ABC Company

Lockton Companies Response to RFP for Retirement Consulting Services

March 15, 2021

LOCKTON®

Overview

1. What is the full name of your organization?

Lockton Investment Advisors, LLC

2. Please provide an overview of your firm, including history and culture.

The 8,000 + professionals of Lockton Companies serve more than 60,000+ clients around the world with risk management, insurance, employee benefits, retirement consulting and surety services. Lockton is the world's largest privately owned, independent insurance broker, with 2020 revenues of $1.88 billion and 100+ offices on six continents. Lockton is recognized for its leadership and innovation in client service. Clients value our expertise and our passion for our work. Lockton's motto, "Uncommonly Independent®," sums up our entrepreneurial culture—a culture that helps us retain 96 percent of our U.S. clients annually, the best record in the business. We are not distracted by quarterly earnings reports, stock price, investors, or analysts. Our Associates are focused on our clients. As a client you will see the impact of higher-level service and broader resources. Lockton is well positioned as a top provider of employer-sponsored retirement plans.

155+
LICENSED RETIREMENT ASSOCIATES

22
RETIREMENT OFFICES

$88.3B
RETIREMENT ASSETS UNDER ADVISEMENT

1,479
RETIREMENT PLANS

13
CONSECUTIVE YEARS AS BEST PLACES TO WORK

Private ownership is the cornerstone of our business model. We can and will make business decisions that make long-term sense for clients and not in favor of short-term earnings for outside shareholders or Wall Street analysts. Lockton seeks a lower profit margin (10 percent vs. 20 - 30 percent for publicly traded firms) than our competitors, allowing us to reinvest more in our Associates, technology, and company, in order to better provide world-class service to you.

Lockton Companies was founded in 1966. Lockton began serving retirement plans in 2000 as part of a natural extension of our well-established Health and Welfare benefits consulting practice. Since that time, we have consistently grown at a double-digit rate, becoming one of the largest retirement plan advisors in the country, serving 1,479 plans and $88.3 Billion in assets.

ABC Company’s retirement plan would be serviced by Lockton’s Northeast Retirement Team which is part of Lockton Investment Advisors, LLC. Your dedicated Lockton team advises $17.1 billion in assets and 198 plans.

Key Facts About Lockton

Clients:	60,000+
U.S. Client Retention:	96% (industry average 85%)
Associates:	8,000+
Premium Placed:	38+ Billion
Revenues:	$1.88 Billion (2020)
Locations:	North America, Europe, Latin America, Asia Pacific, Middle East
Offices (worldwide):	100+
Headquarters:	Kansas City, Missouri, USA
Ownership:	Private
Year Founded:	1966

OUR MISSION

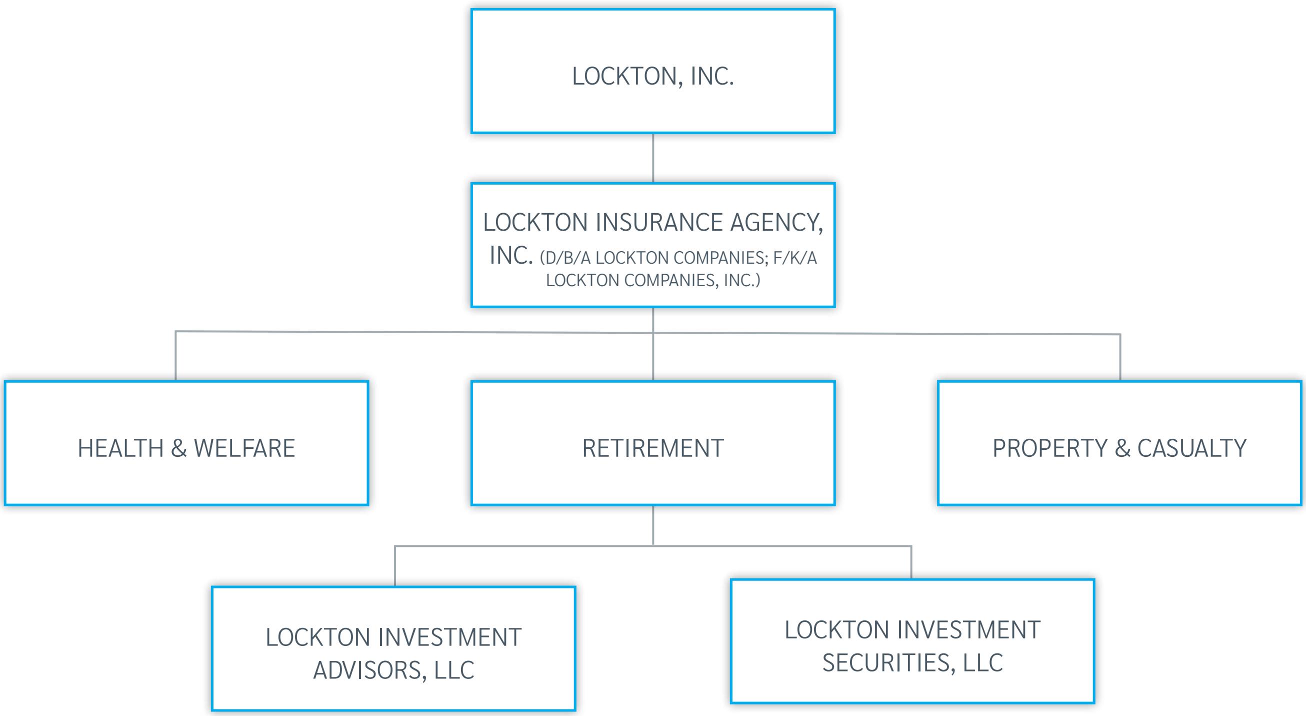
To be the worldwide value and service leader in insurance brokerage, risk management, employee benefits and retirement services

Our clients benefit for our independence. We do not have any subsidiaries or affiliates which manage money for clients outside of our retirement practice.

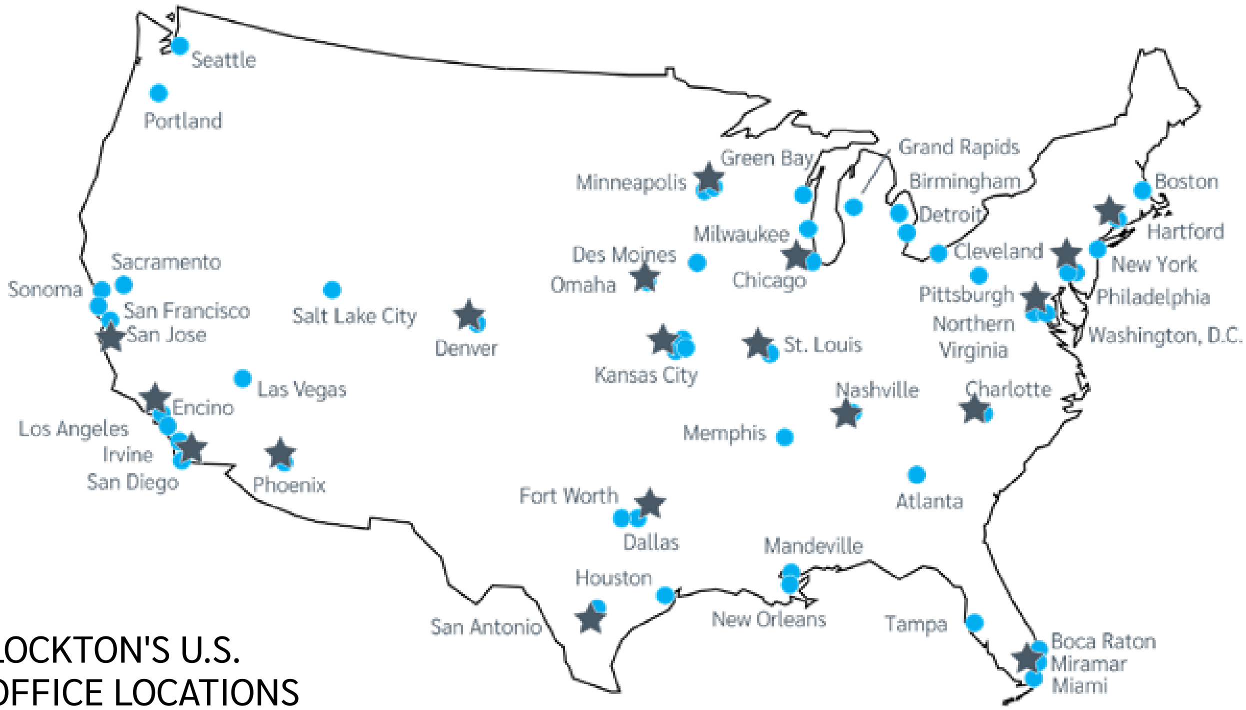
Lockton's three major business lines, including affiliates, are as follows:

1. Property & Casualty Insurance Consulting
2. Health and Welfare Consulting
3. Retirement Consulting

LOCKTON ORGANIZATIONAL STRUCTURE



Lockton prides itself on being a regionally lead, versus centrally lead, organization. This means that local leadership has the flexibility to grow, or not grow, depending on their ability to take on new clients. This flexibility is what has not only helped us grow so rapidly, but also maintain our existing client base.



LOCKTON'S U.S. OFFICE LOCATIONS

Key: The stars denote retirement practice locations and the dots denote Lockton offices.

Lockton culture and performance

Best Places to Work

Lockton has earned the "Best Places to Work in Insurance" award from *Business Insurance* magazine and Best Companies Group for 12 consecutive years.

Business Insurance and Best Companies Group conduct independent research to honor companies that create superior workplaces where people thrive.

The best and the brightest are drawn to Lockton because they want to make a difference. We allow our people to focus on doing what is best for their clients and reward them for their efforts, fostering loyalty among our Associates.

Twelve years of earning the "Best Places" designation is evidence that we walk the walk.

AN AWARD-WINNING CULTURE THAT ATTRACTS ATTENTION AND TALENT

Lockton's Culture

Lockton has built its reputation by providing great services to our three key stakeholders: clients, Associates and communities. To deliver on this promise, we are committed to advancing a diverse, equitable and inclusive workplace where people from all walks of life feel welcome and valued and are excited to build a career here. By feeling empowered to bring their authentic selves to work, Associates can achieve innovative and effective results for our clients, our business and the communities in which we work and live.

Lockton's CEO recently joined over 1,000 other companies across the world in the fight to improve diversity and inclusion within the workplace. He signed the CEO Action Pledge to demonstrate the strength of Lockton's conviction around DEI. As part of the first phase of the pledge, companies commit to:

- Creating a safe place to have complex and sometimes difficult conversations. We have conducted surveys, focus groups, and individual interviews on topics from race to gender to identity, and we have introduced Workplace to all of our organization. Workplace is an online platform developed by Facebook to facilitate the open sharing of ideas, thoughts and best practices within an organization.
- Introduce and enhance unconscious bias training. We are currently rolling out a 2-year unconscious bias training program that includes self-assessments, e-learning, and team activities designed to develop greater empathy and awareness among all of our associates and leaders.
- Sharing best, and unsuccessful practices. The DEI council structure discussed above provides a unique and structured forum for the fluid and timely sharing of new ideas and learnings.
- Share DEI strategy with the Board. DEI is a topic of conversation at the Lockton Board level ensuring a coordinated enterprise strategy and the commitment of resources to fulfill that strategy.

At Lockton, we have an intense focus on making every aspect of the Associate life cycle (aka LocktonLife) the best it can be, and diversity, inclusion, family and community are foundational elements of LocktonLife. This focus on LocktonLife allows us to capture the best practices happening locally at Lockton offices around the world and support and cultivate them more broadly across the company. When we talk about LocktonLife, it starts from the moment someone is considering Lockton through an Associate becoming a Lockton alum.

We depict the elements of LocktonLife in a wheel, where each "spoke" is essential to the wheel, and central to every element are the values of diversity, inclusion, family and community.

Under the leadership of our Chief Diversity Officer, Chief Inclusion Officer and Chief People Officer, we have established a DEI Council of 35 leaders from across Lockton that will help deliver on these four pillars. This team, along with Senior leaders and Human Resource Partners, are developing a global and local strategies to ensure we create a culture that demonstrates our commitment to DEI:

- DIVERSITY: We want our teams to resemble the communities in which we live and work.
- EQUITY: We want to ensure that all individuals have fair and equitable opportunities for development, compensation, and promotion.
- INCLUSION: We want to ensure that all individuals are valued, and their unique voices are heard in solving business challenges for Lockton and our clients.

Our offices/series also have their own committees to lead initiatives and measure results locally. Through this network, we achieve ownership of our diversity and inclusion and other LocktonLife efforts throughout the business, beyond the executive level.

Here is how our focus on inclusion and diversity plays a part in every aspect of LocktonLife:

GROWING: As we recruit top talent, we ensure diversity through recruiting at colleges and universities across the U.S. and around the world who have diverse study bodies, including historically black colleges and universities (HBCU). We have partnered with schools such as St. John's, Temple and Georgia to build relationships with faculty and student interest groups. These partnerships allow us to sustain long-term recruiting success from these universities and continue to build a diverse talent pipeline. For experienced professional roles, we have a best practice of having a diverse slate of candidates to consider for each experienced role we fill.

WELCOMING: Fostering an inclusive environment starts on day one. When a new Associate joins Lockton, we discuss the philosophies that all Lockton Associates are expected to live by and their importance to our business and culture. While several of our philosophies drive home the concept of valuing and respecting one another, a great example is "Practice the Golden Rule, and sustain a highly, ethical, moral and caring culture."

DEVELOPING: Some measures of our efforts to create a more inclusive workforce include ensuring that our leadership teams are made up of individuals with diverse backgrounds and that we continue to train and develop those leaders to find and share their voices. With that in mind, we continue to evaluate the makeup of our leadership development programs, such as Flight School, LEAD and Pathway to Leadership, to ensure they include a diverse group of individuals. People in these programs are currently in or preparing to move into leadership roles; this will continue to change the makeup of leadership levels within Lockton.

Another example of how we develop diverse talent is through our Women in Leadership groups in our offices around the world. This is Lockton's professional women's networking group. We have robust WIL groups locally in offices around the U.S. as well as national programming. WIL provides strong training, mentoring and networking opportunities to support the development of future female leaders at Lockton. This effort is led by Associates in each of the offices with support from national leadership comprising female executives across the organization. Lockton is launching additional Associate Resource Groups know as LEAN (Lockton Empowered Associate Network).

APPRECIATING: At Lockton, we publicly appreciate our Associates for their commitment, dedication and hard work in a variety of ways. From publicizing promotions to sharing success stories on our intranet, we celebrate the creative thinking and diversity of thought that each Associate brings to the table. By promoting new and different ways of doing things, our Associates know they can share ideas freely and without judgment.

For example, as we look at making LocktonLife the best it can be, Associates are sharing great ideas to make our culture even better. These ideas are shared, implemented and promoted throughout the offices. Additionally, Associates are encouraged to share their ideas and passions for supporting the communities in which they work, and Lockton actively stands with them in that support through the donation of both dollars and volunteer hours. Our Associates have demonstrated passion around a variety of organizations that represent their personal ideals and values such as women's shelters, Hispanic development programs, urban league and inner-city schools. This reinforces that diversity of thought is valued, supported and implemented to make our business better.

TELLING OUR STORY: Lockton's culture of caring for our people starts with the organization's commitment to ensuring all people feel welcome and accepted. We do this by communicating and celebrating the diverse backgrounds and experiences of our Associates and Lockton's dedication to empowering people. In telling these stories, we reflect a work environment that inspires people of all backgrounds to become Lockton leaders.

One way we share our Lockton story is through our engagement in the communities where we live and work. Part of our focus in community engagement is working to develop a diverse professional workforce of the future. Through mentoring young, underprivileged youth in the Big Brothers Big Sisters program to equipping inner-city women with tools they need to enter the workforce through Women's Employment Network, part of our diversity and inclusion mission is helping people in our communities build their careers.

We also share the story of Lockton to help evolve our industry. Lockton is a founding member of the Business Insurance Diversity & Inclusion Institute, which is committed to promoting and advancing diversity and inclusion within the insurance industry. By working with others across our industry, we are sharing best practices to improve how we implement diversity and inclusion initiatives and measure their impact both as a company and an industry.

ENGAGING ALUMNI: Lockton alumni are individuals who have been instrumental in building a strong firm for all our constituencies, so we actively work to keep them engaged after they leave the company. We are in the early stages of building an alumni network of former Lockton Associates to engage in short-term business projects and community initiatives as well as to network with current Associates. These individuals are already actively working with us to sustain the culture that has made Lockton a strong company and to further promote the inclusive dialogue that will help us evolve to meet the needs of our clients, Associates and communities.

A key strength to LocktonLife is that it provides a framework and a common vernacular that is used across the company to unify our Associates. However, each local office is also actively involved in adapting the elements of LocktonLife to most effectively empower their Associates and to meet the varying needs of their respective clients and communities. While we applaud the national and international efforts of other firms in our industry, our unique Lockton organization provides the platform to leverage firmwide efforts and enhance them through local efforts. For example, our national recruiting programs may focus on HBCUs and industry-specific study programs, but many of our offices have expanded their recruiting to include degree programs at local community colleges to capitalize on local talent and diverse candidate pools.

The focus on our culture and goal to be the best place to work and do business has garnered us several recent and recurring workplace awards, including:

- "Best Places to Work in Insurance" for the twelfth straight year by *Business Insurance* magazine and Best Companies Group (2009-2020)
- *Forbes* "America's Best Employers" list for four consecutive years (2016-2019) before this list was discontinued
- *Forbes* "America's Best Employers for Diversity" list for three straight years (2017-2019)
- *Kansas City Business Journal's* Best Places to Work list (2017 and 2018)
- *Philadelphia Business Journal's* Best Places to Work list (2019)

SNAPSHOTS OF COMMUNITY COMMITMENT

Gifts provided to the Laurel House

Lockton provided gifts to the Laurel House for the sixth year in a row.

John Upright and John Colosimo enjoyed testing out some of the presents being brought to community families in our area.

Philadelphia Offices Step Up for Silver Springs

The Lockton Philadelphia offices collected toys and gifts for children in the residential program at Silver Springs, which offers a holistic approach to improving the developmental, emotional, educational, spiritual, and social well-being of children and families.

Allison's Dream Takes Her to Russia

In November 2019, as part of the Northeast "Associate Dreams" program, Allison traveled to Russia on a humanitarian clowning tour with Patch Adams and the Gesundheit! Institute. The trip brought joy, laughter, and love to children in hospitals and orphanages, as well as adults in homeless shelters and palliative care facilities throughout Moscow and St. Petersburg.

Giving Back During Covid-19

Lockton helps Bethanna, which provides adoption, child welfare services, and behavioral health care in the Philadelphia area. Watch the video here www.youtube.com

All Associates are given a full day off work every year to volunteer for a charity of their choice.

- American Cancer Society
- American Diabetes Association
- Boys & Girls Clubs
- Children's Bureau
- The Children's Place
- CityTeam Ministries
- Cystic Fibrosis Foundation
- Goodwill
- Habitat for Humanity
- Harvesters — The Community Food Network
- The Help Group
- The Humane Society
- Insurance Industry Charitable Foundation
- Junior Achievement
- Leukemia & Lymphoma Society
- Lloyd's Community Programme
- March of Dimes
- Muscular Dystrophy Association
- Phoenix House
- Ronald McDonald House Charities
- The Salvation Army
- Society of St. Vincent de Paul
- Solace House
- Special Olympics
- Sunshine Kids
- Susan G. Komen
- Toys for Tots
- United Way
- YMCA
- Young Life

3. What is the primary focus of your business? Briefly describe the full scope of services offered by your firm.

Lockton Investment Advisors, LLC (LIA), is a SEC registered investment advisor and a subsidiary of Lockton Companies. LIA is exclusively dedicated to advisory services for organizations' retirement and executive benefit plans. LIA is comprised of compliance and ERISA counsel, actuaries, CFAs, and service teams well-versed in every aspect of retirement plans.

WE DELIVER **PROTECTION** FOR YOUR BUSINESS, **SECURITY** FOR YOUR EMPLOYEES.

| COMPREHENSIVE ADVICE | DISCIPLINED PROCESS | CLIENT RESULTS

100% DEDICATED TO WORKPLACE RETIREMENT PLANS

Defined Contribution | *Defined Benefit* | *Non-qualified Executive Benefits*

Lockton takes a holistic approach to benefits optimization rather than through the narrower lens of a single retirement plan. Specifically, our services include:

INVESTMENT SELECTION AND MONITORING

- Serve as fiduciary investment advisor as defined by ERISA 3(21) or 3(38)
- Perform initial due diligence for selection of investment funds and menu design
- Provide qualitative and quantitative monitoring of investment menu advising on watch list and de-selection of funds
- Deliver investment monitoring reports using customized LockSMART® scorecard designed to align with investment policy statement
- Keep committee abreast of investment trends and legislation affecting retirement plan investment options
- Provide committee with timely economic updates
- Deliver in-depth research in key areas such as target date funds, stable value, and alternative investments

PLAN GOVERNANCE STRUCTURE

- Perform compliance and fiduciary assessment using proprietary and third-party tools
- Assist in formalizing committee structure through drafting of charter, by-laws, and other formative documents
- Review and/or develop Investment Policy Statement
- Draft committee meeting documents including agendas and minutes
- Perform annual fee benchmarking and a study every three years to help satisfy ERISA 408(b)(2) requirements
- Conduct formal fiduciary training for committee members on an annual basis and provide quarterly updates through on-line modules

SERVICE PROVIDER SEARCH/ RFP/CONVERSION

- Develop and issue formal Request for Proposal for vendors after meeting with plan sponsor to determine desired outcomes and objectives
- Review and benchmark vendor services based on responses; prepare and present detailed report including proposed costs and service capabilities
- Arrange finalist meetings; prepare Executive Summary of final decisions with cost analysis and decision-making process
- Assist in negotiating final contracts and obtaining favorable pricing and service agreements during final negotiations
- Prepare, implement and monitor conversion schedule; coordinate conversion meetings between all parties
- Provide plan design analysis, guidance on fund mapping, conversion strategy and employee communications plan

PLAN OPTIMIZATION SERVICES

- Provide plan design benchmarking through proprietary and third-party sources
- Assess employee retirement readiness status, design strategies to improve projected outcomes
- Assist with building holistic financial wellness strategy in alignment with the company's benefits and human capital goals
- Develop multi-faceted financial wellness and employee engagement strategy to be implemented through vendor resources

HR TEAM SUPPORT

- Prepare Compliance Calendar to include required notices, filings, and audit deadlines
- Review plan amendments, plan documents, required notices, contracts, etc.
- Access to Lockton's ERISA counsel for guidance related to plan operations and compliance
- Keep team apprised of regulatory and legislative changes through quarterly Washington Update and Retirement Alerts, as needed
- Act as primary liaison for provider relationship; available, as needed, for plan related questions or service issues

MERGERS, ACQUISTIONS, DIVESTITURES

- Review purchase agreements and plan documents
- Make recommendations on action steps based on findings
- Collect cost information on all aspects of target company plan(s) (administrative, investments, employer match/profit sharing, trust services, etc.)
- Conduct analysis versus the cost structure of the recommended plan

CLICK HERE TO WATCH A VIDEO ON OUR APPROACH TO HOLISTIC FINANCIAL WELL-BEING

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4. Describe the qualifications of the consultants who would work on the engagement and include their biographies describing credentials, industry experience and role within the firm.

ABC Company's 401(k) Plan would be serviced by Lockton's Northeast Retirement Team which is part of Lockton Investment Advisors, LLC. The Lockton Northeast Team, which advises $17.1 Billion in assets as of December 31, 2020, is one of the largest retirement advisory teams in the U.S.

Our proposed consulting team consistently receives the highest rankings in our annual client satisfaction survey, and has been nationally recognized for the team's expertise, diverse perspectives, and commitment to exceeding expectations. Organizations that have recognized the proposed team members include the National Association of Plan Advisors (NAPA), PLANSPONSOR, and The Financial Times .

NAPA named Deana Calvelli and Julie Babcock as 2020 Top Women Advisors, recognizing their significant contributions to the retirement industry and excellence in the profession.

Your Core Lockton Service Team

Deana A. Calvelli

Partner, Client Advocate

Deana has specialized expertise in fiduciary governance, integrating health and financial benefits and employee well-being, plan administration oversight, investment selection and monitoring, and mergers and acquisitions consulting.

She has worked with Fortune 1000 firms, privately held companies, and nonprofit and public sector organizations. Deana has more than 25 years of industry experience with one of the nation's largest retirement providers, a national HR and benefits consulting firm, and independent consulting for plan sponsors, as well as national retirement and benefit providers.

Deana is a frequent speaker on fiduciary topics and offers educational programs, executive peer forums, and a Financial Fitness series for plan sponsors. She serves on the Retirement Advisor Council, a national organization that advocates for successful qualified plan and participant retirement outcomes.

Designations | AIF®, CEBS

Julie Babcock

Senior Vice President
Senior Consultant, Account Executive

Julie serves as the manager of the Northeast Retirement Services Team and also serves as senior consultant to her clients.

Julie began her career in client transition management and relationship management at a top retirement plan provider. She then moved to Lockton to begin her career as a retirement plan consultant, and now has over 17 years of experience in the industry. Julie has extensive experience in multiple plan types, including defined contribution, defined benefit, and nonqualified, as well as all aspects of consulting, with focuses on investment, compliance, and administrative consulting. Julie also has vast experience in structuring education strategies as well as consulting on plan design options for clients. Julie has gained major account experience working with Engility Corporation, NFLPA, Quiznos, Broadsoft, Johns Hopkins Health System, among many others.

Designations | AIF®

Christian Thomas

Senior Vice President
Retirement Practice Leader

Christian oversees all aspects of retirement consulting and service delivery within the Northeast. He holds both a Chartered Financial Analyst (CFA) designation and a Certificate in Investment Performance Measurement (CIPM), as well as a MBA from the University of Connecticut.

Christian has more than a decade of experience serving and advising qualified retirement plans. His experience encompasses a wide range of activities, including investment research, investment policy and portfolio development, fiduciary oversight, as well as plan administration and design. Through his breadth of experience Christian is able to incorporate a variety of aspects into the consulting process. His comprehensive approach to consulting allows clients to construct retirement solutions which achieve organizational objectives in a manner consistent with their culture.

Designations | CFA

CLICK HERE TO SEE THE FULL BIOS OF YOUR CORE SERVICE TEAM IN THE APPENDIX.

Garmai Forlorma

Senior Account Manager

In her role as a Senior Account Manager, Garmai works closely with Lockton team members on client investment reviews, managing compliance issues, working directly with vendors, and managing action items through to completion. Garmai has a BS in business administration and an MBA with emphasis in finance.

Designations | FINRA Series 6 and Series 63 licenses

Sam Henson

Senior Vice President
Director, Legislative and Regulatory Affairs

Sam serves as Director of Legislative and Regulatory Affairs for Lockton Retirement Services. He acts as a subject matter expert on ERISA compliance, DOL/IRS activities and the legislative landscape. In addition, Sam supervises compliance services for more than 1,000 Lockton retirement clients and 100 retirement Associates.

In his current role, Sam is able to leverage his past experiences to assist employers with reducing their fiduciary risks.

Designations | JD, CEBS, RPA, GBA, APM

Donn Hess

Senior Vice President
Senior Communications Consultant

Donn heads marketing and communications for Lockton's Retirement Services Practice. This is a broad role that includes developing the marketing collateral, thought leadership and training that Lockton professionals use with clients, as well as directly working with clients to create participant-focused educational tools, consult on benefits education techniques, and evaluate financial wellness and advisory services. Donn also leads product development for retirement services, working with other subject-matter experts to develop new advisory tools that help employers protect their businesses from fiduciary risk and drive secure financial outcomes for their employees.

CLICK HERE TO SEE THE FULL BIOS OF YOUR CORE SERVICE TEAM IN THE APPENDIX.

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5. Please provide the total number of retirement plans and assets that your firm currently services.

Nationally, Lockton advises $88.3 Billion for 1,479 retirement plans as of December 31, 2020. The Northeast team that would be servicing ABC Company advises $17.1 Billion for 198 retirement plans as of December 31, 2020.

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6. Please provide an overview of the services you are proposing.

Proposed Scope of Services

INVESTMENT SELECTION AND MONITORING

- Serve as fiduciary investment advisor as defined by ERISA 3(21) or 3(38)
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PLAN OPTIMIZATION SERVICES

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HR TEAM SUPPORT

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MERGERS, ACQUISTIONS, DIVESTITURES

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- Conduct analysis versus the cost structure of the recommended plan

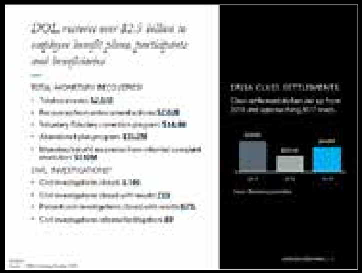
Q 7. How much experience do you have with Partnerships?

Our proposed lead consultants have worked with partnerships for many years. Client experience with partnerships includes financial services firms, private equity and hedge funds, other professional services firms such as law firms, consulting and engineering firms.

We are familiar with the plan design opportunities for partnerships including the advantages of sponsoring a cash balance plan in conjunction with a 401(k) savings plans to maximize tax deferrals. Plan design features that have been popular with partnerships include after tax and in plan Roth rollover features. Partners have been leveraging the in-plan withdrawal option to optimize investment opportunities with a rollover to the 401(k) plan. We also have experience helping our partnership clients navigate the potential complexities regarding compensation calculations at year end, as well as the match true up process.

Finally, our partnership experience also includes our experience with Lockton which has a complex partnership structure. As such, Deana Calvelli, who would be your lead executive for ABC Company, is a K-1 partner of three Lockton partnerships. Julie Babcock, who would be your lead consultant, also provides consulting support for the Lockton 401(k) Plan.

Employer Services



1. How do you assist the 401(k) committee, fiduciaries, and plan administrators with oversight of the plan?

Fiduciary Training & Education

Our proprietary fiduciary training program is customized to meet your specific needs based upon committee member organizational roles, plan design, investment menu design, and other unique fiduciary risk characteristics. In addition to onboarding fiduciary training that is provided to all new plan committee members, quarterly online training via BrainShark is available as well. Completion of the training is maintained and can be provided to plan sponsors if required. It is important that all committee members understand and acknowledge that they are fiduciary. We will engage the committee in a detailed discussion of their roles and responsibilities, and, most importantly, help them understand their duties as defined by ERISA. We can also provide sample forms for fiduciary acknowledgement by committee members and documentation related to removal and addition of committee members. Our education focuses on three basic components:

- Outlining responsibilities
- Recognition of fiduciary status
- Mitigating risks

Additionally, we provide access to Lockton's in-house ERISA compliance team. While we cannot replace the advice of your own counsel, Lockton can provide you with unlimited access to the expertise of our ERISA attorneys. This is not meant to be a substitute for your service provider's compliance support, nor your own ERISA attorney, but instead be another source of information and support.

Fiduciary Partnership

Every year we will develop a fiduciary oversight calendar that seves as the roadmap for the fiduciary review items that we would partner with ABC Company on completing, Lockton has developed proprietary consulting resources and checklists to assist our clients with managing all aspects of the fiduciary items shown in the oversight calendar shown below.

Sample Oversight Calendar

First Quarter:
STRATEGY & GOVERNANCE

- Review of Committee Charter, membership, procedures
- Review insurance/indemnifications
- Review plan health metrics
- Conduct benchmarking exercise
- Discuss Plan trends and design options
- Develop employee communication strategy

Second Quarter:
SERVICES & EXPENSES

- Audit service provider agreements in comparison to performance
- Cyber security assessment
- Review Schedule C, Form 5500
- Complete the 404(a)(5) and 408(b)(2) checklists

Third Quarter:
INVESTMENTS

- Investment policy statement review
- In-depth capital preservation review
- In-depth QDIA review
- Market outlook discussion

Fourth Quarter:
ADMINISTRATION

- Discuss Plan Audit Letter
- Update Plan procedures
- Plan for year-end compliance and disclosure activity

Fiduciary Resources

Lockton experts are quoted regularly in industry journals such as *PlanSponsor, PlanAdviser, Employee Benefit News, Pensions & Investments,* and *401(k) Wire*. The following links provide examples:

- Diversity of thought, plus a culture of inclusion equals a prosperous future.
- Administrative Considerations for CARES Act Transactions.
- 5 key strategies for implementing a successful financial wellness program.
- Adviser marketing and service evolve with plan sponsor demands.
- Preparing for ESOP repurchase obligations.
- Strategies with impact: successful approaches to financial engagement.
- Is now the time to stop my 401(k) contributions?

In addition to industry publications, Lockton keeps our clients informed of industry trends and new and pending regulations that could impact their retirement plans through publications we produce. Examples of our most current whitepapers can be found at lockton.com/insights/category/retirement. Additionally, we send three regular bulletins to our clients, on a quarterly basis, to keep them informed of market activity and new developments:

QUARTERLY COMPLIANCE REVIEW

The “Washington Update” provides important information about regulatory changes, legislative updates, and recent plan sponsor litigation events. This information is included and reviewed with our Investment Committees as part of our meeting materials.

MARKET OUTLOOK

“On the Mark” reviews economic conditions and recaps market activity. It details critical changes to the various factors that contribute to market performance such as unemployment rates, interest and inflation rates, increases/decreases in GDP, etc. This information is also included and reviewed with our Investment Committees as part of our meeting materials.

RETIREMENT ALERT

Ad hoc alerts designed to keep plan sponsors “in the know” regarding the ever-changing retirement plan industry landscape.

Finally, as another medium for communication, Lockton hosts a series of podcasts called “401(k) Fridays.” These shows provide employers, retirement plan sponsors, and plan fiduciaries on-demand access to unique insights from industry experts that help deepen their knowledge and understanding of the complex and evolving world of employer-sponsored retirement plans. Find prior podcasts / recordings by visiting www.401kfridays.com/fiduciary.

2. Describe your process for assisting plan sponsors with evaluating and/or searching for a retirement plan vendor.

To properly represent our clients, whether in the search for a new service provider or as your agent in ongoing plan management, it's important that the committee members' priorities are aligned. Lockton can facilitate that process by defining, and walking your plan fiduciaries through the key elements of retirement plan management:

KEY CRITERIA	CONSIDERATIONS
Strategic/Cultural Fit	What unusual features does your benefits program, organization or employee population have? How important is it that the service provider have experience with those features?
Plan Design and Compliance	Do any of your plans have unusual design elements or have they experienced testing or audit failures that would make administering them challenging?
Administrative Efficiency	How critical is it to outsource your Human Resources team's benefits responsibilities? What kind of reporting, data integration and procedural automation do they need to make that happen?
Client Service Team	What levels of expertise will your organization require? What expectations does your team have about frequency and types of interactions?
Employee Experience	What style of messaging and type of media will engage your employees best? What behaviors are you trying to encourage and how important is it to drive those behaviors?
Investment Options	What specific investments or types of investments (e.g., institutionally priced, commingled or separate account, or insurance wrapped) should your organization expect access to?
Transition Services	A seamless transition is a minimal expectation, but how quickly does your organization need it to happen? Will a merger and acquisition strategy drive additional future transitions?
Total Plan Costs	Based on benchmarking data, what range of fees should you expect? What types of fee strategy do you hope to employ?
Specialty Services: • Actuarial Services • ESOP • Nonqualified Plans	Based on your overall benefits program, what other services might be necessary (e.g. access to corporate owned life insurance, stock valuations, liability modeling)?

Making sure employees have access to the best services at the most competitive prices can be a major challenge for retirement plan fiduciaries. It's difficult to stay on top of market changes or to know all the options available. That's where Lockton can help. We have extensive, established relationships with all of the major industry service providers. This leverage not only gives us negotiating muscle that helps us get the best deals possible for our clients, but also positions us to understand the strengths and weaknesses of the different programs and enables us to help narrow down the universe of options to the players best positioned to meet a client's needs. Our process looks like this:

ANALYZE AND BENCHMARK THE PLAN

We conduct a thorough assessment of our clients' benefits programs to identify strengths and opportunities, and to inform the provider search objectives.

ESTABLISH COMMITTEE'S GOALS AND OBJECTIVES

Lockton facilitates discussion to establish the priorities used to evaluate potential providers' capabilities.

NARROW THE OPTIONS

Based on the committee's objectives and Lockton's expertise, we will propose a subset of providers for consideration.

DISTRIBUTE A CUSTOMIZED REQUEST FOR PROPOSAL

Lockton will prepare questions specific to your committee's goals, communicate the details and nuances of your retirement benefit to potential bidders, and field any questions that come from the providers.

EVALUATE AND RECOMMEND

Using criteria weighted based on the committee's goals, Lockton summarizes bidder proposals and recommends a short list for closer scrutiny.

INTERVIEW AND SELECT

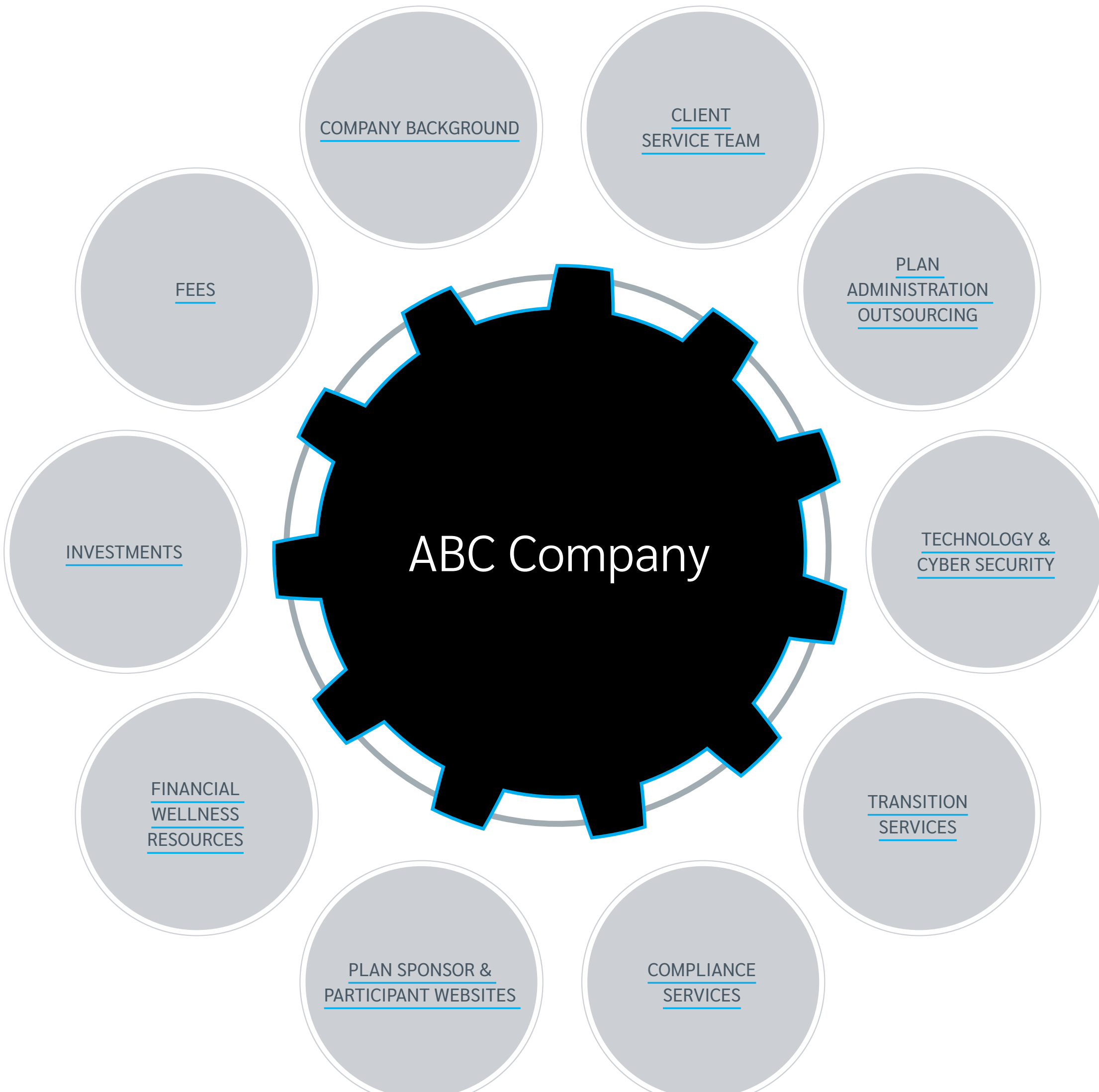
Lockton will coordinate on-site finalist presentations and site visits, summarizing observations, again based on weighted criteria, making recommendations and managing notifications.

NEGOTIATE, CONTRACT AND BEGIN

Based on our knowledge of market trends and price points, Lockton will facilitate negotiations and the implementation project plan.

Service Provider Evaluation Process

Service provider evalutions are customized to your organization's specific requirements. Lockton also conducts comprehensive reivews of all major retirement providers annually. Service providers are asked to update our annual Request for Information. This knowledge helps our consultants stay current on all aspects of a service provider's services. Lockton also conducts an annual detailed cyber security review for providers and develops a scorecard that we make available to plan sponsors to assist them with oversight of their service provider's cyber security standards.



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3. Describe the process you would use to evaluate the current array of investment funds offered under the plan.

Our review begins by reviewing the current Investment Policy Statement (IPS) and completing a scorecard of the current array of investment funds.

We would evaluate each fund in your investment lineup and compare your funds' performance to appropriate market indices and benchmarks.The scorecard will identify funds that should be placed on watch, or considered for replacement.

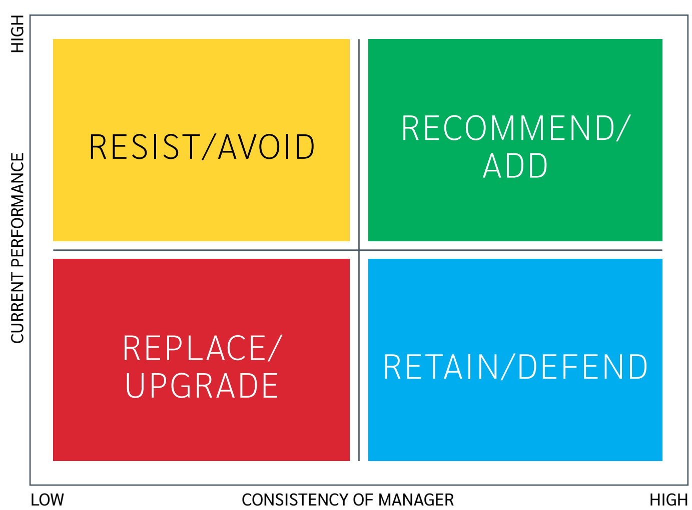
We would also complete an in depth review of the qualified default investment alternative (often a target date fund family), as well as the preservation fund option (stable value or money market).

An important part of our initial review is to evaluate the menu construction, ensuring that plan participants have access to the appropriate types of funds, active and passive, and have sufficient opportunities to diversify their portfolio and meet varied objectives (growth, income, capital preservation). Understanding the demographics of your workforce an important evaulation factor in developing an investment menu.

We have completed an initial review of the ABC Company funds in the plan as of 12/31/2019 (last publicly available data). We look forward to sharing our observations, and ideas of consideration, if we are invited to participate in the next phase of the RFP process.

After all investment committee meetings, , Lockton will draft and distribute meeting minutes. The meeting minutes highlight all decisions made by the committee and are kept in a fiduciary file.

Lockton Investment Philosophy: Evaluation Framework



4. Describe the type of support you provide with regards to developing and maintaining an Investment Policy Statement.

Lockton will develop and maintain the investment policy statement (IPS). Your consulting team will review ABC Company's current IPS and will comment on any suggested changes. Most plan sponsors prefer to adopt Lockton's customizable IPS as a roadmap in making investment decisions. The IPS matches Lockton's investment review process and establishes both quantitative and qualitative measures that match precisely with the data reviewed in our investment reviews.

We begin by establishing the objective of the investment portfolio. In the context of a 401(k) plan, the goal is to provide an investment menu supportive of individual participant retirement goals, while fulfilling plan fiduciary responsibilities. A retirement plan is comprised of diverse participants, who may have dramatically different retirement goals and investment risk tolerances. Beyond plan demographic data, we also evaluate a variety of other criteria incorporating qualitative information such as participant investment acumen, attitudes towards retirement savings, and your organization's broader benefit offering philosophy. We believe for committees to make an informed decision, it is imperative to understand the characteristics of their own plan participants, as well as the landscape of the available investment options. These circumstances will profoundly impact participant retirement outcomes and are imperative to consider when designing an investment menu.

Once the objective and circumstances have been defined, we then formulate a strategy designed to provide for the highest probability of achieving retirement success for plan participants. This includes the evaluation, selection, and on-going monitoring of investment strategies. We develop our policy statement to evaluate investment managers in a manner that is consistent with the objectives of the plan and adheres to a sound, well defined fiduciary process. In addition to relevant investment evaluation metrics, our policy also includes an evaluation of fees and expenses. Our goal is to identify the most appropriate investment strategies and implement in the most cost-efficient manner.

In our view, an effective IPS:

- Provides the investment objectives of the plan
- Defines roles and responsibilities of plan fiduciaries
- Identifies specific needs of the plan and its participants
- Outlines the investment manager due diligence process
- Establishes the standards and benchmarks of performance for the plan's investments
- Identifies any restrictions on investments
- Establishes broad expectations of investment management fees
- Clearly articulates the consequences of a fund failing to meet standards
- States guidelines around the use of self-directed brokerage accounts

If we achieve the right balance between specificity and flexibility, there are few events that would require a revision or replacement of the IPS. Some notable exceptions include:

- Significant changes in the plan (such as a merger with another plan) which could change the objectives of the plan
- Significant changes in the employee demographics (such as an early retirement offer) that could change the needs of the remaining participants
- Significant changes in the makeup of the committee that could change the objectives of the plan or the standards for investment evaluation

We believe a broad, open source statement that allows flexibility for judgment and, at the same time, creates structure to prevent emotion from overriding logic is essential.

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5. Describe your process for monitoring funds and recommending replacements.

Screening methodology

Overview

The Lockton front-end screening methodology is built with the intent of finding investment managers that are able to consistently deliver positive excess returns against the appropriate style benchmark. The process de-emphasizes the current standard period returns and related Modern Portfolio Theory (MPT) statistics and instead focuses on rolling standard period excess returns. The goal in this methodology is to increase performance consistency and reduce the risk of investing in managers that frequently bounce between the first and last quartiles. This will generally lead to two types of portfolios:

1. Managers that are benchmark-aware but consistently add value through security selection and minor allocation tilts.
2. Managers with a superior ability to make large allocation decisions and consistently make the right calls leading to few periods of significant underperformance.

Data

Manager universe is based upon Morningstar categories and includes all active mutual funds with at least a five-year track record in its oldest share class.

Front-end quantitative screening process

The initial screening process begins by generating ten years (40 quarters) of rolling one-, three-, and five-year excess returns relative to a category-specific style benchmark. A ‘Long-Term Batting Average’ is calculated for each time period by dividing the number of outperforming quarters by the total number of quarters. Portfolios are included in a research list for further review if the ‘Long-Term Batting Average’ is above the 70% for the one-, three-, or five-year periods. A composite batting average is calculated using a simple average of the three individual metrics and is used to rank the manager list to determine priority for further qualitative manager review. In practice, managers that have three-, and five-year ‘long-term Batting Averages’ above 85% in the most utilized asset classes are generally the focus of further research.

Components of manager review

This process has a very long memory (up to 15 years) and views older performance as importantly as it does recent performance. This makes it important that the philosophy/process/management that produced the record is still in place. It is unrealistic to set an absolute standard that those three components have remained unchanged for the past 15 years, but greater levels of change reduce the validity of the track record. Observing how a manager performs over different stages of multiple market cycles can help clarify reasonable expectations for future performance. It is also important to ensure that the investment is appropriately categorized and broadly represents the asset class intended.

In addition to 'Long-Term Batting Average', many statistical calculations are made on the rolling one-, three-, and five-year excess returns including: Average, Standard Deviation, Minimum, & Maximum. These metrics help to convey information about a reasonable range of expectations for each investment relative to the benchmark. Using the active universe of managers, peer rank is also calculated for each rolling time period. This allows us the ability to determine what percentage of time a manager has spent in each quartile over the last 40 quarters. We are typically looking for managers that spend a strong majority of time above median with minimal time in the bottom quartile. All of these additional metrics help greatly in differentiating whether a manager is skilled or just on a hot streak.

It is our belief that consistent excess returns will almost always lead to positive risk-adjusted statistics. While the process does de-emphasize the traditional trailing standard period MPT statistics, it does not ignore them. During the selection process, Alpha/Beta, Tracking Error, Information Ratio, Standard Deviation, Sharpe, R-Squared, Up/Down market capture (and others) are all considered on an absolute and peer relative basis. Closer attention is paid to the risk statistics and statistics that are less biased by the current market environment and direction. Ideally, a manager will be ranked highly through both a traditional screening process and Lockton's consistency analysis.

Qualitative/Descriptive data is also used to understand more about how a portfolio is managed and potential risks. Style consistency generally leads to higher performance consistency, but in some cases managers are able to have success tactically allocating assets outside their benchmark. These more opportunistic managers have a larger range of possible outcomes and are individually reviewed to understand their impact on portfolio risk and return.

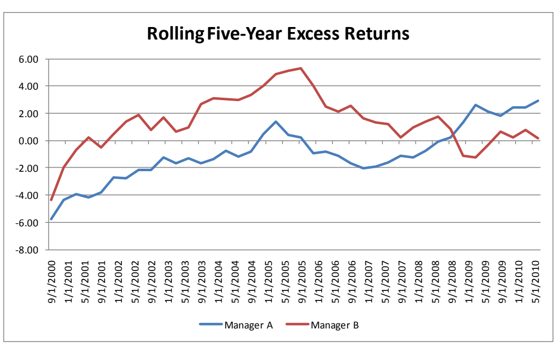
Fees are implicitly considered throughout the analysis since we typically use net returns, but we also consider fees explicitly with a preference for cheaper portfolios as they have a lower hurdle for successful active management.

Lockton Difference

When selecting managers, most people within the industry focus primarily on where a manager ranks according to a variety of return metrics. The example below uses actual statistics for two Large Cap Value managers measure against the Russell 1000 Value and Morningstar's Large Cap Value peer group.

	Manager A		Manager B	
MPT Stats	Three-Year Rank	Five-Year Rank	Three-Year Rank	Five-Year Rank
Annualized Return	15	11	71	48
Sharpe Ratio	18	11	15	25
Excess Return	15	11	70	48
Information Ratio	4	4	69	49
Alpa	15	11	10	19

The above statistics are indicative of those commonly used in the traditional screening process. This process would lead to the conclusion that Manager A should be considered for investment, while Manager B does not meet expectations. The different approach used at Lockton is to consider not only the last three- and five-year period, but to look at the last 40 quarters of three- and five-year returns to get a full picture of a managers ability to add value.



	Manager A			Manager B		
Consistency Analysis (40 Quarters Max)	1 Year	3 Year	5 Year	1 Year	3 Year	5 Year
Long Term Batting Average	53%	35%	25%	63%	78%	83%
Average Excess Return	0.58%	-0.41%	-1.30%	2.92%	1.59%	1.36%
Standard Deviation of Excess Return	4.96%	2.94%	2.06%	6.06%	2.56%	1.96%
Best Performance	9.76%	4.37%	2.61%	20.42%	5.98%	5.29%
Worst Performance	-12.08%	-8.03%	-6.20%	-4.36%	-5.50%	-4.39%
Number of Quarters	40	40	40	40	40	40
% of Time Spent in each Quartile	1 Year	3 Year	5 Year	1 Year	3 Year	5 Year
1st Quartile	18%	20%	18%	55%	53%	65%
2nd Quartile	50%	33%	23%	18%	25%	23%
Above Median	**68%**	**53%**	**40%**	**73%**	**78%**	**88%**
3rd Quartile	18%	28%	45%	10%	10%	10%
4th Quartile	15%	20%	15%	18%	13%	3%

Over the last decade, Manager B actually outperformed Manager A in every five-year period up until the end of 2008 when the financial markets were imploding. Lockton's consistency metrics make it clear that on a five-year basis Manager A has only beat the benchmark 25% of the time vs. Manager B beating the benchmark 83% of the time. When deciding which manager has the best chance to outperform over the next five years, we prefer to choose those that have had consistent success to those that have a good run of performance recently.

Process for Recommending Investment Changes

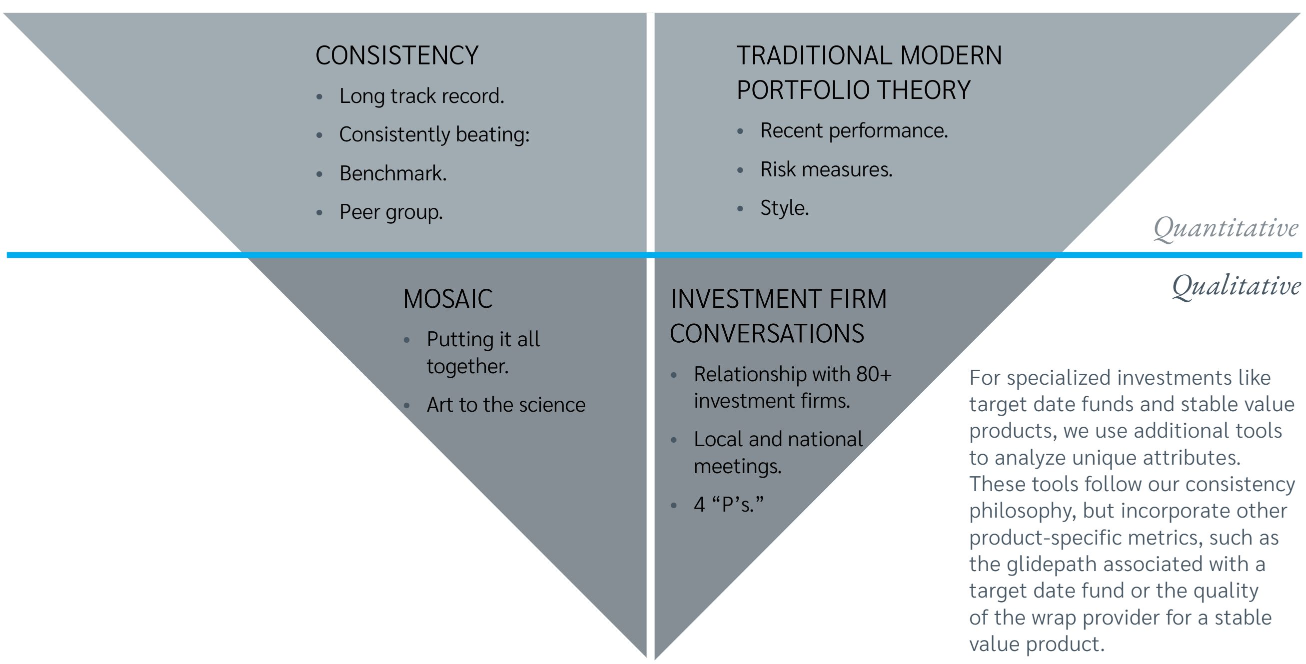
Each investment review contains a “watch list” of investments that are not passing our scorecard criteria, which include a wide array of metrics ranging from performance versus peers, performance versus benchmark, risk-adjusted return metrics such as alpha and sharpe ratio, and expense ratio.

The criteria below are those that may warrant placement on the watch list and possible replacement, as outlined in our IPS:

- Consistent below average returns for the 3, 5 or 10 year periods vs. peer group and benchmark Index
- Consistent below average short term returns, coupled with a recent manager tenure of less than three years
- Above average and continuously rising fund expenses
- Style drift away from the original asset class
- Regulatory issues at a firm level, without acceptable recourse

Within the Scorecard, we note the number of consecutive quarters a fund has been on the watch list, which allows the Committee to easily follow the IPS guidelines and consider when to take formal action to potentially replace an investment option. Each quarter, Lockton will provide commentary on each fund listed on the formal watch list within the notes section, as well as provide suggested replacements when necessary.

We have included a sample executive summary agenda and meeting minutes that demonstrate how we document fund changes.



For specialized investments like target date funds and stable value products, we use additional tools to analyze unique attributes. These tools follow our consistency philosophy, but incorporate other product-specific metrics, such as the glidepath associated with a target date fund or the quality of the wrap provider for a stable value product.

6. Please provide a sample copy of a quarterly investment report you would present at Committee meetings.

Prior to investment committee meetings, we will provide an executive summary agenda with the meeting materials. We are providing a sample executive summary agenda, a sample quarterly report customized with ABC Company's investments as of December 31, 2019, and sample meeting minutes.

In addition to the review of the plan's investments, our review includes:

- Market update
- Washington update with regulatory, legislative and judicial developments
- Fiduciary review calendar with a deep dive into a special topic for that quarter.

7. Will your representatives be available to meet regularly with our investment committee to review the plan and investment options? How often would you recommend these meetings be held?

Lockton will coordinate, schedule, and facilitate all plan committee meetings. While meetings are typically held on a quarterly basis, we will design a calendar that is aligned with ABC Company's governance structure. Prior to each meeting, Lockton create an agenda. Agenda items will be determined based on current issues as well as the annual goals set by the committee in the Stewardship Report. We are seeing a trend of plan sponsors who like the flexibility to conduct some meetings via Webex or video conference. Prior to the pandemic, some plan sponsors had a cadence of holding meetings semi-annually in person with other meetings held remotely to accommodate the committee members' schedules.

8. Describe how you assist with negotiation and management of fees with recordkeeper providers.

Annually we will benchmark your recordkeeper's fees using independent data from Fiduciary Benchmarks. We will also review your plan's fee policy to ensure the fee allocation methodology is equitable and consistent with your firm's philosophy. As a best practice, we will complete a RFI at least every three years that is tailored to your plan's specific requirements. As your consultant, you will benefit from our team's negotiating strength. In addition to our national industry leverage, our consultants have large plan experience with major recordkeepers, giving us insights on the recordkeeping platforms' service and pricing models. Clients often tell us that working with us alleviates pressure for them since they know that we are servicing as an extension of their team, advocating on their behalf.

9. Please describe the breath of your firm's experience in providing consulting services to retirement plans including knowledge of ERISA/DOL rules?

Many plan sponsors leverage outside ERISA attorneys to assist with plan design and administration. One of the tremendous benefits we bring to our clients is access to in-house ERISA counsel who can help reduce expenses committees otherwise might incur. In fact, our fiduciary program and tools were developed by a former DOL senior investigator. That level of expertise provides clients with an added level of confidence in their plans' compliance oversight and fiduciary risk mitigation strategies. In addition, our consulting team has decades of ERISA/DOL regulatory experience working with complex retirement plans and helping plan sponsors with the myriad of issues that surface in mergers and acquistions, including stock and asset purchase deals.

10. Please confirm you will act as a 3(21) advisor. But also have 3(38) experience if we decide to switch to that type of advisement.

Yes. With the rise of retirement litigation focused particularly on investment selection and management fees, many plan sponsors have turned to Lockton advisors, trusting their expertise to mitigate fiduciary risk. Lockton provides a range of services from investment consulting and advice [3(21)] to full fiduciary outsourcing of the investment selection and monitoring responsibility 3(38). Our services agrement may be amended at any time from 3(21) to 3(38) services.

Employee Services

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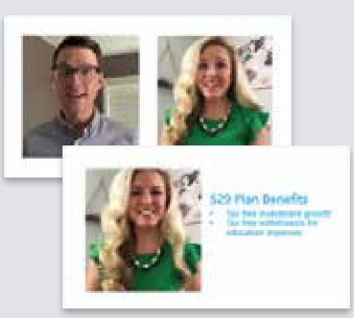
1. **Briefly, describe how you will assist us in enrollment meetings for new and current employees.**

We will help develop a communication and education strategy for new and current employees. Our goal as your advocate is to help you maximize the value from your retirement provider, and measure outcomes against target goals. For new employees, we would want to understand the onboarding process, and propose ways to integrate financial benefits. Ongoing, we would help develop a communications strategy based on our understanding of your workforce, and assess the savings and investing needs of your employees. As part of our financial wellness offering described below, we can provide personal guidance, group and one-on-one meetings.

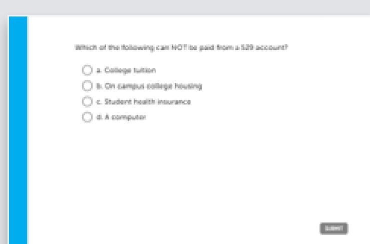
2. Briefly, describe how you will assist us with the ongoing education of our participants.

Lockton will help you develop a well thought-out strategy, maximize the value from your retirement provider, and measure outcomes against target goals. Employers want employees to retire on time, reduce stress and improve financial confidence. They hope to foster goodwill with teams, but also expect a return on their investment — increased productivity and reduced costs. To achieve these results, we've developed an approach that doesn't begin with a product or service. It starts with a strategy tailored for your employees. We have developed a comprehensive financial wellness program, FinanceGPS, with three flexible tiers.

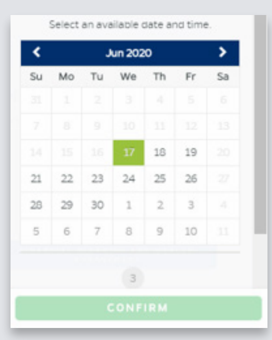
1. MULTIMEDIA EDUCATION — We have developed short (and quirky) videos, newsletters, and the materials to promote them. These are designed to be compatible with a client's internal educational resources or used as a supplement to other education. The videos are interactive and include quizzes so we can track and report how well people get the concepts. You can see a sample here.
2. PERSONAL GUIDANCE — Group and one-on-one meetings - We structure the discussions to give people a rule-of-thumb to benchmark their progress and work with the employer for the call to action (e.g. their broader benefits including HSAs, supplemental insurance, etc.)
3. PROACTIVE ENGAGEMENT — Tailored web platform Users access the platform after completing a short and simple financial health assessment. The tool configures itself based on how the questions were answered. It creates specific "To Dos" on the next best steps a person could take to improve his or her financial health; it curates educational content so that the most appropriate articles are gathered in a "Recommended for you" tab; and it allows the user to aggregate accounts (investments, loans and credit cards, banks, etc.) to track how well they adhere to a budget and their progress on building their net worth.



Short three- to five-minute videos explain the concept.

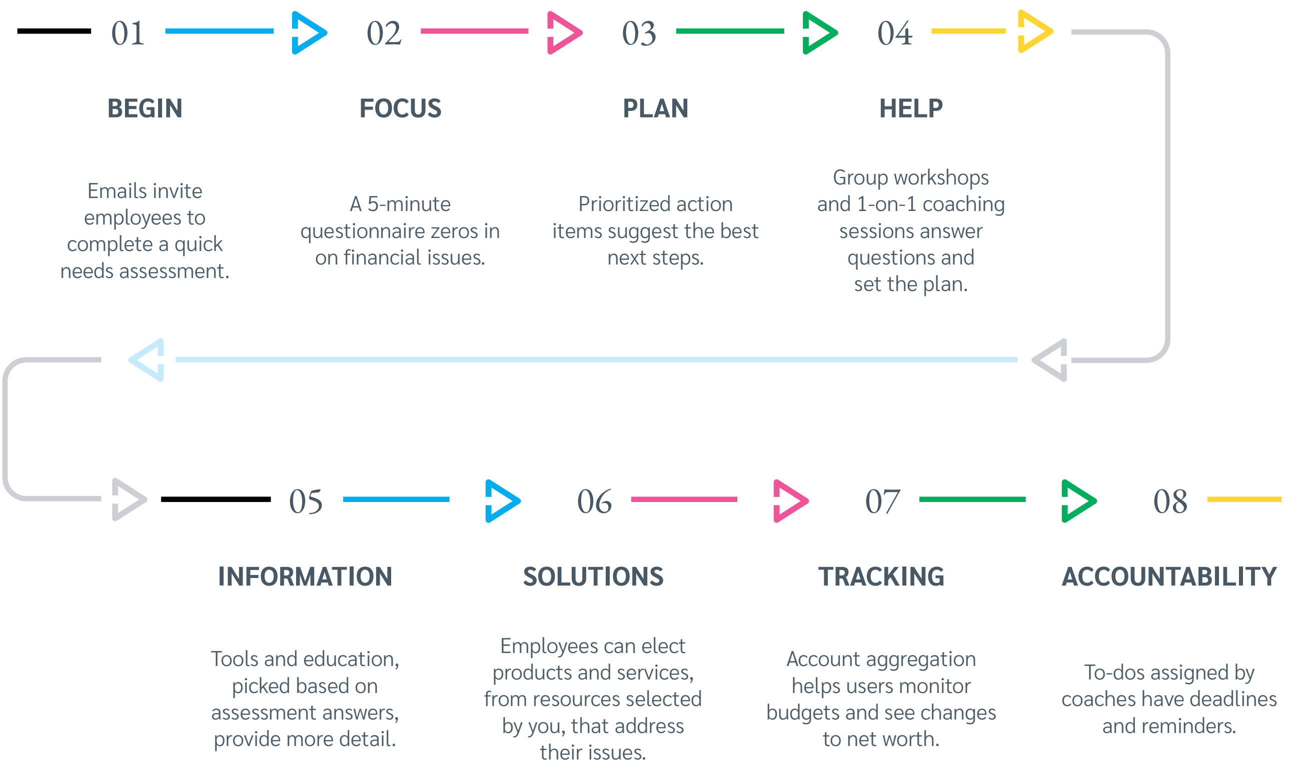


Multiple choice and true or false questions test knowledge.



Those who need more help can schedule a call from a financial coach.

We designed our FinanceGPS to guide your employees on their journeys to successful money management. The complete program employs a series of easy nudges, encouraging employees to take simple steps with reinforcement all along the way:



While FinanceGPS can be a complete program on its own, we've designed it modularly so that it can be adapted to clients' needs. Meetings can also be delivered on a standalone basis. The calls to action can be adapted to work with your preferred service providers, our partner network, or with no service recommendations at all. Lockton's financial wellness consultants adapt the approach to your benefits design, your goals and your objectives.

The attached FinanceGPS Road to Financial Health brochure describes our approach and resources in detail. Clients who use our services say they are impressed with the broad range of topics we cover beyond retirement. Plan sponsors have paid for FinanceGPS services using ERISA spending accounts or plan forfeitures (but must offer the program to all employees when they do). Some have also used wellness credits / excess commissions from their healthcare insurance providers.

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3. Do you create all your communication and education material in-house or through third parties?

Our financial wellness communication and education materials are developed in-house.

Regulatory

1. Are you registered with the SEC or a state securities regulator as an investment advisor? If so, please provide us with documentation, including Part II of Form ADV.

We are registered as an investment advisor with the SEC. Our most recent Form ADV Part I and II are provided in the Appendix here.

2. If you are hired, will you acknowledge in writing that you have a fiduciary obligation as an investment adviser to the plan while providing the advisory services we are seeking? If yes, where will this language be presented?

Yes, we will state our fiduciary role in the services agreement. A sample 3(21) and 3(38) services agreement may be viewed here.

3. Do you consider yourself a fiduciary under ERISA with respect to the recommendations you provide the plan? Will you acknowledge this in writing? If yes, please provide a sample.

Yes, Lockton will serve as an ERISA 3(21) or ERISA 3(38) with respect to the investment recommendations we provide the plan. This is stated in writing in our services agreement and Exhibit A which details our scope of service. Please see samples of the ERISA 3(21) and ERISA 3(38) services agreement in the Appendix here.

4. Provide details regarding Errors and Omissions coverage that your firm carries including insurance carriers and liability limits.

In our retirement practice, the Errors and Omissions policy we carry is underwritten by Scottsdale Insurance. Policy limits are $5 Million per adviser, $5 million each wrongful act, and $5 million in the aggregate.

5. Do you have fiduciary liability insurance? Please indicate coverage and carrier.

Our errors and omissions coverage would include any fiduciary breach.

6. Does the firm have fidelity bond coverage? Please indicate coverage and carrier.

No, because LIA does not custody assets or have any control over the disbursement of funds, we are not required to hold a fidelity bond.

7. Do you have any policies or procedures to address conflicts of interest in relationship to money managers/mutual funds?

Our Code of Ethics is very specific with respect to handling conflicts of interest. In addition, as a fiduciary or co-fiduciary to plans that we advise, we monitor recommendations carefully, completely disclose fee practices and we do not offer proprietary investment products to avoid even the perception of a conflict of interest. Investment managers and service providers do occasionally sponsor travel and accommodations to attend training conferences or their own, internal advisory councils. These sessions and their content are reviewed in advance by our Chief Compliance Officer to ensure that the content is relevant and valuable for the work we do on behalf of our clients.

8. Who handles compliance issues for your Firm? Do you have an internal compliance officer?

Karen Prange serves as our internal chief compliance officer. Under her leadership Lockton has implemented a robust compliance program that includes policy and procedure development, training and on-site and remote testing. Testing is conducted in accordance with FINRA, SEC and DOL guidance and with the input of both in-house and external resources.

9. Within the last five years, has your team been a party to any litigation or any regulatory investigation?

We are proud of our disciplined approach to the delivery of our services. Unfortunately, our industry has been aggressively targeted by plaintiff's counsel in the past decade. One of our plan sponsor clients is currently subject to a participant-initiated lawsuit to which we were added as a defendant. Despite having served more than a thousand plans, Lockton Retirement has only been named in this single lawsuit, which is on-going. We remain committed to process, documentation and benchmarking to support our clients and advisors in providing effective retirement programs for their employees.

10. Does your firm have a written code of conduct? How is that code of conduct enforced?

Lockton Investment Advisors maintains policies and procedures designed to alleviate and address conflicts of interest and ensure the interests of our clients come before our own. Our Chief Compliance Officer oversees a robust compliance program that includes activities designed to detect activity that might indicate a conflict of interest or violation of our code of conduct.

Fees

1. Please provide details on all your fees related to servicing our plan.

We are proposing a flat all inclusive fee of [redacted] per quarter ([redacted] annually). Our pricing assumes quarterly investment committee meetings, and is inclusive of mergers & acquisitions consulting support. Optional add-on FinanceGPS wellness program services such as group, one-to-one meetings, and our tailored web platform services will be quoted upon request. We find that it is in a plan sponsor's best interest for us to evaluate the services provided by your recordkeeper first to ensure you receive the best value for services, and then we will recommend additional support appropriate for your workforce.

We will also provide a stewardship report to ABC Company documenting plan progress, services delivered, and goals for the coming year. A sample stewardship report is included in the Appendix here.

2. Outside of the fees disclosed above, will your firm, its employees, and/or any affiliated or related entity be paid fees/derive an economic benefit and/or commissions (including those from revenue-sharing and commissions recapture) for its services to our plan from sources other than the plan?

No. Our most recent SEC ADV disclosure is included here.

3. Please disclose any additional fees, commissions or revenue sharing you might receive from the record keepers, mutual funds or other service providers associated with the plan?

Not applicable. Lockton Investment Advisors, LLC will not receive any commissions or revenue sharing from recordkeepers, mutual funds or other service providers associated with the plan.

Appendix

UNCOMMONLY INDEPENDENT

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