

# Fiduciary Investment Review™



*Prepared by:*



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## **Executive Summary Investment Monitoring Report Fourth Quarter 2024**

**Attn: Retirement Committee**

### **Investment Monitoring Overview**

The quarterly investment review for your retirement plan is attached. The “Summary of Considerations” identifies any investments qualifying for Watch List or replacement. If there are no investments listed on the Summary of Considerations page, then all your investments received a passing score for the quarter.

Funds generally qualify for the Watch List if they received a score of 6 or below in one or more of the four recent quarters, but do not yet merit termination. Funds are typically removed from the Watch List after receiving a score 7 or greater for four consecutive quarters. Investments qualify for potential termination because they received a score of 6 or below for four consecutive quarters, 6 or below for five of the last eight quarters, or 4 or below for the most recent quarter, or other qualitative measures that result in deeming the investment no longer appropriate for the plan.

### **About the Fiduciary Investment Review Scorecard**

The Fiduciary Investment Review Scorecard is a powerful investment analytic tool used by many leading retirement plan advisors to monitor over \$1 Trillion of U.S. plan assets. Results are reported using a numerical scoring system, rating each fund from “1” to “10” after measuring nine separate factors. OneDigital evaluates these results and makes recommendations specific to your plan which are consistent with your Investment Policy Statement.

The average fund score is “6”. As a general rule, funds receiving a score of “7” to “10” are considered to be solid choices for fiduciaries. Funds receiving a score of “6” or less are placed on Watch List, and we generally recommend termination for funds that remain on Watch List for four consecutive probationary quarters or for five out of the last eight quarters.

We will occasionally replace a fund sooner or give it extra time based on qualitative and/or quantitative factors. Most index funds are rated using slightly different criteria. Stable value accounts and funds with a history of less than five years generally do not receive ratings and are monitored by alternative methods. A more detailed description of the Scorecard rating system can be located in the last section of this report. Scorecard also produces more detailed reports not included in these materials, including individual one-page fund descriptions for each of the funds in your plan. Let us know if you want an electronic or hard copy of this additional information at any time.

In accordance with new regulations, Collective Investment Trust (CITs) will no longer be linked to their longer-tenured equivalents for historical (performance) data effective with 12/31/22 reporting. If you have a CIT in your menu, the CIT equivalent score will be displayed below each CIT.

### **Retirement Committee Minutes**

Unless superseded by resolution of the Retirement Plan Committee/Investment Committee, this Executive Summary, including the Summary of Considerations, shall serve as minutes documenting the investment monitoring and decisions.

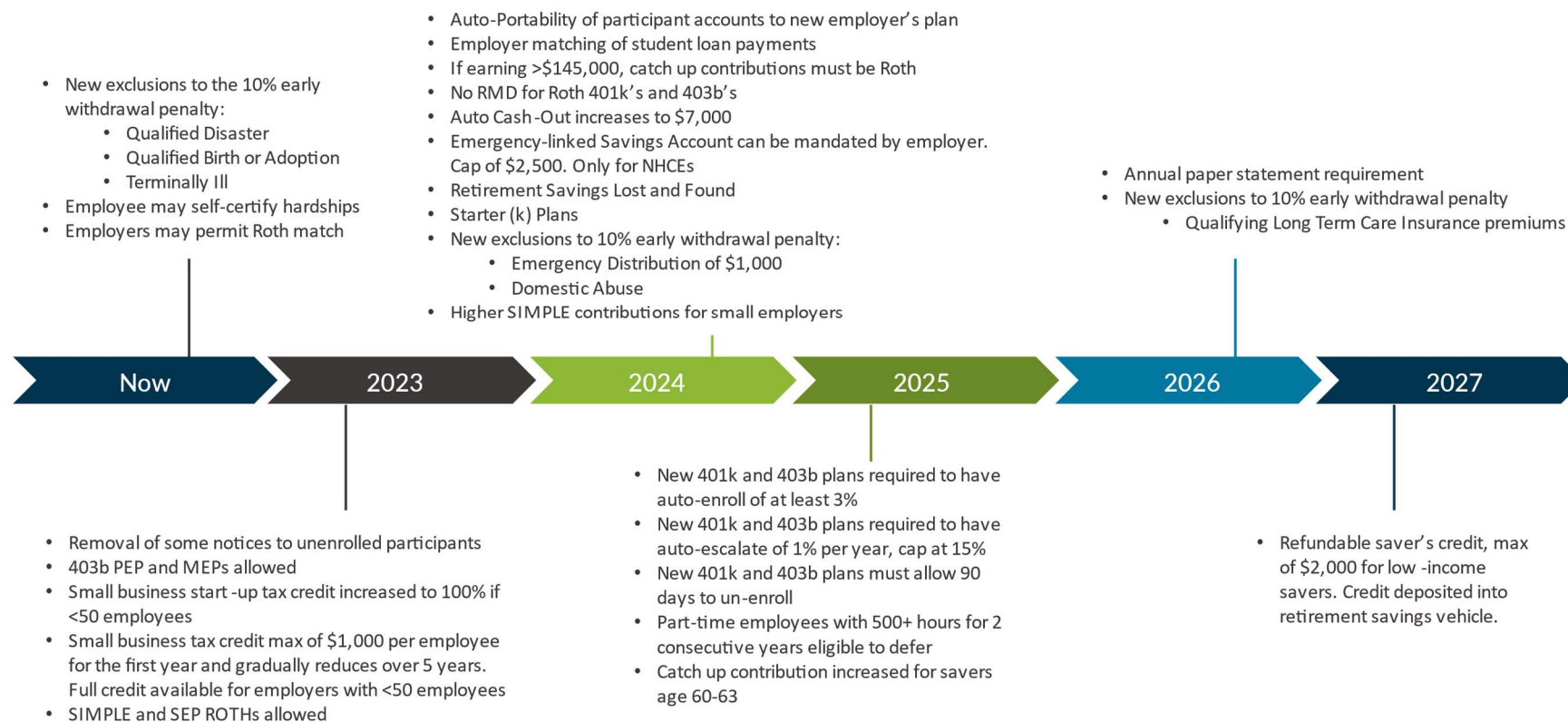
**Prepared by OneDigital  
January 2024**



# SECURE 2.0 Act Enacted

On December 29, 2022 the SECURE 2.0 Act was enacted as part of the \$1.7 trillion omnibus spending bill. This legislation will alter the retirement landscape for millions of Americans and the Employers who sponsor retirement plans. Below is a summary of key provisions applicable to employer DC plans.

## SECURE 2.0 IMPLEMENTATION TIMELINE



Please see the [final legislation](#) for more information. These materials are provided for informational and educational purposes only and do not constitute legal, accounting, investment or tax advice.

# Industry & Regulatory Updates

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## What You Need To Know About Auto Portability



By John Sullivan | October 28, 2024

### RETIREMENT PLANS

Auto-enrollment, deferral, escalation and now portability—it's the latest in the “auto” revolution meant to make it as seamless as possible to help workers save. Current options for low balance accounts can disadvantage employees when they change jobs, Fidelity Investments' TPA Programs Director Beth Robinson said during a sponsored breakfast session at [ASPPA Annual](#) in Orlando, Fla., on Oct. 21. “It's the accounts, particularly the low balance accounts, that leave the system, something we call leakage, and it particularly affects communities of color and younger workers,” Robinson said. “In fact, there is \$92 billion of leakage from retirement accounts annually, leading to taxes and penalties, a loss of compounding interest potential, and no tax-advantaged growth.” Employees now average 12 jobs over their working careers, and Fidelity research found that 55% of de minimis distributions in 2021 were for participants under the age of 35.

The Portability Services Network (PSN), a high-profile consortium of large recordkeepers started by BET billionaire Robert Johnson to help close the racial savings gap, was created to address the issue. It promotes and executes auto-portability rollovers with no tax consequences when workers change jobs. “It's a consortium of workplace retirement plan recordkeepers with a goal to help improve retirement outcomes for all, including the underserved and under-saved,” Robinson explained.

Plan sponsors are not charged a fee to offer the auto portability service to their participants. Participants are charged a one-time, tiered fee (maximum \$30) to transfer the account. Balances of \$7,000 or less are eligible for the auto portability search, which currently does not include PEPs or Roth/after-tax balances.

The recordkeeper (Fidelity) sends separated employee communications as part of the auto-portability participant process, and the search process begins. If a match is found, the participant receives a notice from PSN, and the participant can opt-in or opt-out. If they opt-in (or no response is received), the account balance is automatically transferred to a new employer. According to Robinson, if they opt out, plan rules will determine the “timing and threshold of mandatory distributions from the plan after a 2-year search period” for an eventual safe-harbor IRA rollover or cash-out check.

She also mentioned several caveats, including:

- The participant can stop the search process at any time by cashing out, rolling over to an IRA, or opting out.
- The rollover process will happen at any point when a match is found.
- No de minimis distributions will occur during the search period.
- A de minimis sweep will occur for those participants remaining after two years.

# Summary of Considerations

| Watchlist                                                                         | Asset Class | Fund                         | Ticker/<br>ID | Score |
|-----------------------------------------------------------------------------------|-------------|------------------------------|---------------|-------|
|  | SCG         | JPMorgan Small Cap Growth R6 | JGSMX         | 5     |

Considerations:  Add  Delete  Watchlist

\* Strategy Equivalent Score. Non-scoring funds will be assigned a letter. The letter definitions are HIS= fund does not have enough performance history to Score; SPC= fund is in a specialty category that does not Score; OTH= fund may no longer be active, not in database or available to Score.

# Style Box - Short

| Asset Allocation - Conservative                                                                                     | Asset Allocation - Moderate                             | Asset Allocation - Aggressive                                                                                                                                                                                                                                                             |
|---------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| MyCompass Index Conservative Target Date Series Class R (8)                                                         | MyCompass Index Moderate Target Date Series Class R (8) | MyCompass Index Aggressive Target Date Series Class R (8)                                                                                                                                                                                                                                 |
|                                                                                                                     |                                                         |                                                                                                                                                                                                                                                                                           |
| Large Cap Value                                                                                                     | Large Cap Blend                                         | Large Cap Growth                                                                                                                                                                                                                                                                          |
| Vanguard Equity-Income Adm (10)                                                                                     | Fidelity 500 Index (10)                                 | JPMorgan Large Cap Growth R6 (10)                                                                                                                                                                                                                                                         |
|                                                                                                                     |                                                         |                                                                                                                                                                                                                                                                                           |
| Mid/Smid Cap Value                                                                                                  | Mid/Smid Cap Blend                                      | Mid/Smid Cap Growth                                                                                                                                                                                                                                                                       |
|                                                                                                                     | Fidelity Mid Cap Index (9)                              |                                                                                                                                                                                                                                                                                           |
|                                                                                                                     |                                                         |                                                                                                                                                                                                                                                                                           |
| Small Cap Value                                                                                                     | Small Cap Blend                                         | Small Cap Growth                                                                                                                                                                                                                                                                          |
| Allspring Special Small Cap Value R6 (7)                                                                            | Fidelity Small Cap Index (10)                           | JPMorgan Small Cap Growth R6 (5) 🚩                                                                                                                                                                                                                                                        |
|                                                                                                                     |                                                         |                                                                                                                                                                                                                                                                                           |
| International Equity                                                                                                | Global Equity                                           | Cash Alternatives                                                                                                                                                                                                                                                                         |
| International Growth II R1 (MFS Intl LCG) (10*)<br>iShares MSCI EAFE Intl Idx K (10)                                | American Funds New Perspective R6 (9)                   | Voya Fixed Account ( )                                                                                                                                                                                                                                                                    |
|                                                                                                                     |                                                         |                                                                                                                                                                                                                                                                                           |
| Fixed Income                                                                                                        | Specialty/Alternatives                                  | Notes                                                                                                                                                                                                                                                                                     |
| PGIM High Yield R6 (7)<br>Core Bond R1 (Lord Abbett Total Return) (10*)<br>State Street Aggregate Bond Index K (10) | DFA Real Estate Securities I (10)                       | 1. Target Date Fund series show the series name, glidepath risk posture and the average score.<br>2. Risk based funds are grouped into either conservative, moderate or aggressive style boxes.<br>3. Only the top 5 scoring funds in each asset class are shown due to spacing concerns. |

Considerations:  Add

 Delete

 Watchlist

## Disclosure

\*Strategy Equivalent Score. Non-scoring funds will be assigned a letter.; The letter definitions are HIS= fund does not have enough performance history to Score; SPC= fund is in a specialty category that does not Score; OTH= fund may no longer be active, not in database or available to Score.

# Scorecard™

## Target Date Series

| Asset Allocation                                      | Asset Class | Risk Index | Allocation Score<br>(Series Funds) |           | Selection Score<br>(Underlying Funds) |           | Blended Score |         |         |         |
|-------------------------------------------------------|-------------|------------|------------------------------------|-----------|---------------------------------------|-----------|---------------|---------|---------|---------|
|                                                       |             |            | # of Funds                         | Avg Score | # of Funds                            | Avg Score | Q4 2024       | Q3 2024 | Q2 2024 | Q1 2024 |
| MyCompass Index Aggressive Target Date Series Class R | AGG         | 83         | 5                                  | 7.0       | 9                                     | 8.8       | 8             | 8       | -       | -       |

## Allocation (Series Funds)

| Asset Allocation                        | Asset Class | Ticker/<br>ID | Style      |                 |                | Risk/Return  |                 |            | Peer Group  |         | Qual            | Score Components |           | Score   |
|-----------------------------------------|-------------|---------------|------------|-----------------|----------------|--------------|-----------------|------------|-------------|---------|-----------------|------------------|-----------|---------|
|                                         |             |               | Risk Level | Style Diversity | R <sup>2</sup> | Risk/Return  | Up/Down         | Info Ratio | Return Rank | SR Rank | 2pt Max/Expense | Allocation       | Selection | Q4 2024 |
| MyCompass Index Aggressive Retirement R | MC          | 97182C471     | 1          | 1               | 1              | 1            | 0               | 0          | 1           | 1       | 2               | 8                | 8.8       | 8       |
|                                         |             |               | 10.1       | 51.5/<br>48.6   | 99.61          | 10.1/<br>5.6 | 97.9/<br>101.2  | -0.80      | 5           | 5       | -<br>0.14       |                  |           | MC      |
| MyCompass Index Aggressive 2025 R       | MOD         | 97182C463     |            |                 |                |              |                 |            |             |         | -               | -                | 8.8       | -       |
|                                         |             |               |            |                 |                |              |                 |            |             |         | -               |                  |           | -       |
| MyCompass Index Aggressive 2035 R       | AGG         | 97182C455     | 1          | 1               | 1              | 1            | 0               | 0          | 1           | 1       | 2               | 8                | 8.8       | 8       |
|                                         |             |               | 16.1       | 89.0/<br>11.0   | 99.75          | 16.1/<br>8.3 | 98.7/<br>101.0  | -0.73      | 36          | 27      | -<br>0.15       |                  |           | AGG     |
| MyCompass Index Aggressive 2045 R       | AGG         | 97182C448     | 1          | 0               | 1              | 0            | 0               | 0          | 1           | 1       | 2               | 6                | 8.8       | 7       |
|                                         |             |               | 17.7       | 99.3/<br>0.7    | 99.77          | 17.7/<br>9.4 | 100.1/<br>102.4 | -0.67      | 10          | 12      | -<br>0.15       |                  |           | AGG     |
| MyCompass Index Aggressive 2055 R       | AGG         | 97182C430     | 1          | 0               | 1              | 0            | 0               | 0          | 1           | 1       | 2               | 6                | 8.8       | 7       |
|                                         |             |               | 17.9       | 99.6/<br>0.5    | 99.78          | 17.9/<br>9.6 | 100.6/<br>102.8 | -0.60      | 8           | 11      | -<br>0.15       |                  |           | AGG     |



# Scorecard™

## Target Date Series

| Asset Allocation                                    | Asset Class | Risk Index | Allocation Score<br>(Series Funds) |           | Selection Score<br>(Underlying Funds) |           | Blended Score |         |         |         |
|-----------------------------------------------------|-------------|------------|------------------------------------|-----------|---------------------------------------|-----------|---------------|---------|---------|---------|
|                                                     |             |            | # of Funds                         | Avg Score | # of Funds                            | Avg Score | Q4 2024       | Q3 2024 | Q2 2024 | Q1 2024 |
| MyCompass Index Moderate Target Date Series Class R | MOD         | 68         | 5                                  | 6.8       | 9                                     | 8.8       | 8             | 8       | -       | -       |

## Allocation (Series Funds)

| Asset Allocation                      | Asset Class | Ticker/<br>ID | Style      |                 |                | Risk/Return  |                 |            | Peer Group  |         | Qual            | Score Components |           | Score   |
|---------------------------------------|-------------|---------------|------------|-----------------|----------------|--------------|-----------------|------------|-------------|---------|-----------------|------------------|-----------|---------|
|                                       |             |               | Risk Level | Style Diversity | R <sup>2</sup> | Risk/Return  | Up/Down         | Info Ratio | Return Rank | SR Rank | 2pt Max/Expense | Allocation       | Selection | Q4 2024 |
| MyCompass Index Moderate Retirement R | CON         | 97182C422     | 1          | 0               | 1              | 1            | 0               | 0          | 1           | 1       | 2               | 7                | 8.8       | 8       |
|                                       |             |               | 8.4        | 41.8/<br>58.3   | 99.45          | 8.4/<br>4.5  | 95.8/<br>102.8  | -1.43      | 13          | 13      | -               |                  |           | CON     |
|                                       |             |               |            |                 |                |              |                 |            |             |         | 0.14            |                  |           |         |
| MyCompass Index Moderate 2025 R       | MC          | 97182C414     |            |                 |                |              |                 |            |             |         | -               | -                | 8.8       | -       |
|                                       |             |               |            |                 |                |              |                 |            |             |         | -               |                  |           | -       |
|                                       |             |               |            |                 |                |              |                 |            |             |         | -               |                  |           |         |
| MyCompass Index Moderate 2035 R       | MA          | 97182C398     | 1          | 1               | 1              | 0            | 0               | 0          | 1           | 1       | 2               | 7                | 8.8       | 8       |
|                                       |             |               | 13.9       | 74.8/<br>25.2   | 99.66          | 13.9/<br>7.1 | 97.8/<br>101.6  | -0.98      | 42          | 35      | -               |                  |           | MA      |
|                                       |             |               |            |                 |                |              |                 |            |             |         | 0.14            |                  |           |         |
| MyCompass Index Moderate 2045 R       | AGG         | 97182C380     | 1          | 1               | 1              | 0            | 0               | 0          | 1           | 1       | 2               | 7                | 8.8       | 8       |
|                                       |             |               | 17.0       | 93.8/<br>6.2    | 99.77          | 17.0/<br>8.8 | 100.0/<br>102.5 | -0.72      | 21          | 20      | -               |                  |           | AGG     |
|                                       |             |               |            |                 |                |              |                 |            |             |         | 0.15            |                  |           |         |
| MyCompass Index Moderate 2055 R       | AGG         | 97182C372     | 1          | 0               | 1              | 0            | 0               | 0          | 1           | 1       | 2               | 6                | 8.8       | 7       |
|                                       |             |               | 17.9       | 99.1/<br>1.0    | 99.78          | 17.9/<br>9.6 | 100.9/<br>103.1 | -0.57      | 7           | 10      | -               |                  |           | AGG     |
|                                       |             |               |            |                 |                |              |                 |            |             |         | 0.15            |                  |           |         |

# Scorecard™

## Target Date Series

| Asset Allocation                                        | Asset Class | Risk Index | Allocation Score (Series Funds) |           | Selection Score (Underlying Funds) |           | Blended Score |         |         |         |
|---------------------------------------------------------|-------------|------------|---------------------------------|-----------|------------------------------------|-----------|---------------|---------|---------|---------|
|                                                         |             |            | # of Funds                      | Avg Score | # of Funds                         | Avg Score | Q4 2024       | Q3 2024 | Q2 2024 | Q1 2024 |
| MyCompass Index Conservative Target Date Series Class R | CON         | 49         | 5                               | 7.8       | 9                                  | 8.8       | 8             | 9       | -       | -       |

## Allocation (Series Funds)

| Asset Allocation                          | Asset Class | Ticker/ ID | Style      |                 |                | Risk/Return  |              |            | Peer Group  |         | Qual             | Score Components |           | Score   |
|-------------------------------------------|-------------|------------|------------|-----------------|----------------|--------------|--------------|------------|-------------|---------|------------------|------------------|-----------|---------|
|                                           |             |            | Risk Level | Style Diversity | R <sup>2</sup> | Risk/ Return | Up/ Down     | Info Ratio | Return Rank | SR Rank | 2pt Max/ Expense | Allocation       | Selection | Q4 2024 |
| MyCompass Index Conservative Retirement R | CON         | 97182C364  | 1          | 1               | 1              | 1            | 0            | 0          | 1           | 1       | 2                | 8                | 8.8       | 8       |
|                                           |             |            | 6.6        | 31.6/ 68.4      | 98.79          | 6.6/ 3.8     | 93.7/ 103.7  | -1.41      | 20          | 20      | -                |                  |           | CON     |
|                                           |             |            |            |                 |                |              |              |            |             |         | 0.14             |                  |           |         |
| MyCompass Index Conservative 2025 R       | CON         | 97182C356  |            |                 |                |              |              |            |             |         | -                | -                | 8.8       | -       |
|                                           |             |            |            |                 |                |              |              |            |             |         | -                |                  |           | -       |
|                                           |             |            |            |                 |                |              |              |            |             |         | -                |                  |           |         |
| MyCompass Index Conservative 2035 R       | MC          | 97182C349  | 1          | 1               | 1              | 1            | 0            | 0          | 1           | 1       | 2                | 8                | 8.8       | 8       |
|                                           |             |            | 10.4       | 54.2/ 45.8      | 99.47          | 10.4/ 5.2    | 95.3/ 102.4  | -1.52      | 9           | 9       | -                |                  |           | MC      |
|                                           |             |            |            |                 |                |              |              |            |             |         | 0.14             |                  |           |         |
| MyCompass Index Conservative 2045 R       | MA          | 97182C331  | 1          | 1               | 1              | 1            | 0            | 0          | 1           | 1       | 2                | 8                | 8.8       | 8       |
|                                           |             |            | 14.1       | 77.0/ 23.0      | 99.63          | 14.1/ 7.1    | 96.9/ 101.9  | -1.26      | 41          | 35      | -                |                  |           | MA      |
|                                           |             |            |            |                 |                |              |              |            |             |         | 0.14             |                  |           |         |
| MyCompass Index Conservative 2055 R       | AGG         | 97182C323  | 1          | 1               | 1              | 0            | 0            | 0          | 1           | 1       | 2                | 7                | 8.8       | 8       |
|                                           |             |            | 17.6       | 97.9/ 2.1       | 99.77          | 17.6/ 9.2    | 100.0/ 102.7 | -0.80      | 13          | 16      | -                |                  |           | AGG     |
|                                           |             |            |            |                 |                |              |              |            |             |         | 0.15             |                  |           |         |

# Scorecard™

## Core Lineup

| Active                                       | Asset Class | Ticker/<br>ID | Style           |                |                | Risk/Return     |                 |               | Peer Group     |                       | Qual                | Score   |         |         |         |
|----------------------------------------------|-------------|---------------|-----------------|----------------|----------------|-----------------|-----------------|---------------|----------------|-----------------------|---------------------|---------|---------|---------|---------|
|                                              |             |               | Style           | Style<br>Drift | R <sup>2</sup> | Risk/<br>Return | Up/<br>Down     | Info<br>Ratio | Return<br>Rank | Info<br>Ratio<br>Rank | 2pt Max/<br>Expense | Q4 2024 | Q3 2024 | Q2 2024 | Q1 2024 |
| Vanguard Equity-Income<br>Adm                | LCV         | VEIRX         | 1               | 1              | 1              | 1               | 1               | 1             | 1              | 1                     | 2                   | 10      | 10      | 9       | 9       |
|                                              |             |               | -89.2/<br>89.2  | 3.9            | 97.21          | 16.8/<br>10.0   | 92.1/<br>86.7   | 0.35          | 22             | 21                    | -<br>0.18           | LCV     | LCV     | LCV     | LCV     |
| JPMorgan Large Cap<br>Growth R6              | LCG         | JLGMX         | 1               | 1              | 1              | 1               | 1               | 1             | 1              | 1                     | 2                   | 10      | 10      | 10      | 10      |
|                                              |             |               | 94.5/<br>83.2   | 11.1           | 95.63          | 20.8/<br>20.3   | 99.2/<br>94.4   | 0.30          | 4              | 4                     | -<br>0.44           | LCG     | LCG     | LCG     | LCG     |
| Allspring Special Small<br>Cap Value R6      | SCV         | ESPRX         | 1               | 1              | 1              | 1               | 0               | 1             | 0              | 0                     | 2                   | 7       | 8       | 8       | 8       |
|                                              |             |               | -90.2/<br>-56.6 | 8.0            | 96.61          | 23.2/<br>7.5    | 90.0/<br>90.6   | 0.04          | 51             | 56                    | -<br>0.99           | SCV     | SCV     | SCV     | SCV     |
| JPMorgan Small Cap<br>Growth R6              | SCG         | JGSMX         | 1               | 1              | 1              | 0               | 0               | 0             | 0              | 0                     | 2                   | 5       | 5       | 8       | 8       |
|                                              |             |               | 99.8/<br>-82.0  | 11.3           | 94.49          | 25.5/<br>5.8    | 96.0/<br>99.2   | -0.17         | 81             | 87                    | -<br>0.74           | SCG     | SCG     | SCG     | SCG     |
| International Growth II R1<br>(MFS Intl LCG) | ILCG        | 97183C710     |                 |                |                |                 |                 |               |                |                       |                     | HIS     | HIS     | HIS     | HIS     |
|                                              |             |               |                 |                |                |                 |                 |               |                |                       | -<br>0.48           | -       | -       | -       | -       |
| Strategy Equivalent                          | ILCG        | MGRDX         | 1               | 1              | 1              | 1               | 1               | 1             | 1              | 1                     | 2                   | 10      | 10      | 9       | 8       |
| MFS International Growth<br>R6               |             |               | 65.1/<br>78.3   | 14.5           | 92.19          | 16.9/<br>6.3    | 96.6/<br>90.7   | 0.32          | 7              | 5                     | -<br>0.72           | ILCG    | ILCG    | ILCG    | ILCG    |
| American Funds New<br>Perspective R6         | GE          | RNPGX         | 1               | 1              | 1              | 1               | 1               | 1             | 1              | 0                     | 2                   | 9       | 10      | 10      | 10      |
|                                              |             |               | 45.9/<br>71.0   | 12.5           | 96.10          | 19.2/<br>11.5   | 109.7/<br>105.3 | 0.35          | 45             | 55                    | -<br>0.41           | GE      | GE      | GE      | GE      |
| Core Bond R1 (Lord<br>Abbett Total Return)   | CFI         | 97183J533     | 1               | 1              | 1              | 1               | 1               | 1             | 1              | 1                     | 2                   | 10      | 10      | 10      | 10      |
|                                              |             |               | 12.3/<br>33.6   | 7.4            | 91.32          | 6.6/<br>0.4     | 106.4/<br>97.6  | 0.39          | 13             | 10                    | -<br>0.25           | CFI     | CFI     | CFI     | CFI     |
| Strategy Equivalent                          | CFI         | LTRHX         | 1               | 1              | 1              | 1               | 1               | 1             | 1              | 1                     | 2                   | 10      | 10      | 10      | 10      |
| Lord Abbett Total Return<br>R6               |             |               | 9.2/<br>40.5    | 6.7            | 90.75          | 6.7/<br>0.4     | 107.1/<br>98.5  | 0.35          | 14             | 11                    | -<br>0.35           | CFI     | CFI     | CFI     | CFI     |

# Scorecard™

continued

## Core Lineup

| Active                       | Asset Class | Ticker/<br>ID | Style          |             |                | Risk/Return     |                 |               | Peer Group     |                       | Qual                | Score   |         |         |         |
|------------------------------|-------------|---------------|----------------|-------------|----------------|-----------------|-----------------|---------------|----------------|-----------------------|---------------------|---------|---------|---------|---------|
|                              |             |               | Style          | Style Drift | R <sup>2</sup> | Risk/<br>Return | Up/<br>Down     | Info<br>Ratio | Return<br>Rank | Info<br>Ratio<br>Rank | 2pt Max/<br>Expense | Q4 2024 | Q3 2024 | Q2 2024 | Q1 2024 |
| PGIM High Yield R6           | HY          | PHYQX         | 1              | 1           | 1              | 0               | 0               | 0             | 1              | 1                     | 2                   | 7       | 7       | 7       | 10      |
|                              |             |               | 87.7/<br>-95.1 | 4.4         | 98.77          | 9.6/<br>3.9     | 100.0/<br>102.8 | -0.25         | 34             | 38                    | -<br>0.38           | HY      | HY      | HY      | HY      |
| Voya Fixed Account           | GIC         | VoyaFA        |                |             |                |                 |                 |               |                |                       | -                   | -       | -       | -       | -       |
|                              |             |               |                |             |                |                 |                 |               |                |                       | -                   | -       | -       | -       | -       |
| DFA Real Estate Securities I | REI         | DFREX         | 1              | 1           | 1              | 1               | 1               | 1             | 1              | 1                     | 2                   | 10      | 10      | 10      | 10      |
|                              |             |               | -91.0/<br>97.8 | 3.0         | 98.01          | 21.3/<br>3.5    | 98.6/<br>97.8   | 0.12          | 31             | 36                    | -<br>0.18           | REI     | REI     | REI     | REI     |

| Passive                         | Asset Class | Ticker/<br>ID | Style          |             |                |                   | Peer Group |                 |                |            | Qual                | Score   |         |         |         |
|---------------------------------|-------------|---------------|----------------|-------------|----------------|-------------------|------------|-----------------|----------------|------------|---------------------|---------|---------|---------|---------|
|                                 |             |               | Style          | Style Drift | R <sup>2</sup> | Tracking<br>Error | TE<br>Rank | Expense<br>Rank | Return<br>Rank | SR<br>Rank | 2pt Max/<br>Expense | Q4 2024 | Q3 2024 | Q2 2024 | Q1 2024 |
| Fidelity 500 Index              | LCB-P       | FXAIX         | 1              | 1           | 1              | 1                 | 1          | 1               | 1              | 1          | 2                   | 10      | 10      | 10      | 10      |
|                                 |             |               | 10.8/<br>97.4  | 3.7         | 99.75          | 0.9               | 51.0       | 7.0             | 9              | 10         | -<br>0.02           | LCB-P   | LCB-P   | LCB-P   | LCB-P   |
| Fidelity Mid Cap Index          | MCB-P       | FSMDX         | 0              | 1           | 1              | 1                 | 1          | 1               | 1              | 1          | 2                   | 9       | 9       | 9       | 9       |
|                                 |             |               | -38.5/<br>-0.1 | 3.9         | 100.00         | 0.1               | 1.0        | 6.0             | 49             | 50         | -<br>0.03           | MCB-P   | MCB-P   | MCB-P   | MCB-P   |
| Fidelity Small Cap Index        | SCB-P       | FSSNX         | 1              | 1           | 1              | 1                 | 1          | 1               | 1              | 1          | 2                   | 10      | 10      | 10      | 10      |
|                                 |             |               | -0.7/<br>-99.5 | 0.5         | 100.00         | 0.1               | 28.0       | 7.0             | 30             | 29         | -<br>0.03           | SCB-P   | SCB-P   | SCB-P   | SCB-P   |
| iShares MSCI EAFE Intl<br>Idx K | ILCB-P      | BTMKX         | 1              | 1           | 1              | 1                 | 1          | 1               | 1              | 1          | 2                   | 10      | 10      | 10      | 9       |
|                                 |             |               | 22.4/<br>79.0  | 10.9        | 97.51          | 2.9               | 71.0       | 17.0            | 13             | 13         | -<br>0.05           | ILCB-P  | ILCB-P  | ILCB-P  | ILCB-P  |

# Scorecard™

continued

| Passive                                | Asset Class | Ticker/<br>ID | Style         |                |                |                   | Peer Group |                 |                |            | Qual                | Score   |         |         |         |
|----------------------------------------|-------------|---------------|---------------|----------------|----------------|-------------------|------------|-----------------|----------------|------------|---------------------|---------|---------|---------|---------|
|                                        |             |               | Style         | Style<br>Drift | R <sup>2</sup> | Tracking<br>Error | TE<br>Rank | Expense<br>Rank | Return<br>Rank | SR<br>Rank | 2pt Max/<br>Expense | Q4 2024 | Q3 2024 | Q2 2024 | Q1 2024 |
| State Street Aggregate<br>Bond Index K | CFI-P       | SSFEX         | 1             | 1              | 1              | 1                 | 1          | 1               | 1              | 1          | 2                   | 10      | 10      | 10      | 10      |
|                                        |             |               | -5.8/<br>45.6 | 2.5            | 99.93          | 0.2               | 27.0       | 8.0             | 28             | 17         | -                   | CFI-P   | CFI-P   | CFI-P   | CFI-P   |
|                                        |             |               |               |                |                |                   |            |                 |                |            | 0.03                |         |         |         |         |

Disclosure

\*Strategy Equivalent Score

The CIT exclusively available to RPAG utilizes the same manager and strategy as the Scored fund equivalent, which is highlighted and shown below the CIT option. The Scored fund equivalent generally has a higher fee and is shown for CIT investment due diligence purposes only. The average score includes Strategy Equivalent scores where utilized. For Group Series funds, if Strategy Equivalents are included, the specific Strategy Equivalent(s) within each given series will be indicated in the Allocation (Series Funds) and/or Selection (Underlying Funds) section(s) within the detailed report. Non-scoring funds will be assigned a letter.; The letter definitions are HIS= fund does not have enough performance history to Score; SPC= fund is in a specialty category that does not Score; OTH= fund may no longer be active, not in database or available to Score.

ACR#5821538 07/23

# Returns Analysis

Performance as of 12/31/2024

## Allocation (Series Funds)

| Asset Allocation                        | Ticker/<br>I D | QTR   | YTD   | Annualized Returns |        |        |         | Since<br>Incept. | Share Class<br>Inception | Strategy<br>Inception | Expense Ratio |      |
|-----------------------------------------|----------------|-------|-------|--------------------|--------|--------|---------|------------------|--------------------------|-----------------------|---------------|------|
|                                         |                |       |       | 1 Year             | 3 Year | 5 Year | 10 Year |                  |                          |                       | Gross         | Net  |
| MyCompass Index Aggressive Retirement R | 97182C471      | -1.27 | 8.30  | 8.30               | 2.27   | 5.56   |         | 6.29             | 9/26/2019                | 9/26/2019             | 0.14          | 0.14 |
| StyleBenchmark                          |                | -1.07 | 10.13 | 10.13              | 3.34   | 6.06   |         |                  |                          |                       |               |      |
| MyCompass Index Aggressive 2025 R       | 97182C463      |       |       |                    |        |        |         |                  |                          |                       |               |      |
| MyCompass Index Aggressive 2035 R       | 97182C455      | -1.59 | 13.19 | 13.19              | 3.83   | 8.34   |         | 9.71             | 8/5/2019                 | 8/5/2019              | 0.15          | 0.15 |
| StyleBenchmark                          |                | -1.65 | 14.58 | 14.58              | 4.45   | 8.92   |         |                  |                          |                       |               |      |
| MyCompass Index Aggressive 2045 R       | 97182C448      | -1.53 | 15.60 | 15.60              | 4.67   | 9.40   |         | 11.40            | 8/14/2019                | 8/14/2019             | 0.15          | 0.15 |
| StyleBenchmark                          |                | -1.43 | 16.33 | 16.33              | 5.20   | 9.97   |         |                  |                          |                       |               |      |
| MyCompass Index Aggressive 2055 R       | 97182C430      | -1.39 | 16.12 | 16.12              | 4.85   | 9.55   |         | 10.34            | 7/24/2019                | 7/24/2019             | 0.15          | 0.15 |
| StyleBenchmark                          |                | -1.35 | 16.50 | 16.50              | 5.27   | 10.07  |         |                  |                          |                       |               |      |

## Allocation (Series Funds)

| Asset Allocation                      | Ticker/<br>I D | QTR   | YTD   | Annualized Returns |        |        |         | Since<br>Incept. | Share Class<br>Inception | Strategy<br>Inception | Expense Ratio |      |
|---------------------------------------|----------------|-------|-------|--------------------|--------|--------|---------|------------------|--------------------------|-----------------------|---------------|------|
|                                       |                |       |       | 1 Year             | 3 Year | 5 Year | 10 Year |                  |                          |                       | Gross         | Net  |
| MyCompass Index Moderate Retirement R | 97182C422      | -1.18 | 6.80  | 6.80               | 1.59   | 4.53   |         | 5.02             | 8/1/2019                 | 8/1/2019              | 0.14          | 0.14 |
| StyleBenchmark                        |                | -0.71 | 9.22  | 9.22               | 3.33   | 5.42   |         |                  |                          |                       |               |      |
| MyCompass Index Moderate 2025 R       | 97182C414      |       |       |                    |        |        |         |                  |                          |                       |               |      |
| MyCompass Index Moderate 2035 R       | 97182C398      | -1.58 | 10.78 | 10.78              | 2.95   | 7.08   |         | 7.91             | 7/24/2019                | 7/24/2019             | 0.15          | 0.14 |
| StyleBenchmark                        |                | -1.43 | 12.88 | 12.88              | 4.04   | 7.87   |         |                  |                          |                       |               |      |
| MyCompass Index Moderate 2045 R       | 97182C380      | -1.62 | 14.25 | 14.25              | 4.19   | 8.84   |         | 9.74             | 7/24/2019                | 7/24/2019             | 0.15          | 0.15 |
| StyleBenchmark                        |                | -1.53 | 15.44 | 15.44              | 4.79   | 9.43   |         |                  |                          |                       |               |      |
| MyCompass Index Moderate 2055 R       | 97182C372      | -1.41 | 16.09 | 16.09              | 4.85   | 9.55   |         | 10.45            | 7/24/2019                | 7/24/2019             | 0.15          | 0.15 |
| StyleBenchmark                        |                | -1.33 | 16.48 | 16.48              | 5.26   | 10.05  |         |                  |                          |                       |               |      |

## Allocation (Series Funds)

| Asset Allocation                          | Ticker/<br>I D | QTR   | YTD  | Annualized Returns |        |        |         | Since<br>Incept. | Share Class<br>Inception | Strategy<br>Inception | Expense Ratio |      |
|-------------------------------------------|----------------|-------|------|--------------------|--------|--------|---------|------------------|--------------------------|-----------------------|---------------|------|
|                                           |                |       |      | 1 Year             | 3 Year | 5 Year | 10 Year |                  |                          |                       | Gross         | Net  |
| MyCompass Index Conservative Retirement R | 97182C364      | -0.93 | 5.51 | 5.51               | 1.29   | 3.77   |         | 3.98             | 9/13/2019                | 9/13/2019             | 0.13          | 0.14 |
| StyleBenchmark                            |                | -0.26 | 8.37 | 8.37               | 3.37   | 4.80   |         |                  |                          |                       |               |      |
| MyCompass Index Conservative 2025 R       | 97182C356      |       |      |                    |        |        |         |                  |                          |                       |               |      |

# Returns Analysis

## Allocation (Series Funds)

| Asset Allocation                    | Ticker/<br>I D | QTR   | YTD   | Annualized Returns |        |        |         | Since<br>Incept. | Share Class<br>Inception | Strategy<br>Inception | Expense Ratio |      |
|-------------------------------------|----------------|-------|-------|--------------------|--------|--------|---------|------------------|--------------------------|-----------------------|---------------|------|
|                                     |                |       |       | 1 Year             | 3 Year | 5 Year | 10 Year |                  |                          |                       | Gross         | Net  |
| MyCompass Index Conservative 2035 R | 97182C349      | -1.32 | 7.69  | 7.69               | 1.86   | 5.23   |         | 5.90             | 9/24/2019                | 9/24/2019             | 0.14          | 0.14 |
| StyleBenchmark                      |                | -0.97 | 10.56 | 10.56              | 3.71   | 6.38   |         |                  |                          |                       |               |      |
| MyCompass Index Conservative 2045 R | 97182C331      | -1.56 | 10.85 | 10.85              | 2.94   | 7.06   |         | 8.28             | 10/3/2019                | 10/3/2019             | 0.15          | 0.14 |
| StyleBenchmark                      |                | -1.34 | 13.26 | 13.26              | 4.35   | 8.14   |         |                  |                          |                       |               |      |
| MyCompass Index Conservative 2055 R | 97182C323      | -1.59 | 15.04 | 15.04              | 4.42   | 9.19   |         | 9.86             | 7/24/2019                | 7/24/2019             | 0.15          | 0.15 |
| StyleBenchmark                      |                | -1.42 | 16.18 | 16.18              | 5.13   | 9.88   |         |                  |                          |                       |               |      |

## Core Lineup

| Active                               | Ticker/<br>I D | QTR   | YTD   | Annualized Returns |        |        |         | Since<br>Incept. | Share Class<br>Inception | Strategy<br>Inception | Expense Ratio |      |
|--------------------------------------|----------------|-------|-------|--------------------|--------|--------|---------|------------------|--------------------------|-----------------------|---------------|------|
|                                      |                |       |       | 1 Year             | 3 Year | 5 Year | 10 Year |                  |                          |                       | Gross         | Net  |
| U.S. Equity                          |                |       |       |                    |        |        |         |                  |                          |                       |               |      |
| Large Cap Value                      |                |       |       |                    |        |        |         |                  |                          |                       |               |      |
| Vanguard Equity-Income Adm           | VEIRX          | -0.74 | 15.16 | 15.16              | 7.46   | 9.97   | 10.07   | 8.67             | 8/13/2001                | 3/21/1988             | 0.18          | 0.18 |
| Russell 1000 Value Index             |                | -1.98 | 14.37 | 14.37              | 5.63   | 8.68   | 8.49    |                  |                          |                       |               |      |
| Large Cap Growth                     |                |       |       |                    |        |        |         |                  |                          |                       |               |      |
| JPMorgan Large Cap Growth R6         | JLGMX          | 5.32  | 34.17 | 34.17              | 10.63  | 20.27  | 17.87   | 17.16            | 11/30/2010               | 2/28/1992             | 0.50          | 0.44 |
| Russell 1000 Growth Index            |                | 7.07  | 33.36 | 33.36              | 10.47  | 18.96  | 16.78   |                  |                          |                       |               |      |
| Small Cap Value                      |                |       |       |                    |        |        |         |                  |                          |                       |               |      |
| Allspring Special Small Cap Value R6 | ESPRX          | -1.18 | 6.96  | 6.96               | 3.30   | 7.51   | 8.27    | 8.46             | 10/31/2014               | 5/7/1993              | 0.99          | 0.99 |
| Russell 2000 Value Index             |                | -1.06 | 8.05  | 8.05               | 1.94   | 7.29   | 7.14    |                  |                          |                       |               |      |
| Small Cap Growth                     |                |       |       |                    |        |        |         |                  |                          |                       |               |      |
| JPMorgan Small Cap Growth R6 🇺🇸      | JGSMX          | 1.75  | 13.04 | 13.04              | -4.23  | 5.82   | 10.20   | 11.46            | 11/30/2010               | 7/1/1991              | 0.75          | 0.74 |
| Russell 2000 Growth Index            |                | 1.70  | 15.15 | 15.15              | 0.21   | 6.86   | 8.09    |                  |                          |                       |               |      |
| International/Global Equity          |                |       |       |                    |        |        |         |                  |                          |                       |               |      |
| Global Equity                        |                |       |       |                    |        |        |         |                  |                          |                       |               |      |
| American Funds New Perspective R6    | RNPGX          | -0.86 | 17.16 | 17.16              | 2.90   | 11.48  | 11.47   | 12.89            | 5/1/2009                 | 3/13/1973             | 0.41          | 0.41 |
| MSCI ACWI NR                         |                | -0.99 | 17.49 | 17.49              | 5.44   | 10.06  | 9.23    |                  |                          |                       |               |      |
| Fixed Income                         |                |       |       |                    |        |        |         |                  |                          |                       |               |      |
| High Yield                           |                |       |       |                    |        |        |         |                  |                          |                       |               |      |
| PGIM High Yield R6                   | PHYQX          | -0.14 | 8.46  | 8.46               | 2.52   | 3.93   | 5.38    | 5.98             | 10/31/2011               | 1/22/1990             | 0.38          | 0.38 |
| BB US HY 2% Issuer Cap               |                | 0.17  | 8.19  | 8.19               | 2.92   | 4.20   | 5.16    |                  |                          |                       |               |      |
| Cash Alternatives                    |                |       |       |                    |        |        |         |                  |                          |                       |               |      |
| GIC                                  |                |       |       |                    |        |        |         |                  |                          |                       |               |      |
| Voya Fixed Account                   | VoyaFA         | 0.37  | 0.37  | 1.50               | 1.29   | 1.17   | 1.11    |                  |                          |                       |               |      |
|                                      |                |       |       |                    |        |        |         |                  |                          |                       |               |      |

# Returns Analysis

## Core Lineup

| Active                              | Ticker/<br>I D | QTR   | YTD   | Annualized Returns |        |        |         | Since<br>Incept. | Share Class<br>Inception | Strategy<br>Inception | Expense Ratio |      |  |
|-------------------------------------|----------------|-------|-------|--------------------|--------|--------|---------|------------------|--------------------------|-----------------------|---------------|------|--|
|                                     |                |       |       | 1 Year             | 3 Year | 5 Year | 10 Year |                  |                          |                       | Gross         | Net  |  |
| Specialty                           |                |       |       |                    |        |        |         |                  |                          |                       |               |      |  |
| REIT                                |                |       |       |                    |        |        |         |                  |                          |                       |               |      |  |
| DFA Real Estate Securities I        | DFREX          | -7.95 | 5.52  | 5.52               | -4.16  | 3.47   | 5.72    | 9.11             | 1/5/1993                 | 1/5/1993              | 0.20          | 0.18 |  |
| MSCI US REIT                        |                | -6.39 | 7.49  | 7.49               | -3.43  | 3.10   | 4.38    |                  |                          |                       |               |      |  |
| Passive                             | Ticker/<br>I D | QTR   | YTD   | Annualized Returns |        |        |         | Since<br>Incept. | Share Class<br>Inception | Strategy<br>Inception | Expense Ratio |      |  |
|                                     |                |       |       | 1 Year             | 3 Year | 5 Year | 10 Year |                  |                          |                       | Gross         | Net  |  |
| U.S. Equity                         |                |       |       |                    |        |        |         |                  |                          |                       |               |      |  |
| Large Cap Blend                     |                |       |       |                    |        |        |         |                  |                          |                       |               |      |  |
| Fidelity 500 Index                  | FXAIX          | 2.41  | 25.00 | 25.00              | 8.93   | 14.51  | 13.09   | 13.53            | 5/4/2011                 | 5/4/2011              | 0.02          | 0.02 |  |
| Russell 1000 Index                  |                | 2.75  | 24.51 | 24.51              | 8.41   | 14.28  | 12.87   |                  |                          |                       |               |      |  |
| Mid Cap Blend                       |                |       |       |                    |        |        |         |                  |                          |                       |               |      |  |
| Fidelity Mid Cap Index              | FSMDX          | 0.62  | 15.35 | 15.35              | 3.80   | 9.93   | 9.63    | 12.29            | 9/8/2011                 | 9/8/2011              | 0.03          | 0.03 |  |
| Russell Mid-Cap Index               |                | 0.62  | 15.34 | 15.34              | 3.79   | 9.92   | 9.63    |                  |                          |                       |               |      |  |
| Small Cap Blend                     |                |       |       |                    |        |        |         |                  |                          |                       |               |      |  |
| Fidelity Small Cap Index            | FSSNX          | 0.43  | 11.69 | 11.69              | 1.41   | 7.50   | 7.96    | 10.80            | 9/8/2011                 | 9/8/2011              | 0.03          | 0.03 |  |
| Russell 2000 Index                  |                | 0.33  | 11.54 | 11.54              | 1.24   | 7.40   | 7.82    |                  |                          |                       |               |      |  |
| International/Global Equity         |                |       |       |                    |        |        |         |                  |                          |                       |               |      |  |
| International Large Cap Blend       |                |       |       |                    |        |        |         |                  |                          |                       |               |      |  |
| iShares MSCI EAFE Intl Idx K        | BTMKX          | -8.34 | 3.73  | 3.73               | 1.80   | 4.88   | 5.34    | 4.89             | 3/31/2011                | 4/9/1997              | 0.05          | 0.05 |  |
| MSCI EAFE ND USD                    |                | -8.11 | 3.82  | 3.82               | 1.65   | 4.73   | 5.20    |                  |                          |                       |               |      |  |
| Fixed Income                        |                |       |       |                    |        |        |         |                  |                          |                       |               |      |  |
| Core Fixed Income                   |                |       |       |                    |        |        |         |                  |                          |                       |               |      |  |
| State Street Aggregate Bond Index K | SSFEX          | -3.05 | 1.34  | 1.34               | -2.42  | -0.33  | 1.26    | 1.42             | 9/19/2014                | 9/19/2014             | 0.14          | 0.03 |  |
| BB Aggregate Bond                   |                | -3.06 | 1.25  | 1.25               | -2.41  | -0.33  | 1.35    |                  |                          |                       |               |      |  |



# Returns Analysis

## Disclosure

For use by Plan Sponsors or Institutional Investors Only- not intended for distribution to Retail Investors

Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted.

The performance data quoted may not reflect the deduction of additional fees, if applicable. Additional fees would reduce the performance quoted.

Performance data is subject to change without prior notice. Expenses shown reflect the fund's prospectus Net and Gross expense ratios.

Some funds, accounts, or share classes may not be available for investment. Performance history prior to inception (if applicable) reflects another share class or account reflecting the manager's historical performance record. Expenses for mutual funds reflect the fund's prospectus Net and Gross expense ratios. In the case of Collective Investment Trust Funds, expenses generally reflect the CIT fund fact sheet and/ or Trust agreement  
Fund Inception Date - the date on which a fund commenced operations.

Share Class Inception Date - the date on which a fund's share class was introduced.

Non-scoring funds will be assigned a letter.; The letter definitions are HIS= fund does not have enough performance history to Score; SPC= fund is in a specialty category that does not Score; OTH= fund may no longer be active, not in database or available to Score.

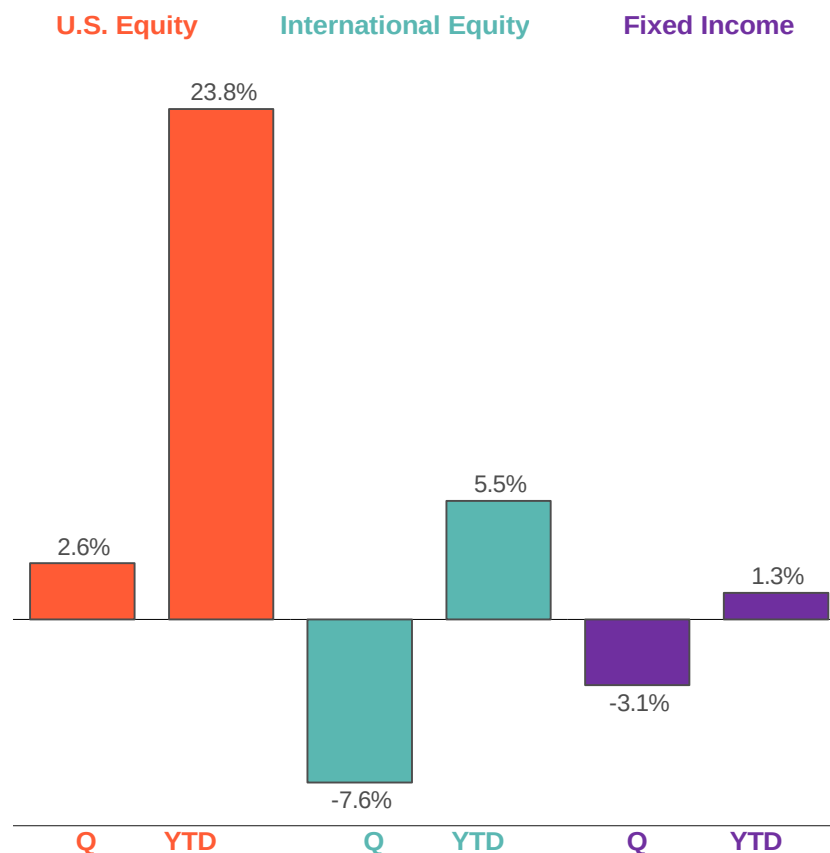
Contact RPAG with any questions about this report or for the most current month-end performance at (877)-360-2480.

# Q4 2024 Market Review

## SUMMARY

- Equity markets were mixed over the quarter, with U.S. equities posting small positive returns amid large negative returns internationally. Fixed income markets were also negative over the quarter, as long-term rates rose.
- U.S. equities rose 2.6% (Russell 3000) over the quarter with consumer discretionary stocks leading the way. Large cap growth was the best performing style in 2024, outperforming large cap value by almost 2000 basis points (33.4% for Russell 1000 Growth vs. 14.4% for Russell 1000 Value).
- International equities and Emerging Markets equities struggled over the quarter, posting losses of -8.1% (MSCI EAFE) and -8.0% (MSCI Emerging Markets), respectively.
- The broad U.S. fixed income market returned -3.1% (Bloomberg Barclays Aggregate) over the quarter. The Fed cut rates by 25 basis points twice over the quarter; however, longer term rates such as the 10-year treasury rate, rose by almost 80 basis points over the period.
- The unemployment rate remained flat from last quarter at 4.1%.

## TRAILING RETURNS (12/31/2024)



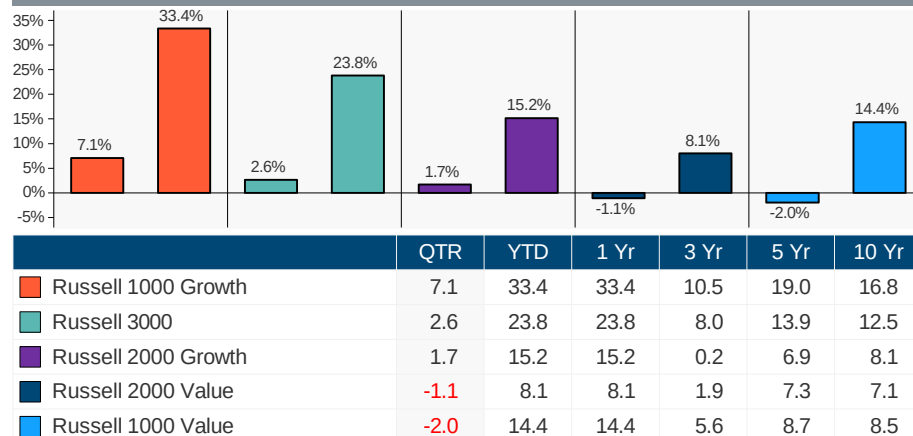
Quarterly and year-to-date returns of the following indices: U.S. Equity (Russell 3000 Index), Fixed Income (Bloomberg Barclays U.S. Aggregate Bond Index) and International Equity (MSCI ACWI ex U.S. Index)

# Q4 2024 Market Review – U.S. Equity

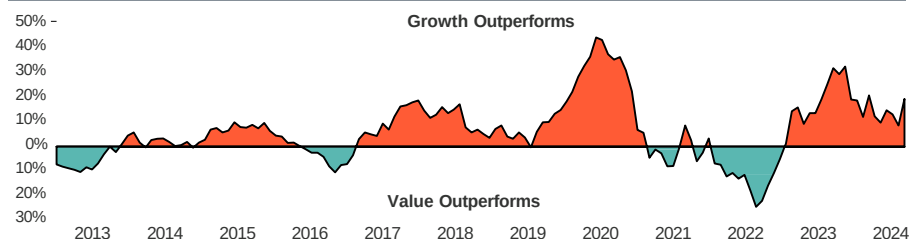
## U.S. EQUITY

- The broad U.S. equity market, as measured by the Russell 3000 Index, was up 2.6% for the quarter.
- The best performing U.S. equity index for the quarter was Russell 1000 Growth, returning a positive 7.1%.
- The worst performing U.S. equity index for the quarter was Russell 1000 Value, returning a negative 2%.

## INDEX PERFORMANCE (sorted by trailing quarterly performance)

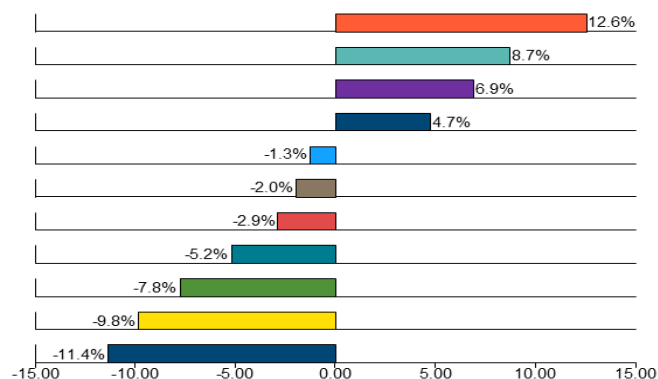


## GROWTH VS. VALUE



The graph above is plotted using a rolling one-year time period. Growth stock performance is represented by the Russell 1000 Growth Index. Value stock performance is represented by the Russell 1000 Value Index.

## SECTOR (sorted by trailing quarterly performance)



|                         | QTR   | YTD  | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------|-------|------|------|------|------|-------|
| Consumer Discretionary  | 12.6  | 27.7 | 27.7 | 4.9  | 13.9 | 13.1  |
| Telecommunication Svcs. | 8.7   | 39.6 | 39.6 | 9.1  | 14.2 | 11.0  |
| Financials              | 6.9   | 29.8 | 29.8 | 9.2  | 11.4 | 11.3  |
| Information Technology  | 4.7   | 35.9 | 35.9 | 15.3 | 24.1 | 21.9  |
| Energy                  | -1.3  | 6.0  | 6.0  | 19.9 | 12.1 | 4.3   |
| Industrials             | -2.0  | 16.9 | 16.9 | 9.6  | 12.4 | 11.1  |
| Consumer Staples        | -2.9  | 14.8 | 14.8 | 4.9  | 8.7  | 8.4   |
| Utilities               | -5.2  | 23.6 | 23.6 | 5.0  | 6.3  | 8.4   |
| Real Estate             | -7.8  | 5.4  | 5.4  | -4.7 | 3.5  | 6.0   |
| Health Care             | -9.8  | 2.8  | 2.8  | 0.4  | 7.7  | 9.2   |
| Materials               | -11.4 | -0.3 | -0.3 | 0.3  | 9.0  | 8.0   |

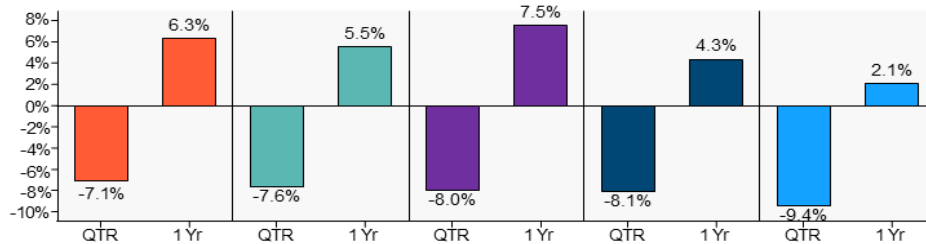
Source: S&P 1500 Sector Indices

# Q4 2024 Market Review – International Equity

## INTERNATIONAL EQUITY

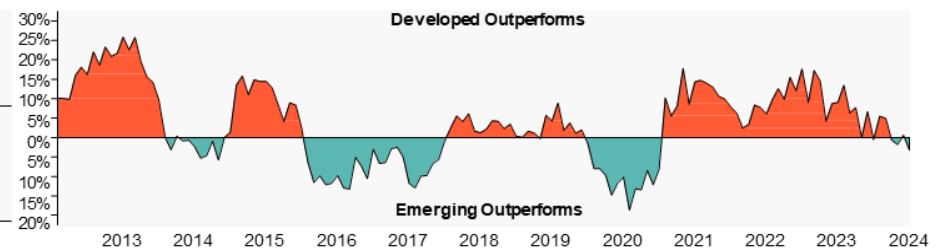
- Developed international equity returned a negative 8.1% in the last quarter (MSCI EAFE).
- Emerging market equity posted a negative 8% return (MSCI Emerging Markets Index).

### INDEX PERFORMANCE (sorted by trailing quarterly performance)



|                        | QTR  | YTD | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|------------------------|------|-----|------|------|------|-------|
| MSCI EAFE Large Value  | -7.1 | 6.3 | 6.3  | 7.0  | 5.8  | 4.4   |
| MSCI ACWI ex US        | -7.6 | 5.5 | 5.5  | 0.8  | 4.1  | 4.8   |
| MSCI Emg Markets       | -8.0 | 7.5 | 7.5  | -1.9 | 1.7  | 3.6   |
| MSCI EAFE              | -8.1 | 4.3 | 4.3  | 2.2  | 5.2  | 5.7   |
| MSCI EAFE Large Growth | -9.4 | 2.1 | 2.1  | -2.0 | 4.7  | 6.2   |

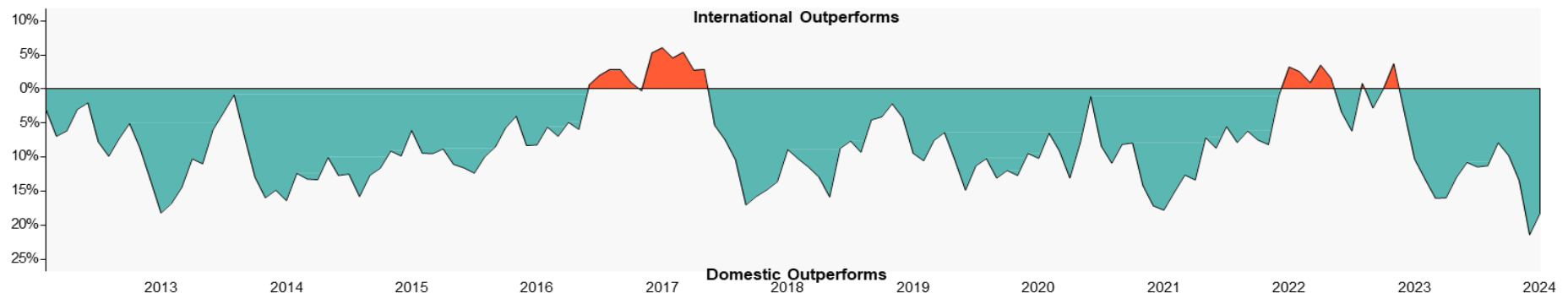
### DEVELOPED VS. EMERGING MARKETS



Over the last year, emerging market stocks outperformed developed international stocks by 3.20%. For the trailing quarter, emerging market stocks outperformed developed international stocks by 0.10%.

The graph above is plotted using a rolling one-year time period. Developed international stock performance is represented by the MSCI EAFE Index. Emerging market stock performance is represented by the MSCI Emerging Markets Index.

### INTERNATIONAL VS. DOMESTIC



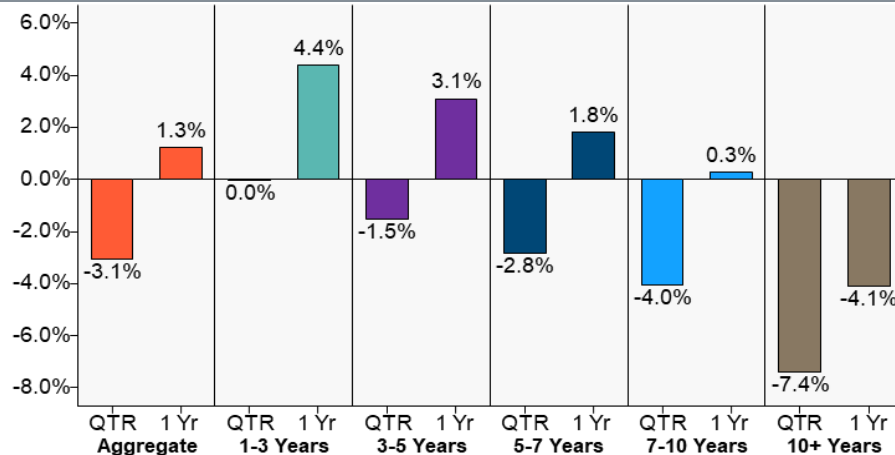
The graph above is plotted using a rolling one-year time period. International stock performance is represented by the MSCI ACWI ex U.S. Index. Domestic stock performance is represented by the Russell 3000 Index.

# Q4 2024 Market Review – Fixed Income

## FIXED INCOME

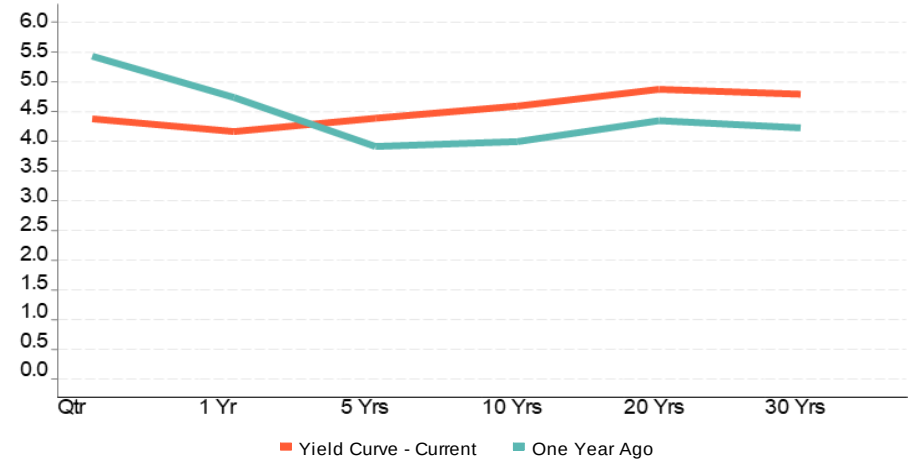
- The broad U.S. fixed income market returned a negative 3.1% (Bloomberg Barclays U.S. Aggregate) for the quarter.
- The best performing sector for the quarter was Cash, returning a positive 1.2%.
- The worst performing sector for the quarter was Mortgage-Backed Securities, returning a negative 3.2%.

### PERFORMANCE BY MATURITY

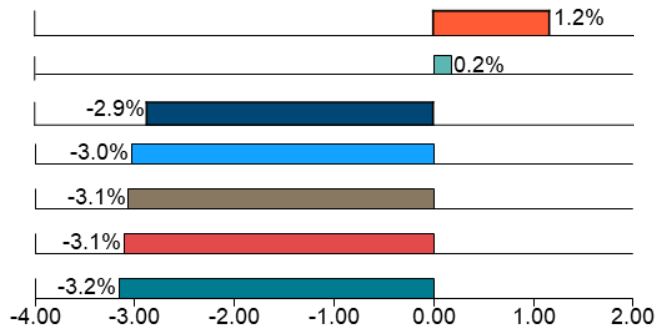


Source: Bloomberg Barclays U.S. Aggregate Indices

### YIELD CURVE



### SECTOR (sorted by trailing quarterly performance)



|                            | QTR  | YTD | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|----------------------------|------|-----|------|------|------|-------|
| Cash                       | 1.2  | 5.3 | 5.3  | 3.9  | 2.5  | 1.8   |
| High Yield Corporate Bond  | 0.2  | 8.2 | 8.2  | 2.9  | 4.2  | 5.2   |
| TIPS                       | -2.9 | 1.8 | 1.8  | -2.3 | 1.9  | 2.2   |
| Corporate Investment Grade | -3.0 | 2.1 | 2.1  | -2.3 | 0.3  | 2.4   |
| Aggregate Bond             | -3.1 | 1.3 | 1.3  | -2.4 | -0.3 | 1.3   |
| Government                 | -3.1 | 0.6 | 0.6  | -2.8 | -0.6 | 0.9   |
| Mortgage-Backed Securities | -3.2 | 1.2 | 1.2  | -2.1 | -0.7 | 0.9   |

Source: Bloomberg Barclays U.S. Indices

# Q4 2024 Market Kaleidoscope

## ASSET CLASS RETURNS

The following chart exhibits the volatility of asset class returns from year to year by ranking indices in order of performance, highlighting the importance of diversification.

| 2014                   | 2015                   | 2016                  | 2017                   | 2018                    | 2019                   | 2020                   | 2021                  | 2022                    | 2023                   | 2024                  |
|------------------------|------------------------|-----------------------|------------------------|-------------------------|------------------------|------------------------|-----------------------|-------------------------|------------------------|-----------------------|
| Global REIT<br>22.81   | Large Growth<br>5.67   | Sm Value<br>31.74     | Large Growth<br>30.21  | Cash<br>1.87            | Large Growth<br>36.39  | Large Growth<br>38.49  | Global REIT<br>32.50  | Commodities<br>16.09    | Large Growth<br>42.68  | Large Growth<br>33.36 |
| Large Value<br>13.45   | Global REIT<br>0.59    | Large Value<br>17.34  | International<br>27.19 | Fixed Income<br>0.01    | Sm Growth<br>28.48     | Sm Growth<br>34.63     | Sm Value<br>28.27     | Cash<br>1.46            | Sm Growth<br>18.66     | Sm Growth<br>15.15    |
| Large Growth<br>13.05  | Fixed Income<br>0.55   | Commodities<br>11.77  | Sm Growth<br>22.17     | Large Growth<br>-1.51   | Large Value<br>26.54   | Balanced<br>14.24      | Large Growth<br>27.60 | Large Value<br>-7.54    | International<br>15.62 | Large Value<br>14.37  |
| Balanced<br>6.58       | Cash<br>0.05           | Sm Growth<br>11.32    | Balanced<br>14.95      | Balanced<br>-4.77       | Global REIT<br>24.49   | International<br>10.65 | Commodities<br>27.11  | Fixed Income<br>-13.01  | Balanced<br>15.52      | Balanced<br>10.80     |
| Fixed Income<br>5.97   | Balanced<br>-0.49      | Balanced<br>7.18      | Large Value<br>13.66   | Global REIT<br>-4.77    | Sm Value<br>22.39      | Fixed Income<br>7.51   | Large Value<br>25.16  | Sm Value<br>-14.48      | Sm Value<br>14.65      | Sm Value<br>8.05      |
| Sm Growth<br>5.60      | Sm Growth<br>-1.38     | Large Growth<br>7.08  | Global REIT<br>8.63    | Large Value<br>-8.27    | International<br>21.51 | Sm Value<br>4.63       | Balanced<br>10.75     | Balanced<br>-15.80      | Global REIT<br>11.53   | International<br>5.53 |
| Sm Value<br>4.22       | Large Value<br>-3.83   | Global REIT<br>6.90   | Sm Value<br>7.84       | Sm Growth<br>-9.31      | Balanced<br>20.11      | Large Value<br>2.80    | International<br>7.82 | International<br>-16.00 | Large Value<br>11.46   | Commodities<br>5.38   |
| Cash<br>0.03           | International<br>-5.66 | International<br>4.50 | Fixed Income<br>3.54   | Commodities<br>-11.25   | Fixed Income<br>8.72   | Cash<br>0.67           | Sm Growth<br>2.83     | Global REIT<br>-23.60   | Fixed Income<br>5.53   | Cash<br>5.25          |
| International<br>-3.87 | Sm Value<br>-7.47      | Fixed Income<br>2.65  | Commodities<br>1.70    | Sm Value<br>-12.86      | Commodities<br>7.69    | Commodities<br>-3.12   | Cash<br>0.05          | Sm Growth<br>-26.36     | Cash<br>5.01           | Global REIT<br>3.92   |
| Commodities<br>-17.01  | Commodities<br>-24.66  | Cash<br>0.33          | Cash<br>0.86           | International<br>-14.20 | Cash<br>2.28           | Global REIT<br>-8.11   | Fixed Income<br>-1.54 | Large Growth<br>-29.14  | Commodities<br>-7.91   | Fixed Income<br>1.25  |

|                                                                                          |                                       |                                     |
|------------------------------------------------------------------------------------------|---------------------------------------|-------------------------------------|
| Large Value (Russell 1000 Value)                                                         | Small Growth (Russell 2000 Growth)    | Global REIT (S&P Global REIT)       |
| Large Growth (Russell 1000 Growth)                                                       | International (MSCI ACWI ex-US)       | Commodities (Bloomberg Commodities) |
| Small Value (Russell 2000 Value)                                                         | Fixed Income (Bloomberg Barclays Agg) | Cash (Merrill Lynch 3-Mo T-Bill)    |
| Balanced (40% Russell 3000, 40% Bloomberg Barclay's U.S. Aggregate, 20% MSCI ACWI ex US) |                                       |                                     |

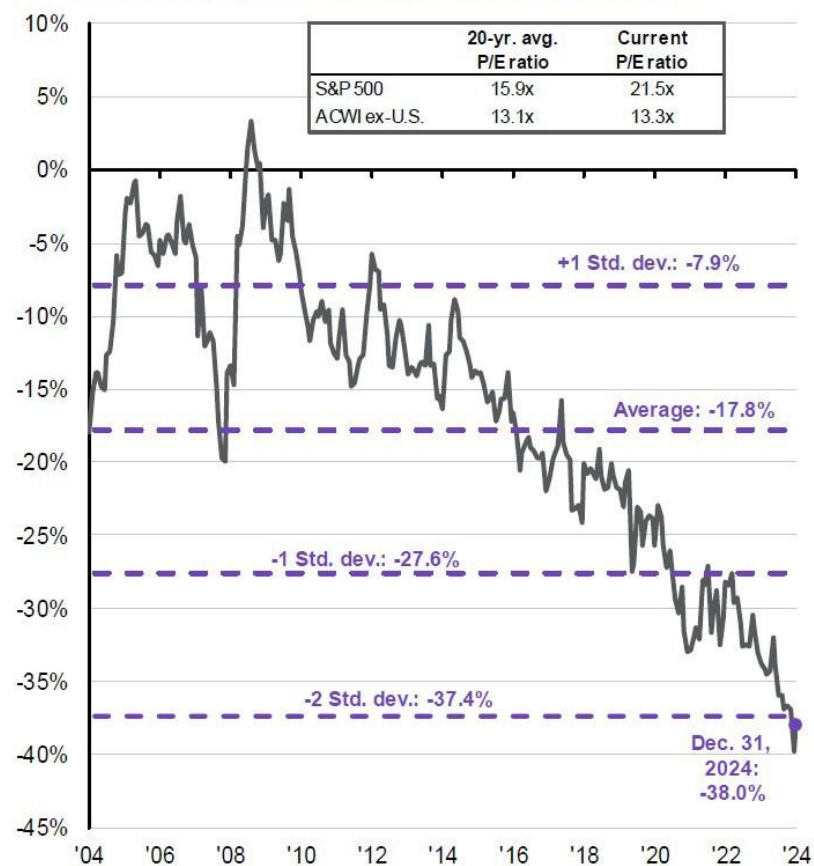
# Q4 2024 Market Review – Chart of the Quarter

## U.S. VS. INTERNATIONAL EQUITY MARKET VALUATIONS

The fourth quarter of 2024 continued the recent trend of U.S. equity markets outperforming international equity markets. While in recent years international equity markets have experienced a few periods of outperformance, U.S. markets have largely maintained their dominance. As shown in the chart below, the differential between U.S. and ex-U.S. equity market valuations on a forward P/E (price-to-earnings) basis highlights this trend. The valuation discount for international equities is now more than two standard deviations below its average over the past 20 years- the widest margin during this period. This indicates that international equities have not been this relatively cheap in a long time.

### International: Price-to-earnings discount vs. U.S.

MSCI All Country World ex-U.S. vs. S&P 500, next 12 months



Source: FactSet, MSCI, Standard & Poor's, J.P. Morgan Asset Management. *Guide to the Markets – U.S.* Data are as of December 31, 2024.

# Q4 2024 Disclosures

Performance of indexes reflects the unmanaged result for the market segment the selected stocks represent. Indexes are unmanaged and not available for direct investment.

**Citigroup Corporate Bond** is an index which serves as a benchmark for corporate bond performance. You cannot invest directly in an index.

**Citigroup Mortgage Master** is an index which serves as a benchmark for U.S. mortgage-backed securities performance.

**Citigroup WGBI Index** is an index which serves as a benchmark for global bond performance, including 22 different government bond markets.

**Credit Suisse High Yield Index** is an unmanaged, trader priced index constructed to mirror the characteristics of the high yield bond market.

**BC (Barclays Capital) U.S. Aggregate Bond Index** represents securities that are U.S., domestic, taxable, and dollar dominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. These major sectors are subdivided into more specific indices that are calculated and reported on a regular basis.

**BC Credit Bond Index** includes publicly issued U.S. corporate and specified foreign debentures and secured notes that meet the specified maturity, liquidity, and quality requirements. To qualify, bonds must be SEC-registered.

**BC U.S. Corporate Investment Grade** represents investment grade corporate securities that are U.S., domestic, taxable, and dollar denominated.

**BC High Yield Corporate Bond** represents below investment grade corporate securities that are U.D., domestic, taxable, and dollar denominated.

**BC TIPS Index** includes publicly issued U.S. government treasury inflation protected securities that meet the specified maturity, liquidity and other requirements.

**BC Mortgage-Backed Securities** covers agency mortgage-backed pass-through securities (both fixed-rate and hybrid ARMs) issued by Ginnie Mae (GNMA), Fannie Mae (FNMA), and Freddie Mac (FHLMC).

**BC Muni Bond** covers the USD-denominated long-term tax-exempt bond market with four main sectors: state and local general obligation bonds, revenue bonds, insured bonds, and pre-refunded bonds.

**BC Government Index** includes publicly issued U.S. government securities that meet the specified maturity, liquidity and other requirements.

**BarCap U.S. Aggregate 1-3 Yr. TR USD Index** represents securities in the BC U.S. Aggregate Index that have maturity dates over the next 1-3 years.

**BarCap U.S. Aggregate 3-5 Yr. TR USD Index** represents securities in the BC U.S. Aggregate Index that have maturity dates over the next 3-5 years.

**BarCap U.S. Aggregate 5-7 Yr. TR USD Index** represents securities in the BC U.S. Aggregate Index that have maturity dates over the next 5-7 years.

**BarCap U.S. Aggregate 7-10 Yr. TR USD Index** represents securities in the BC U.S. Aggregate Index that have maturity dates over the next 7-10 years.

**BarCap U.S. Aggregate 10+ Yr. TR USD Index** represents securities in the BC U.S. Aggregate Index that have maturity dates over 10 years.

**DJW 5000 (Full Cap)** Index measures the performance of all U.S. common equity securities, and serves as an index of all stock trades in the U.S.

**MSCI FI Emerging Markets** is a rules-based index which serves as a benchmark for emerging country fixed income performance.

**MSCI FI EAFE International** is a rules-based index which serves as a benchmark for developed international country fixed income performance.

**MSCI EAFE Index** is listed for foreign stock funds (EAFE refers to Europe, Australia and Far East). Widely accepted as a benchmark for international stock performance, it is an aggregate of 21 individual country indexes.

**MSCI EAFE Large Value** represents the large cap value stocks within the MSCI EAFE Index.

**MSCI EAFE Large Growth** represents the large cap growth stocks within the MSCI EAFE Index.

**MSCI EAFE Mid Value** represents the mid cap value stocks within the MSCI EAFE Index.

**MSCI EAFE Mid Growth** represents the mid cap growth stocks within the MSCI EAFE Index.

**MSCI EAFE Small Value** represents the small cap value stocks within the MSCI EAFE Index.

**MSCI EAFE Small Growth** represents the small cap growth stocks within the MSCI EAFE Index.

**MSCI EM (Emerging Markets) Index** serves as a benchmark for each emerging country. The average size of these companies is (U.S.) \$400 million, as compared with \$300 billion for those companies in the World index.

**MSCI World Index** is a rules-based index that serves as a benchmark for the developed global equity markets.

**MSCI Europe ex UK Index** is a rules-based index that serves as a benchmark for Europe's equity markets, excluding the United Kingdom.

**MSCI Pacific ex Japan Index** is a rules-based index that serves as a benchmark for Asia Pacific's equity markets, excluding Japan.

**MSCI United Kingdom Index** is a rules-based index that serves as a benchmark for the United Kingdom's equity markets.

**MSCI Japan** is a rules-based index that serves as a benchmark for Japan's equity markets.

**NAREIT All REIT Index** includes all tax-qualified REITs with common shares that trade on the New York Stock Exchange the American Stock Exchange or the NASDAQ National Market List.

**3-Month T-Bills** (90 Day T-Bill Index) are government-backed, short-term investments considered to be risk-free and as good as cash because the maturity is only three months.

**Russell 1000 Growth Index** is a market-capitalization weighted index of those firms in the Russell 1000 with higher price-to-book ratios and higher forecasted growth values.

**Russell 1000 Value Index** is a market-capitalization weighted index of those firms in the Russell 1000 with lower price-to-book ratios and lower forecasted growth values.

**Russell Top 200 Growth Index** is a market-capitalization weighted index of those firms in the Russell Top 200 with higher price-to-book ratios and higher forecasted growth values.

**Russell Top 200 Value Index** is a market-capitalization weighted index of those firms in the Russell Top 200 with lower price-to-book ratios and lower forecasted growth values.

**Russell 2000 Growth Index** is a market-weighted total return index that measures the performance of companies within the Russell 2000 Index having higher price-to-book ratio and higher forecasted growth values.

**Russell 2000 Index** consists of the smallest 2000 companies in the Russell 3000 Index, representing approximately 7% of the Russell 3000 total market capitalization.

**Russell 2000 Value Index** is a market-weighted total return index that measures the performance of companies within the Russell 2000 Index having lower price-to-book ratio and lower forecasted growth values.



# Q4 2024 Disclosures

**Russell MidCap Growth Index** is a market-weighted total return index that measures the performance of companies within the Russell MidCap Index having higher price-to-book ratio and higher forecasted growth values.

**Russell MidCap Index** includes firms 201 through 1000, based on market capitalization, from the Russell 3000 Index.

**Russell MidCap Value Index** is a market-weighted total return index that measures the performance of companies within the Russell MidCap Index having lower price-to-book ratio and lower forecasted growth values.

**Russell Top 200 Index** consists of the 200 largest securities in the Russell 3000 Index. Russell 3000 Index is a market capitalization weighted index, consisting of 3,000 U.S. common equity securities, reflective of the broad U.S. equity market.

**Salomon 1-10 Yr. Governments** is an index which serves as a benchmark for U.S. Government bonds with maturities ranging from 1 to 10 years.

**S&P 500 Index** measures the performance of the largest 500 U.S. common equity securities, and serves as an index of large cap stocks traded in the U.S.

**S&P 1500 Energy Index** measures the performance of the energy sector in the S&P 1500 Index.

**S&P 1500 Industrials** measures the performance of the industrial sector in the S&P 1500 Index.

**S&P 1500 Financials** measures the performance of the financials sector in the S&P 1500 Index.

**S&P 1500 Utilities** measures the performance of the utilities sector in the S&P 1500 Index.

**S&P 1500 Consumer Discretionary Index** measures the performance of the consumer discretionary sector in the S&P 1500 Index.

**S&P 1500 Consumer Staples Index** measures the performance of the consumer staples sector in the S&P 1500 Index.

**S&P 1500 Information Technology** measures the performance of the information technology sector in the S&P 1500 Index.

**S&P 1500 Materials** measures the performance of the materials sector in the S&P 1500 Index.

**S&P 1500 Health Care** measures the performance of the health care sector in the S&P 1500 Index.

**S&P 1500 Telecommunications Services Index** measures the performance of the telecommunications services sector in the S&P 1500 Index.

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# Scorecard System Methodology

The Scorecard System Methodology incorporates both quantitative and qualitative factors in evaluating fund managers and their investment strategies. The Scorecard System is built around pass/fail criteria, on a scale of 0 to 10 (with 10 being the best) and has the ability to measure active, passive and asset allocation investing strategies. Active and asset allocation strategies are evaluated over a five-year time period, and passive strategies are evaluated over a three-year time period. The scorecard system establishes the procedural process fiduciaries can follow.

## Scorecard Point System

**Acceptable: 7-10 Points**

**Watchlist<sup>1</sup>: 5-6 Points**

**Review<sup>2</sup>: 0-4 Points**

Eighty percent of the fund's score is quantitative (consisting of eight unique factors), incorporating modern portfolio theory statistics, quadratic optimization analysis, and peer group rankings (among a few of the quantitative factors). The other 20 percent of the score is qualitative, taking into account manager tenure, the fund's expense ratio relative to the average fund expense ratio in that asset class, and the fund's strength of statistics (statistical significance).

Combined, these factors measure relative performance, characteristics, behavior and overall appropriateness of a fund for a plan as an investment option. General fund guidelines are shown in the "Scorecard Point System" table above. The Scorecard Point System is integrated into the Investment Policy Statement to help establish procedural prudence in fund selection and monitoring. Non-scored funds are evaluated using qualitative criteria, detailed in the Investment Policy Statement.

<sup>1</sup> Funds that receive a watchlist score four consecutive quarters or five of the last eight quarters should be placed under review status.

<sup>2</sup> Review status necessitates documenting why the fund/strategy remains appropriate or documenting the course of action for removal as an investment option.

# Scorecard System Methodology

## Target Date Fund Strategies

Target Date Fund strategies are investment strategies that invest in a broad array of asset classes that may include U.S. equity, international equity, emerging markets, real estate, fixed income, high yield bonds and cash (to name a few asset classes). These strategies are managed to a retirement date or life expectancy date, typically growing more conservative as that date is approached. For this type of investment strategy, the Scorecard System is focused on how well these managers can add value from asset allocation. Asset allocation is measured using our Asset allocation strategies methodology and manager selection is measured using either our Active and/or Passive strategies methodologies, depending on the underlying fund options utilized within the Target Date Fund strategy.

Risk-based strategies follow the same evaluation criteria and are evaluated on both their asset allocation and security selection.

| Weightings                           | Target Date Fund Strategies                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Maximum Points |
|--------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| Asset Allocation Score (Average) 50% | <p>The individual funds in this Score average require five years of time history to be included. See Asset Allocation strategies methodology for a detailed breakdown of the Scoring criteria. Funds without the required time history are not included in the Score average.</p> <p>The Funds included in this average are from the Conservative, Moderate Conservative, Moderate, Moderate Aggressive and Aggressive categories, where Funds (also referred to as “vintages”) are individually Scored according to their standard deviation or risk bucket.</p> | 5              |
| Selection Score (Average) 50%        | <b>Active strategies:</b> The individual active funds in this Score average require five years of time history to be Scored. See Active strategies methodology for a detailed breakdown of the Scoring criteria. Funds without the required time history are not included in the Score average.                                                                                                                                                                                                                                                                   | 5              |
|                                      | <b>Passive strategies:</b> The individual passive funds in this Score average require three years of time history to be Scored. See Passive strategies methodology for a detailed breakdown of the Scoring criteria. Funds without the required time history are not included in the Score average.                                                                                                                                                                                                                                                               |                |
| Total                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 10             |

# Scorecard System Methodology

## Asset Allocation Strategies

Asset allocation strategies are investment strategies that invest in a broad array of asset classes that may include U.S. equity, international equity, emerging markets, real estate, fixed income, high yield bonds and cash (to name a few asset classes). These strategies are typically structured in either a risk-based format (the strategies are managed to a level of risk, e.g., conservative or aggressive) or, in an age-based format (these strategies are managed to a retirement date or life expectancy date, typically growing more conservative as that date is approached). For this type of investment strategy, the Scorecard System is focused on how well these managers can add value, with asset allocation being the primary driver of investment returns and the resulting Score. Multisector Bond (MSB) asset class follows the same evaluation criteria with some slightly different tolerance levels where noted. These managers are also evaluated on both their asset allocation and security selection.

| Weightings              | Asset Allocation Strategies                                                                                                                                                                                                                                                                                                                                                             | Maximum Points |
|-------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| Style Factors 30%       | <b>Risk Level:</b> The fund's standard deviation is measured against the category it is being analyzed in. The fund passes if it falls within the range for that category.                                                                                                                                                                                                              | 1              |
|                         | <b>Style Diversity:</b> Fund passes if it reflects appropriate style diversity (returns-based) among the four major asset classes (Cash, Fixed Income, U.S. & International Equity) for the given category. <i>MSB</i> funds pass if reflect some level of diversity among fixed income asset classes (Cash, U.S. Fixed Income, Non-U.S. Fixed Income and High Yield/Emerging Markets). | 1              |
|                         | <b>R-Squared:</b> Measures the percentage of a fund's returns that are explained by the benchmark. Fund passes with an R-squared greater than 90 percent. This statistic measures whether the benchmark used in the analysis is appropriate.                                                                                                                                            | 1              |
| Risk/Return Factors 30% | <b>Risk/Return:</b> Fund passes if its risk is less than the benchmark or its return is greater than the benchmark. Favorable risk/return characteristics are desired.                                                                                                                                                                                                                  | 1              |
|                         | <b>Up/Down Capture Analysis:</b> Measures the behavior of a fund in up and down markets. Fund passes with an up capture greater than its down capture. This analysis measures the relative value by the manager in up and down markets.                                                                                                                                                 | 1              |
|                         | <b>Information Ratio:</b> Measures a fund's relative risk and return. Fund passes if ratio is greater than 0. This statistic measures the value added above the benchmark, adjusted for risk.                                                                                                                                                                                           | 1              |
| Peer Group Rankings 20% | <b>Returns Peer Group Ranking:</b> Fund passes if its median rank is above the 50 <sup>th</sup> percentile.                                                                                                                                                                                                                                                                             | 1              |
|                         | <b>Sharpe Ratio Peer Group Ranking:</b> Fund passes if its median rank is above the 50 <sup>th</sup> percentile. This ranking ranks risk-adjusted excess return.                                                                                                                                                                                                                        | 1              |
| Qualitative Factors 20% | Two points may be awarded based on qualitative characteristics of the fund. Primary considerations are given to manager tenure, fund expenses and strength of statistics, however, other significant factors may be considered. It is important to take into account nonquantitative factors, which may impact future performance.                                                      | 2              |
| Total                   |                                                                                                                                                                                                                                                                                                                                                                                         | 10             |

# Scorecard System Methodology

## Active Strategies

Active strategies are investment strategies where the fund manager is trying to add value and outperform the market averages (for that style of investing). Typically, these investment strategies have higher associated fees due to the active involvement in the portfolio management process by the fund manager(s). For this type of investment strategy, the Scorecard System is trying to identify those managers who can add value on a consistent basis within their own style of investing.

| Weightings              | Active Strategies                                                                                                                                                                                                                                                                                                                  | Maximum Points |
|-------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| Style Factors 30%       | <b>Style Analysis:</b> Returns-based analysis to determine the style characteristics of a fund over a period of time. Fund passes if it reflects the appropriate style characteristics. Style analysis helps ensure proper diversification in the Plan.                                                                            | 1              |
|                         | <b>Style Drift:</b> Returns-based analysis to determine the behavior of the fund/manager over multiple (rolling) time periods. Fund passes if the fund exhibits a consistent style pattern. Style consistency is desired so that funds can be effectively monitored within their designated asset class.                           | 1              |
|                         | <b>R-Squared:</b> Measures the percentage of a fund's returns that are explained by the benchmark. Fund passes with an R-squared greater than 80 percent. This statistic measures whether the benchmark used in the analysis is appropriate.                                                                                       | 1              |
| Risk/Return Factors 30% | <b>Risk/Return:</b> Fund passes if its risk is less than the benchmark or its return is greater than the benchmark. Favorable risk/return characteristics are desired.                                                                                                                                                             | 1              |
|                         | <b>Up/Down Capture Analysis:</b> Measures the behavior of a fund in up and down markets. Fund passes with an up capture greater than its down capture. This analysis measures the relative value by the manager in up and down markets.                                                                                            | 1              |
|                         | <b>Information Ratio:</b> Measures a fund's relative risk and return. Fund passes if ratio is greater than 0. This statistic measures the value added above the benchmark, adjusted for risk.                                                                                                                                      | 1              |
| Peer Group Rankings 20% | <b>Returns Peer Group Ranking:</b> Fund passes if its median rank is above the 50 <sup>th</sup> percentile.                                                                                                                                                                                                                        | 1              |
|                         | <b>Information Ratio Peer Group Ranking:</b> Fund passes if its median rank is above the 50 <sup>th</sup> percentile. This ranking ranks risk-adjusted excess return.                                                                                                                                                              | 1              |
| Qualitative Factors 20% | Two points may be awarded based on qualitative characteristics of the fund. Primary considerations are given to manager tenure, fund expenses and strength of statistics, however, other significant factors may be considered. It is important to take into account nonquantitative factors, which may impact future performance. | 2              |
| Total                   |                                                                                                                                                                                                                                                                                                                                    | 10             |

# Scorecard System Methodology™

## Passive Strategies

Passive strategies are investment strategies where the fund manager is trying to track or replicate some area of the market. These types of strategies may be broad-based in nature (e.g., the fund manager is trying to track/replicate the entire U.S. equity market like the S&P 500) or may be more specific to a particular area of the market (e.g., the fund manager may be trying to track/replicate the technology sector). These investment strategies typically have lower fees than active investment strategies due to their passive nature of investing and are commonly referred to as index funds. For this type of investment strategy, the Scorecard System is focused on how well these managers track and/or replicate a particular area of the market with an emphasis on how they compare against their peers.

| Weightings                   | Passive Strategies                                                                                                                                                                                                                                                                                                 | Maximum Points |
|------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| Style & Tracking Factors 40% | <b>Style Analysis:</b> Returns-based analysis to determine the style characteristics of a fund over a period of time. Fund passes if it reflects the appropriate style characteristics. Style analysis helps ensure proper diversification in the Plan.                                                            | 1              |
|                              | <b>Style Drift:</b> Returns-based analysis to determine the behavior of the fund/manager over multiple (rolling) time periods. Fund passes if the fund exhibits a consistent style pattern. Style consistency is desired so that funds can be effectively monitored within their designated asset class.           | 1              |
|                              | <b>R-Squared:</b> Measures the percentage of a fund's returns that are explained by the benchmark. Fund passes with an R-squared greater than 95 percent. This statistic measures whether the benchmark used in the analysis is appropriate.                                                                       | 1              |
|                              | <b>Tracking Error:</b> Measures the percentage of a fund's excess return volatility relative to the benchmark. Fund passes with a tracking error less than 4. This statistic measures how well the fund tracks the benchmark.                                                                                      | 1              |
| Peer Group Rankings 40%      | <b>Tracking Error Peer Group Ranking:</b> Fund passes if its median rank is above the 75 <sup>th</sup> percentile.                                                                                                                                                                                                 | 1              |
|                              | <b>Expense Ratio Peer Group Ranking:</b> Fund passes if its median rank is above the 75 <sup>th</sup> percentile.                                                                                                                                                                                                  | 1              |
|                              | <b>Returns Peer Group Ranking:</b> Fund passes if its median rank is above the 75 <sup>th</sup> percentile.                                                                                                                                                                                                        | 1              |
|                              | <b>Sharpe Ratio Peer Group Ranking:</b> Fund passes if its median rank is above the 75 <sup>th</sup> percentile.                                                                                                                                                                                                   | 1              |
| Qualitative Factors 20%      | Two points may be awarded based on qualitative characteristics of the fund. Primary considerations are given to fund expenses and strength of statistics, however, other significant factors may be considered. It is important to take into account nonquantitative factors, which may impact future performance. | 2              |
| Total                        |                                                                                                                                                                                                                                                                                                                    | 10             |

# Qualitative Factors: an in-depth look

The letters T, E, and S in the qualitative section of the Scorecard are indicating why a fund was docked qualitative points.

- T = manager tenure
- E = expenses
- S = strength of statistics

**Active & Allocation Strategies:** All investments start with 2 points, with potential deductions if the following criteria are not met:

- Manager tenure

| Tenure    | Years | Deduct   |
|-----------|-------|----------|
| Less than | 1.5   | 2 points |
| Less than | 3.5   | 1 point  |

- Fund expense: if greater than RPAG Peer Group Average (for that style), deduct 0.5 point.
- Strength of statistics

| Condition | Average Style | R-Squared  | Deduct    |
|-----------|---------------|------------|-----------|
| If        | Fails         | <75%       | 1 point   |
| If        | Fails         | <60%       | 2 points  |
| If        | Passes        | <50%       | 1 point   |
| Condition | IR            | Sig. Level | Deduct    |
| If        | Positive      | <65%       | 0.5 point |

The total qualitative score is rounded to the nearest whole number. For example, a score of 1.5 will be rounded to 2.

**Passive Strategies:** All funds start with 2 points, with potential deductions if the following criteria are not met:

- Fund expense: if expenses rank in the 90% or below, 1 point impact.
- Strength of statistics: if the tracking error is greater than 6, 1 point impact. If tracking error is greater than 7, 2-point impact.

Unique events or conditions that warrant modifying this framework to capture the same intent are rare, but are noted when they occur.

# Manager Research Methodology

## Qualitative Factors Beyond the Scorecard

The Scorecard System establishes a process and methodology that is both comprehensive and independent. It strives to create successful outcomes for plan sponsors and participants. It also helps direct the additional qualitative research conducted on managers throughout the year. Going beyond the Scorecard incorporates the following three important categories below.

### PEOPLE

- Fund manager and team experience
- Deep institutional expertise
- Organizational structure
- Ability to drive the process and performance

### PROCESS

- Clearly defined
- Consistent application
- Sound and established
- Clearly communicated
- Successfully executed process

### PHILOSOPHY

- Research and ideas must be coherent and persuasive
- Strong rationale
- Logical and compelling
- Focus on identifying skillful managers



# Scorecard Disclosures

Investment objectives and strategies vary among funds and may not be similar for funds included in the same asset class.

All definitions are typical category representations. The specific share classes or accounts identified above may not be available or chosen by the Plan. Share class and account availability is unique to the client's specific circumstances. There may be multiple share classes or accounts available to the client from which to choose. All recommendations are subject to vendor/provider approval before implementation into the Plan.

The performance data quoted may not reflect the deduction of additional fees, if applicable. If reflected, additional fees would reduce the performance quoted.

Performance data is subject to change without prior notice.

Performance of indexes reflects the unmanaged result for the market segment the selected stocks represent. Indexes are unmanaged and not available for direct investment.

The information used in the analysis has been taken from sources deemed to be reliable, including, third-party providers such as Markov Processes International, Morningstar, firms who manage the investments, and/or the retirement plan providers who offer the funds.

Every reasonable effort has been made to ensure completeness and accuracy; however, the final accuracy of the numbers and information is the responsibility of the investment manager(s) of each fund and/or the retirement plan providers offering these funds. Discrepancies between the figures reported in this analysis, and those reported by the actual investment managers and/or retirement plan providers, may be caused by a variety of factors, including: Inaccurate reporting by the manager/provider; Changes in reporting by the manager/provider from the time this report was prepared to a subsequent retro-active audit and corrected reporting; Differences in fees and share-classes impacting net investment return; and, Scriveners error by your advisor in preparing this report.

The enclosed Investment Due Diligence report, including the Scorecard System, is intended for plan sponsor and/or institutional use only. The materials are not intended for participant use.

The purpose of this report is to assist fiduciaries in selecting and monitoring investment options. A fund's score is meant to be used by the Plan sponsor and/or fiduciaries as a tool for selecting the most appropriate fund.

Fund scores will change as the performance of the funds change and as certain factors measured in the qualitative category change (e.g., manager tenure). Fund scores are not expected to change dramatically from each measured period, however, there is no guarantee this will be the case. Scores will change depending on the changes in the underlying pre-specified Scorecard factors.

Neither past performance nor statistics calculated using past performance are guarantees of a fund's future performance. Likewise, a fund's score using the Scorecard System does not guarantee the future performance or style consistency of a fund.

This report was prepared with the belief that this information is relevant to the Plan sponsor as the Plan sponsor makes investment selections.

Fund selection is at the discretion of the investment fiduciaries, which are either the Plan sponsor or the Committee appointed to perform that function.

Cash Equivalents (e.g., money market fund) and some specialty funds are not scored by the Scorecard System.

The enclosed Investment Due Diligence report and Scorecard is not an offer to sell mutual funds. An offer to sell may be made only after the client has received and read the appropriate prospectus.

For the most current month-end performance, please contact your advisor.

The Strategy Review notes section is for informational purposes only. The views expressed here are those of your advisor and do not constitute an offer to sell an investment. An offer to sell may be made only after the client has received and read the appropriate prospectus.

For funds that do not have a score, one of the following will be shown: HIS, SPC, or OTH.

HIS- fund does not have enough performance history to Score.

SPC- fund is in a specialty category that does not Score.

OTH- fund may no longer be active, not in database or available to Score

Qualitative legend: T= Manager tenure; E= Expenses; S= Strength of statistics

**Carefully consider the investment objectives, risk factors and charges and expenses of the investment company before investing. This and other information can be found in the fund's prospectus, which may be obtained by contacting your Investment Advisor/Consultant or Vendor/Provider. Read the prospectus carefully before investing.**

**For a copy of the most recent prospectus, please contact your Investment Advisor/Consultant or Vendor/Provider.**

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# Glossary

**Active strategies:** investment strategies where the fund manager is trying to add value and outperform the market averages (for that style of investing). Typically, these investment strategies have higher associated costs due to the active involvement in the portfolio management process by the fund manager(s). For this type of investment strategy, the **Scorecard System™** is trying to identify those managers who can add value on a consistent basis within their own style of investing.

**Alpha:** a measure used to quantify a fund manager's value added. Alpha measures the difference between a portfolio's actual returns and what it might be expected to deliver based on its level of risk. A positive alpha means the fund has beaten expectations and implies a skillful manager. A negative alpha means that the manager failed to match performance with the given risk level.

**Asset allocation strategies:** investment strategies that invest in a broad array of asset classes that may include U.S. equity, international equity, emerging markets, real estate, fixed income, high yield bonds and cash (to name a few asset classes). These strategies are typically structured in either a risk-based format (the strategies are managed to a level of risk, e.g., conservative or aggressive) or, in an age-based format (these strategies are managed to a retirement date or life expectancy date, typically growing more conservative as that date is approached). For this type of investment strategy, the Scorecard System is focused on how well these managers can add value from both asset allocation and manager selection.

**Beta:** a measure of risk that gauges the sensitivity of a manager to movements in the benchmark (market). If the market returns change by some amount  $x$ , then the manager returns can be expected to change by Beta times  $x$ . A Beta of 1 implies that you can expect the movement of a fund's return series to match that of the benchmark. A portfolio with a beta of 2 would move approximately twice as much as the benchmark.

**Downside deviation:** also referred to as downside risk. The downside standard deviation shows the average size of the deviations (from the mean) when the return is negative.

**Excess return:** the difference between the returns of a mutual fund and its benchmark.

**Explained variance:** the explained variance measures the variance of the fund that is explained by the benchmark (similar to the R-squared statistic).

**Information ratio:** a measure of the consistency of excess return. The ratio is calculated by taking the annualized excess return over a benchmark (numerator) and dividing it by the standard deviation of excess return (denominator). The result is a measure of the portfolio management's performance against risk and return relative to a benchmark. This is a straightforward way to evaluate the return a fund manager achieves, given the risk they take on.

**Median rank:** refers to the midpoint of the range numbers that are arranged in order of value (lowest to highest).

**Passive strategies:** investment strategies where the fund manager is trying to track or replicate some area of the market. These types of strategies may be broad-based in nature (e.g., the fund manager is trying to track/replicate the entire U.S. equity market like the S&P 500) or may be more specific to a particular area of the market (e.g., the fund manager may be trying to track/replicate the technology sector). These investment strategies typically have lower costs than active investment strategies due to their passive nature of investing and are commonly referred to as index funds. For this type of investment strategy, the Scorecard System is focused on how well these managers track and/or replicate a particular area of the market with an emphasis on how they compare against their peers.

**R-squared:** measures (on a scale of 0 to 100) the amount of movement of a fund's return that can be explained by that fund's benchmark. An R-squared of 100 means that all movements of a fund are completely explained by movements in the associated index (benchmark).

**Returns-based style analysis:** uses a fund's return series to help identify the style of the fund. This is done by comparing those returns across a specific time period to a series of index returns of various styles (Large Cap Growth, Small Cap Value, etc.) over the same period. Through quadratic optimization, the best fit style is calculated. Once the best fit is found, the fund's style can then be analyzed and weightings toward each asset class can be made.

**Sharpe ratio:** a ratio developed by Bill Sharpe to measure risk-adjusted performance. It is calculated by subtracting the risk-free rate from the rate of return for a portfolio and dividing the result by the standard deviation of the portfolio returns to measure reward on a per unit of risk basis. For example, if a bond fund returns 6% and has a standard deviation of 4% and the risk-free rate is 2% then the Sharpe Ratio for this fund will be 1.  $(6-2)/4=1$ .

**Significance level:** indicates the level of confidence (on a percentage basis) with which the statement "the manager's annualized excess return over the benchmark is positive" or "the manager's annualized excess return over the benchmark is negative," as the case may be, holds true.

**Standard deviation:** of return measures the average deviations of a return series from its mean (average) return. A large standard deviation implies that there have been large swings in the return series of the manager. The larger the swing, the more volatile the fund's returns and hence more implied risk. For smaller swings the opposite is true. Standard deviation helps us analyze risk by revealing how much the return on the fund is deviating.

**Style drift:** is the tendency of a fund to deviate from its investment style over time is style drift. This generally occurs because of a change in the fund's strategy, the manager's philosophy or even a portfolio manager change. During the 1990's dotcom boom, for example, many managers – regardless of the strategies they were initially bound by – were able to justify buying tech stocks for their portfolio, in hopes of capitalizing on the tech boom in the market at that time. Consequently, their styles "drifted" from their original strategy.

**Tracking error:** refers to the standard deviation of excess returns or the divergence between the return behavior of a portfolio and the return behavior of a benchmark. Tracking error is reported as a "standard deviation percentage" difference that accounts for the volatility between the return of a fund versus its benchmark.

**Volatility of rank:** is measured by taking the median of a series of numbers, or taking the absolute value of the distance of each individual number to that median, then finding the median of those distances. Volatility is used because it makes a better companion to the median than the standard deviation. Standard deviation is commonly used when measuring volatility around the mean (average), while volatility of rank is used for medians.

**Up/Down capture:** a measure of how well a manager was able to replicate or improve on periods of positive benchmark returns, and how badly the manager was affected by periods of negative benchmark returns. For example, if a fund has an up capture of 120 that means that the fund goes up 12% when the benchmark moves up 10%. The same fund has a down capture of 90 so that means the fund returns a -9% when the benchmark returns a -10%.

# Asset Class Definitions

**Conservative (CON):** a diversified asset allocation strategy including equity with an emphasis on fixed income. Demonstrates a lower overall volatility (risk) level when compared to the other asset allocation categories.

**Moderate Conservative (MC):** a diversified asset allocation strategy including equity and fixed income. Demonstrates a higher overall volatility (risk) level when compared to CON, but lower volatility level when compared to MOD, MA and AGG.

**Moderate (MOD):** a diversified asset allocation strategy including equity and fixed income. Demonstrates a higher overall volatility (risk) level when compared to CON and MC, but lower volatility level when compared to MA and AGG.

**Moderate Aggressive (MA):** a diversified asset allocation strategy including equity and fixed income. Demonstrates a higher overall volatility (risk) level when compared to CON, MC and MOD, but lower volatility level when compared to AGG.

**Aggressive (AGG):** a diversified asset allocation strategy including fixed income with an emphasis on equity. Demonstrates a higher overall volatility (risk) level when compared to the other asset allocation categories.

**Large Cap Value (LCV):** large capitalization companies who have lower prices in relation to their earnings or book value.

**Large Cap Blend (LCB):** large capitalization companies who display both value and growth-like characteristics.

**Large Cap Growth (LCG):** large capitalization companies who have higher prices relative to their earnings or book value, generally due to a higher forecasted or expected growth rate.

**Mid Cap Value (MCV):** mid-capitalization companies who have lower prices in relation to their earnings or book value.

**Mid Cap Blend (MCB):** mid-capitalization companies who display both value and growth-like characteristics.

**Mid Cap Growth (MCG):** mid-capitalization companies who have higher prices relative to their earnings or book value, generally due to a higher expected growth rate.

**Small Cap Value (SCV):** small capitalization companies who have lower prices in relation to their earnings or book value.

**Small Cap Blend (SCB):** small capitalization companies who display both value and growth-like characteristics.

**Small Cap Growth (SCG):** small capitalization companies who have higher prices relative to their earnings or book value, generally due to a higher forecasted or expected growth rate.

**SMid Value (SMCV):** includes any fund categorized as SCV or MCV within Morningstar and whose primary prospectus benchmark is the Russell 2500 Value, which consists primarily of small and mid-capitalization companies who have lower prices in relation to their earnings or book value.

**SMid Growth (SMCG):** includes any fund categorized as SCG or MCG within Morningstar and whose primary prospectus benchmark is the Russell 2500 Growth, which consists primarily of small and mid-capitalization companies who have higher prices in relation to their earnings or book value, generally due to a higher forecasted or expected growth rate.

**SMid Blend (SMCB):** includes any fund categorized as SCB or MCB within Morningstar and whose primary prospectus benchmark is the Russell 2500, which consists primarily of small and mid-capitalization companies who display both value and growth-like characteristics.

**Bank Loans (BL):** an array of loans to corporations made by banks and other financial outfits that do not pay a fixed interest rate, but rather an adjustable one and are therefore often referred to as floating rate loans.

**International Equity (IE):** includes any fund whose primary prospectus benchmark is the MSCI ACWI ex USA, which includes both developed and emerging markets, and is intended to provide a broad measure of stock performance throughout the world, with the exception of U.S. based companies.

**International Large Cap Value (ILCV):** primarily large capitalization foreign companies displaying both value-like characteristics.

**International Large Cap Blend (ILCB):** primarily large capitalization foreign companies displaying both value and growth-like characteristics.

**International Large Cap Growth (ILCG):** primarily large capitalization foreign companies displaying growth-like characteristics.

**International Small-Mid Cap Value (ISMCP):** primarily small and mid-capitalization foreign companies displaying both value-like characteristics.

**International Small-Mid Cap Growth (ISMG):** primarily small and mid-capitalization foreign companies displaying both growth-like characteristics.

**Emerging Market Equity (EME):** foreign companies in countries that are not considered to have fully developed markets or economies.

**Global Equity (GE):** large capitalization domestic and foreign companies displaying both value and growth-like characteristics.

**Core Fixed Income (CFI):** domestic fixed income securities representing a broad array of fixed income securities including government, credit and mortgage-backed securities.

**Intermediate Government (IG):** domestic Government or Government-backed fixed income securities.

**U.S. Government TIPS (UGT):** treasury inflation protected securities which are Government securities designed to offer inflation protection by adjusting the principal based on changes in the Consumer Price Index.

**Short-Term Bond (STB):** a broad array of fixed income securities that have short durations and/or maturities (typically 1-3 years).

**High Yield (HY):** below investment grade domestic fixed income securities, which have a higher likelihood of default.

**Global Fixed Income (GFI):** a broad array of fixed income securities across many different countries.

**Multisector Bond (MB):** a broad array of fixed income securities across many different sectors including domestic government, corporate, sovereign and emerging markets debt. They generally have a few limitations when it comes to domicile, sectors, maturities or credit ratings.

**Specialty Fixed Income (SFI):** a particular segment of the stock market focused on utility companies.

**Stable Value (SV):** a conservative fixed income strategy that is designed to preserve capital.

**Money Market (MM):** conservative, short-term oriented money market securities.

**Guaranteed Investment Contract (GIC):** products that have some type of guarantee from the issuer or provider.

**REIT (RE):** real estate securities traded on a stock exchange.

**Technology (TEC):** a particular segment of the stock market focused on technology related companies.

**Natural Resources (NR):** a particular segment of the stock market focused on natural resource related companies.

**HealthCare (HC):** a particular segment of the stock market focused on healthcare related companies.

**Communication (COM):** a particular segment of the stock market focused on communications related companies.

**Financial Services (FS):** a particular segment of the stock market focused on financial services related companies.

**Utilities (UTI):** a particular segment of the stock market focused on utility companies.

**Specialty (SPC):** a unique area of the market

**-P:** Asset class abbreviations with a “-P” after the abbreviation indicate that the strategy was classified as passively managed. When not indicated, all other strategies are classified as actively managed and/or asset allocation.

# Fund Fact Sheet Disclosures

Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data quoted.

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This report is provided solely for information purposes only and therefore not an offer to buy or sell a security. An offer to buy or sell a security may be made only after the client has received and read the appropriate prospectus.

For a copy of the most recent prospectus, please contact your investment advisor/consultant.

# Index Disclosures

Performance of indexes reflects the unmanaged result for the market segment the selected stocks represent. Indexes are unmanaged and not available for direct investment.

**Citigroup Corporate Bond** is an index which serves as a benchmark for corporate bond performance. You cannot invest directly in an index.

**Citigroup Mortgage Master** is an index which serves as a benchmark for U.S. mortgage-backed securities performance.

**Citigroup WGBI Index** is an index which serves as a benchmark for global bond performance, including 22 different government bond markets.

**Credit Suisse High Yield Index** is an unmanaged, trader priced index constructed to mirror the characteristics of the high yield bond market.

**Bloomberg Barclays U.S. Aggregate Bond (BB Aggregate Bond)** represents securities that are U.S., domestic, taxable, and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. These major sectors are subdivided into more specific indices that are calculated and reported on a regular basis.

**BC Credit Bond Index** includes publicly issued U.S. corporate and specified foreign debentures and secured notes that meet the specified maturity, liquidity, and quality requirements. To qualify, bonds must be SEC-registered.

**BC U.S. Corporate Investment Grade** represents investment grade corporate securities that are U.S., domestic, taxable, and dollar denominated.

**BC High Yield Corporate Bond** represents below investment grade corporate securities that are U.D., domestic, taxable, and dollar denominated.

**BC TIPS Index** includes publicly issued U.S. government treasury inflation protected securities that meet the specified maturity, liquidity and other requirements.

**BC Mortgage-Backed Securities** covers agency mortgage-backed pass-through securities (both fixed-rate and hybrid ARMs) issued by Ginnie Mae (GNMA), Fannie Mae (FNMA), and Freddie Mac (FHLMC).

**BC Muni Bond** covers the USD-denominated long term tax exempt bond market with four main sectors: state and local general obligation bonds, revenue bonds, insured bonds, and pre-refunded bonds.

**BC Government Index** includes publicly issued U.S. government securities that meet the specified maturity, liquidity and other requirements.

**BarCap U.S. Aggregate 1-3 Yr. TR USD Index** represents securities in the BC U.S. Aggregate Index that have maturity dates over the next 1-3 years.

**BarCap U.S. Aggregate 3-5 Yr. TR USD Index** represents securities in the BC U.S. Aggregate Index that have maturity dates over the next 3-5 years.

**BarCap U.S. Aggregate 5-7 Yr. TR USD Index** represents securities in the BC U.S. Aggregate Index that have maturity dates over the next 5-7 years.

**BarCap U.S. Aggregate 7-10 Yr. TR USD Index** represents securities in the BC U.S. Aggregate Index that have maturity dates over the next 7-10 years.

**BarCap U.S. Aggregate 10+ Yr. TR USD Index** represents securities in the BC U.S. Aggregate Index that have maturity dates over 10 years.

**DJW 5000 (Full Cap)** Index measures the performance of all U.S. common equity securities, and serves as an index of all stock trades in the U.S.

**MSCI FI Emerging Markets** is a rules-based index which serves as a benchmark for emerging country fixed income performance.

**MSCI FI EAFE International** is a rules-based index which serves as a benchmark for developed international country fixed income performance.

**MSCI EAFE Index** is listed for foreign stock funds (EAFE refers to Europe, Australia and Far East). Widely accepted as a benchmark for international stock performance, it is an aggregate of 21 individual country indexes.

**MSCI EAFE Large Value** represents the large cap value stocks within the MSCI EAFE Index.

**MSCI EAFE Large Growth** represents the large cap growth stocks within the MSCI EAFE Index.

**MSCI EAFE Mid Value** represents the mid cap value stocks within the MSCI EAFE Index.

**MSCI EAFE Mid Growth** represents the mid cap growth stocks within the MSCI EAFE Index.

**MSCI EAFE Small Value** represents the small cap value stocks within the MSCI EAFE Index.

**MSCI EAFE Small Growth** represents the small cap growth stocks within the MSCI EAFE Index.

**MSCI EM (Emerging Markets) Index** serves as a benchmark for each emerging country. The average size of these companies is (U.S.) \$400 million, as compared with \$300 billion for those companies in the World index.

**MSCI World Index** is a rules-based index that serves as a benchmark for the developed global equity markets.

**MSCI Europe ex UK Index** is a rules-based index that serves as a benchmark for Europe's equity markets, excluding the United Kingdom.

**MSCI Pacific ex Japan Index** is a rules-based index that serves as a benchmark for Asia Pacific's equity markets, excluding Japan.

**MSCI United Kingdom Index** is a rules-based index that serves as a benchmark for the United Kingdom's equity markets.

**MSCI Japan** is a rules-based index that serves as a benchmark for Japan's equity markets.

**NAREIT All REIT Index** includes all tax-qualified REITs with common shares that trade on the New York Stock Exchange the American Stock Exchange or the NASDAQ National Market List.

**3-Month T-Bills** (90 Day T-Bill Index) are government-backed, short-term investments considered to be risk-free and as good as cash because the maturity is only three months.

**Russell 1000 Growth Index** is a market-capitalization weighted index of those firms in the Russell 1000 with higher price-to-book ratios and higher forecasted growth values.

**Russell 1000 Value Index** is a market-capitalization weighted index of those firms in the Russell 1000 with lower price-to-book ratios and lower forecasted growth values.

**Russell Top 200 Growth Index** is a market-capitalization weighted index of those firms in the Russell Top 200 with higher price-to-book ratios and higher forecasted growth values.

**Russell Top 200 Value Index** is a market-capitalization weighted index of those firms in the Russell Top 200 with lower price-to-book ratios and lower forecasted growth values.

**Russell 2000 Growth Index** is a market-weighted total return index that measures the performance of companies within the Russell 2000 Index having higher price-to-book ratio and higher forecasted growth values.

**Russell 2000 Index** consists of the smallest 2000 companies in the Russell 3000 Index, representing approximately 7% of the Russell 3000 total market capitalization.

**Russell 2000 Value Index** is a market-weighted total return index that measures the performance of companies within the Russell 2000 Index having lower price-to-book ratio and lower forecasted growth values.

# Index Disclosures

**Russell MidCap Growth Index** is a market-weighted total return index that measures the performance of companies within the Russell MidCap Index having higher price-to-book ratio and higher forecasted growth values.

**Russell MidCap Index** includes firms 201 through 1000, based on market capitalization, from the Russell 3000 Index.

**Russell MidCap Value Index** is a market-weighted total return index that measures the performance of companies within the Russell MidCap Index having lower price-to-book ratio and lower forecasted growth values.

**Russell Top 200 Index** consists of the 200 largest securities in the Russell 3000 Index.

**Russell 3000 Index** is a market capitalization weighted index, consisting of 3,000 U.S. common equity securities, reflective of the broad U.S. equity market.

**Salomon 1-10 Yr. Governments** is an index which serves as a benchmark for U.S. Government bonds with maturities ranging from 1 to 10 years.

**S&P 500 Index** measures the performance of the largest 500 U.S. common equity securities, and serves as an index of large cap stocks traded in the U.S.

**S&P 500 Energy Index** measures the performance of the energy sector in the S&P 500 Index.

**S&P 500 Industrials** measures the performance of the industrial sector in the S&P 500 Index.

**S&P 500 Financials** measures the performance of the financials sector in the S&P 500 Index.

**S&P 500 Utilities** measures the performance of the utilities sector in the S&P 500 Index.

**S&P 500 Consumer Discretionary Index** measures the performance of the consumer discretionary sector in the S&P 500 Index.

**S&P 500 Consumer Staples Index** measures the performance of the consumer staples sector in the S&P 500 Index.

**S&P 500 Information Technology** measures the performance of the information technology sector in the S&P 500 Index.

**S&P 500 Materials** measures the performance of the materials sector in the S&P 500 Index.

**S&P 500 Health Care** measures the performance of the health care sector in the S&P 500 Index.

**S&P 500 Telecommunications Services Index** measures the performance of the telecommunications services sector in the S&P 500 Index.

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All definitions are typical category representations. The specific share classes or accounts identified above may not be available or chosen by the plan. Share class and account availability is unique to the client's specific circumstances. There may be multiple share classes or accounts available to the client from which to choose. All recommendations are subject to vendor/provider approval before implementation into the plan.

The performance data quoted may not reflect the deduction of additional fees, if applicable. If reflected, additional fees would reduce the performance quoted.

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The information used in the analysis has been taken from sources deemed to be reliable, including, third-party providers such as Markov Processes International, Morningstar, firms who manage the investments, and/or the retirement plan providers who offer the funds.

Every reasonable effort has been made to ensure completeness and accuracy; however, the final accuracy of the numbers and information is the responsibility of the investment manager(s) of each fund and/or the retirement plan providers offering these funds. Discrepancies between the figures reported in this analysis, and those reported by the actual investment managers and/or retirement plan providers, may be caused by a variety of factors, including: Inaccurate reporting by the manager/provider; Changes in reporting by the manager/provider from the time this report was prepared to a subsequent retro-active audit and corrected reporting; Differences in fees and share-classes impacting net investment return; and, Scriveners error by your advisor in preparing this report.

The enclosed Investment Due Diligence report, including the Scorecard System, is intended for plan sponsor and/or institutional use only. The materials are not intended for participant use.

The purpose of this report is to assist fiduciaries in selecting and monitoring investment options. A fund's score is meant to be used by the plan sponsor and/or fiduciaries as a tool for selecting the most appropriate fund.

Fund scores will change as the performance of the funds change and as certain factors measured in the qualitative category change (e.g., manager tenure). Fund scores are not expected to change dramatically from each measured period, however, there is no guarantee this will be the case. Scores will change depending on the changes in the underlying pre-specified Scorecard factors.

Neither past performance nor statistics calculated using past performance are guarantees of a fund's future performance. Likewise, a fund's score using the Scorecard System does not guarantee the future performance or style consistency of a fund.

This report was prepared with the belief that this information is relevant to the plan sponsor as the plan sponsor makes investment selections.

Fund selection is at the discretion of the investment fiduciaries, which are either the plan sponsor or the committee appointed to perform that function.

Cash Alternatives (e.g., money market fund) and some specialty funds are not scored by the Scorecard System.

The enclosed Investment Due Diligence report and Scorecard is not an offer to sell mutual funds. An offer to sell may be made only after the client has received and read the appropriate prospectus.

For the most current month-end performance, please contact your advisor.

The Strategy Review notes section is for informational purposes only. The views expressed here are those of your advisor and do not constitute an offer to sell an investment. An offer to sell may be made only after the client has received and read the appropriate prospectus.

**Carefully consider the investment objectives, risk factors and charges and expenses of the investment company before investing. This and other information can be found in the fund's prospectus, which may be obtained by contacting your Investment Advisor/Consultant or Vendor/Provider. Read the prospectus carefully before investing.**

**For a copy of the most recent prospectus, please contact your Investment Advisor/Consultant or Vendor/Provider.**

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Consider the investment objectives, risks and charges and expenses of the investment company carefully before investing. The prospectus contains this and other information about the investment company. Please contact your advisor for the most recent prospectus. Prospectus should be read carefully before investing.

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