

Morningstar® Retirement ManagerSM

Benefits

- ▶ Helps participants get on track to reaching their retirement goals
- ▶ Easy-to-use online interface requires minimal participant inputs
- ▶ Improves competitiveness of employee benefits package
- ▶ Helps plan sponsors better manage their fiduciary responsibilities

Few plan participants know how to properly diversify their retirement accounts and select the most appropriate investments for their portfolios. Many don't know how much they need to save in order to achieve a comfortable retirement or what they need to do to improve their financial outlooks. And with average account balances so low, few can afford to roll the dice on the success or failure of managing their own retirement accounts.

That's where Morningstar Retirement Manager can help. We take the guesswork out of building and managing retirement accounts and, in the process, help put participants on track to achieving their retirement goals.

Driven by Morningstar, Inc.'s renowned research capabilities and its commitment to objectivity, Morningstar Retirement Manager is an investment advisory service¹ created by one of the registered investment advisors of Morningstar Investment Management*. Accessible either through our online platform, by phone or through paper enrollment², Morningstar Retirement Manager helps prepare employees for retirement, offers plan sponsors fiduciary protection, and is designed to enhance a sponsor's overall benefits package.

Personalized Investment Strategies

One of the unique benefits of Morningstar Retirement Manager is that participants either can manage their accounts themselves (Advice) or turn the reins over to our investment professionals (Managed Accounts). With Advice, the participant is responsible for implementing our recommendations and managing their accounts moving forward. With Managed Accounts, we implement the recommendations for the participant, adjust their strategy as needed, and take care of the ongoing details of managing their retirement portfolio.

In both cases, participants receive a personalized retirement strategy that includes:

- ▶ Retirement goal and retirement income projections
- ▶ Savings rate recommendations
- ▶ Retirement age recommendations
- ▶ Portfolio asset mix based on the participant's situation
- ▶ Professional investment selection based on the funds in the plan's lineup
- ▶ Ongoing retirement readiness forecasts

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Driving Enrollment

Our relationship and marketing teams will work with the client to design a customized outreach strategy to drive enrollment into Morningstar Retirement Manager.

Retirement Strategy Overview

Note: Your current strategy will put you \$X,XXX below your goal. Based on the information we received we have proposed a reasonable strategy to help you reach your goal.

Retirement Income	Current Strategy	Proposed Strategy
Goal: \$45,000/yr	\$31,185/yr	\$42,750/yr

Metric	Current Strategy	Proposed Strategy
Overall Rating	★★★	★★★★★
Retirement Age	64	65
Savings Rate	2%	8%
Company Stock	16%	0%
Asset Mix/Risk Level	Balanced	Aggressive

Are you making the most of your retirement account?

...if not, Morningstar Retirement Manager can help

Current Income Outlook: You are on track to reach your goal if you reduce your current savings.

Proposed Income Outlook: You have a 90% probability of achieving this amount (see underlying assumptions).

Get a Retirement Strategy.

A New Way to Manage Your Retirement Account.

Images are samples and for illustrative purposes only.

accessing various options within these steps to fine-tune their strategies. This includes adding information about a partner's retirement assets, external investments, or other income sources.

Professional Oversight

With Managed Accounts, the participant not only gains access to our recommendations but also receives ongoing professional investment management to help ensure he or she stays on track to meeting their goals. This service is best-suited for those who don't have the time, interest, or knowledge to manage their own accounts. Managed Accounts is overseen by an experienced investment team that reviews and rebalances the participant's account as necessary. Participants can withdraw from the service at any time and take control of their assets directly.

Every participant enrolled in our managed accounts service receives periodic progress reports that furnish performance information, projected retirement income estimate, savings recommendations, and portfolio holdings.

Patented Methodology

Both solutions are driven by 30 years of research in asset allocation³ and our expertise in portfolio construction and manager selection. It also leverages a patented Human Capital Methodology, which accounts for an investor's total economic situation and incorporates some of the central tenets of modern portfolio theory. Specifically, in determining an investor's risk capacity the methodology considers an investor's financial capital (total saved assets and tradable assets such as stocks and bonds) as well as their human capital (earnings and savings potential). This helps us pinpoint an investor's risk capacity with greater accuracy than standard approaches.

Our investment process also benefits from our ability to tap into the databases of Morningstar, Inc. to gather the actual holdings data of the investment options. By combining our ability to "X-ray" each investment in your plan and with our expertise at understanding the underlying drivers of fund performance, we believe we can design more appropriate and balanced portfolios for plan participants.

Plan Sponsor Benefits

Our service benefits plan sponsors a couple of ways:

- ▶ Improves overall benefits package
- ▶ Leverages the brand and reputation of Morningstar
- ▶ Reduces fiduciary liabilities⁴
- ▶ Gives employees access to an innovative and comprehensive advisory platform
- ▶ Offers marketing support to drive assets into the plan
- ▶ Makes available a library of educational tools and articles

For more information:

 global.morningstar.com/retirementmanager

Morningstar Retirement Solutions

Morningstar's retirement solutions group develops a suite of innovative investment products for the retirement industry, including investment tools, communications, and fiduciary services.

Footnotes

¹ Morningstar Retirement Manager is offered by and is the property of Morningstar Associates, and is intended for use by citizens and legal residents of the United States and its territories.

² Availability of delivery channels is subject to the discretion of the plan provider. Not all plan sponsors will be able to access the services through all channels.

³ Ibbotson Associates, a registered investment advisor and subsidiary of Morningstar, Inc., was founded in 1977.

⁴ For the managed accounts and advice services, Morningstar Associates, a registered investment advisor, acts as the investment manager with discretionary authority. If a named fiduciary of the Plan properly appoints Morningstar Associates to provide these services, Morningstar Associates will assume fiduciary responsibility for its investment decisions.