Retirement Solutions
by Morningstar Investment Management LLC

To keep pace in today’s hyper-competitive retirement market, you not only need an aggressive growth strategy, but also ways to differentiate your services. A me-too strategy isn’t going to help you win new business or pull away from the pack. That’s where the Retirement Solutions group of Morningstar Investment Management LLC comes in.

We help plan providers and global financial institutions grow their business, penetrate new markets, and increase market share. Our success is rooted in our ability to provide a diversified suite of core retirement solutions—from plan sponsor advice and risk-based models to custom target date solutions and managed accounts—that can be tailor-made to meet your business objective and help drive results with your target audience. We aren’t a one-solution shop. Our clients team-up with us because we build integrated solutions that differentiate their offerings and keep their competitors scrambling to catch up.

One of our many competitive advantages is that we can provide clients with a comprehensive fiduciary offering that spans multiple solutions. This can provide clients with a more efficient, cost-effective, and consistent approach to fiduciary coverage. Another advantage is our in-house team of programmers and developers who can quickly adapt our offerings, build custom delivery platforms, and design client-specific web interfaces.

Our core retirement solutions include:

Morningstar® Retirement Manager℠
Morningstar Retirement Manager is our flagship advisory service for delivering Advice and Managed Accounts services to individuals, whether they are saving for retirement, close to retiring, or already in retirement. Our personalized retirement income assessments, savings rate advice, and portfolio recommendations can help participants plan for their future. With Managed Accounts, participants not only gain access to personalized investment recommendations, but also receive ongoing professional oversight.

Meanwhile, plan sponsors gain fiduciary support, a way to help improve their benefits package, and the knowledge that their employees are receiving the help they need from experienced financial professionals. For plan providers, the service can extend their retirement offerings and help enable them to better meet the needs of a diverse client base.

Custom Models
Our investment team works with plan providers to design custom models for their plan sponsors’ investment lineups. We offer target maturity models, risk-based models, and target maturity models with risk tracks. We customize these models to the specific plan, taking into account a wide range of factors, including the presence of defined benefit assets, company stock holdings, savings rates,

### Benefits
- Provides a diversified suite of solutions designed to drive results with your target audience
- Leverages our experience in asset allocation and manager selection
- Offers a consistent fiduciary approach across solutions
- Each solution can be tailor-made to meet your business objective

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account balances, and employment stability. All the models are built using a plan’s core investment lineup, which gives the plan more control over the underlying investments.

For plan providers, these models are a cost-effective way to meet the growing demand for more personalized products that can better help participants reach their goals and, in the process, reduce their clients’ fiduciary burdens.

Plan Sponsor Advice
It’s becoming increasingly more difficult for plan sponsors to meet their fiduciary obligations, as well as manage their fund lineups. Our team can help relieve that burden by working with plan providers and financial institutions to create quality, diversified lineups for their clients. As part of the service, we will construct and monitor the investment lineup, document our investment process, create an Investment Policy Statement, and furnish the plan with detailed quarterly investment and performance reports.

We can provide this service as either a 3(21)(A)(ii) or 3(38) fiduciary. Under 3(38), we would have full authority to remove and replace funds without input or involvement on the part of the plan sponsor. The flexibility of this offering allows plan providers to accommodate the full-range of fiduciary and investment needs of plan sponsors.

Lifetime Financial Advice
This sophisticated planning program allows broker dealers and financial institutions to construct comprehensive investment strategies for all three stages of a client’s financial life: accumulation, transition, and drawdown. The tool generates precise recommendations that are objective and rooted in our rigorous investment process. Additionally, it gives broker-dealers the opportunity to cross-sell products, support their own recommendations with those from an independent, third party, and present proof points for allocations to life insurance and annuity products.

Lifetime Financial Advice leverages both our Wealth Forecasting Engine (see below) and our Human Capital Methodology. That methodology accounts for an investor’s financial capital as well as their human capital (earnings and savings potential). It allows us to help determine an investor’s risk capacity with greater accuracy than standard approaches.

Wealth Forecasting Engine
The Wealth Forecasting Engine is a dynamic simulator that helps advisers and institutions determine a range of projections, from a client’s future wealth and retirement income to life insurance needs and savings amounts. The engine works by calculating an investor’s projected income outlook given a set of factors, including risk level, investment amount, ongoing contributions, salary, age, and time horizon. These simulations can then be used to derive forecasted projections that can help investors make smarter, more informed investment decisions.

Clients can license the Wealth Forecasting Engine as a standalone forecasting engine or combine it with our accumulation and in-retirement modules. These modules translate our projected forecasts into actionable recommendations on everything from annuity allocations to savings rates. Many of Morningstar, Inc’s products use the Wealth Forecasting Engine, including Morningstar® Advisor Workstation, and Morningstar® Portfolio Builder.

Serving the Workplace Market
Morningstar, Inc’s mission is to help investors reach their financial goals. We were founded on the simple idea that when people have good investment information, they make better choices that lead to better outcomes. Our advocacy for the individual investor extends to the workplace market, where the responsibility for investing and saving for retirement now rests with employees and where we’re committed to helping those employees achieve financial freedom.

Morningstar® helps people improve their financial health and prepare for retirement by offering financial wellness, investment advice and managed accounts, target-date solutions, and fiduciary services to plan providers and employers. Available to more than 25 million participants and more than 300,000 plans, our suite of offerings is supported by our database of more than half a million investments, independent research that informs and shapes the financial industry, and a valuation-based approach to investment management.

**Morningstar® refers to Morningstar, Inc. and its affiliates. All investment advisory services described herein are provided by Morningstar Investment Management LLC.

**Data as of 9/30/2015.