created for distribution 	Week 12	Milliman

*Timeline is approximate and is subject to change based on client selection.

CAPTRUST 444 C

PROJECT SERVICES

CAPTRUST

C

SAMPLE PROVIDER REQUEST- PROPOSAL OF PROJECT PLAN AND TIMELINE

Timeline	Action: Provider Fee Analysis and Benchmark	Responsibility
Week 1	<ul style="list-style-type: none"> • Collect and consider plan's demographic information • Obtain current asset values • Review and consider plan features • Finalize prospective providers 	CAPTRUST/ Sample Prospect
Week 2	<ul style="list-style-type: none"> • Issue RFP 	CAPTRUST
Week 3-4	<ul style="list-style-type: none"> • Receive responses • Request clarification of responses (if necessary) • Evaluation of responses 	CAPTRUST
Week 5	<ul style="list-style-type: none"> • Meeting with CAPTRUST to determine finalists 	CAPTRUST/ Sample Prospect
TBD	<ul style="list-style-type: none"> • Coordinate and conduct finalists' interviews (if applicable) 	CAPTRUST/ Sample Prospect

CAPTRUST

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PROJECT SERVICES – FEE ANALYSIS AND BENCHMARK

Provider Fee and Benchmarking Services

- Collect and consider the plan's most recent demographic, investment, and fee information
- Provide an analysis of current provider fees (revenue sharing and direct fees) by fund and in total
- Identify providers whose experience, services, and performance are suitable to meet plan expectations
- Provide plan-related information to suitable identified providers in order for each to indicate their best pricing for the plans
- Analyze all bids and prepare overview of each bidder and compare pricing
- Meet with client/committee to review analysis and identify finalists for presentation (if applicable)
- Arrange finalist meetings with committee. Identify provider that best meets services and cost considerations (if applicable)

If CAPTRUST is selected for ongoing advisory services, CAPTRUST will work with the client to:

- Coordinate with investment services to analyze and develop a best-in-class investment lineup and assist with the implementation of new fee schedule.
- Oversee conversion process to conclusion should a new provider be selected (if applicable)

CAPTRUST

C

SAMPLE PROVIDER REQUEST- PROPOSAL OF PROJECT PLAN AND TIMELINE

Timeline	Action: RFP/Provider Analysis and Investment Selection Next Steps (if applicable)	Responsibility
Week 1-2	<ul style="list-style-type: none"> • Discuss and determine finalists for presentations • Collect finalists' best and final offers 	CAPTRUST/ Sample Prospect
Week 2-4	<ul style="list-style-type: none"> • Coordinate and conduct finalists' interviews • Potential site visits • Selection and notification of new provider 	CAPTRUST
TBD	<ul style="list-style-type: none"> • Planning meeting to discuss timeline for conversion with CAPTRUST and selected provider (if applicable) 	CAPTRUST/ Sample Prospect

*Timeline is approximate and is subject to change based on Client and vendor selections.

CAPTRUST

C

SAMPLE PROVIDER REQUEST– PROPOSAL OF PROJECT PLAN AND TIMELINE

Timeline	Action: Provider Fee Analysis and Benchmark	Responsibility
Week 1	<ul style="list-style-type: none"> Meeting to assess client-specific requirements and selection criteria Finalize prospective providers 	CAPTRUST/ Sample Prospect
Week 2	<ul style="list-style-type: none"> Collect and consider plan's demographic information Obtain current asset values 	CAPTRUST
Week 3-4	<ul style="list-style-type: none"> Issue RFP Pre-proposal questions from providers 	CAPTRUST/ Sample Prospect
Week 5-7	<ul style="list-style-type: none"> Receive responses Request clarification of responses (if necessary) Evaluation of responses and finalization of presentation 	CAPTRUST
TBD	<ul style="list-style-type: none"> Meeting with CAPTRUST to review presentations and discuss next steps 	CAPTRUST/ Sample Prospect

*Timeline is approximate and is subject to change based on Client and vendor selections.

CAPTRUST



PROJECT SERVICES – FEE ANALYSIS AND BENCHMARK

Provider Analysis, Search, and Selection Services

- Collect and consider the plan's most recent demographic, investment, and fee information
- Coordinate meeting with prospect/client to discuss and assess specific requirements and selection criteria
- Identify providers whose experience, services, and performance are suitable to meet plan expectations for the plan(s) administrative services
- Include current provider in bid process (optional)
- Issue RFP
- Provide plan-related information to suitable identified provider
- Analyze all provider responses and prepare overview of each bidder, comparing suitability, services, and pricing
- Meet with client/committee to review analysis and identify finalists for presentation
- Arrange finalist meetings with committee. Identify provider that best meets services and cost considerations

If CAPTRUST is selected for ongoing advisory services, CAPTRUST will work with the client to:

- Coordinate with investment services to analyze and develop a best-in-class investment lineup and assist with the implementation of new fee schedule
- Oversee conversion process to conclusion should a new provider be selected (if applicable)

CAPTRUST

