

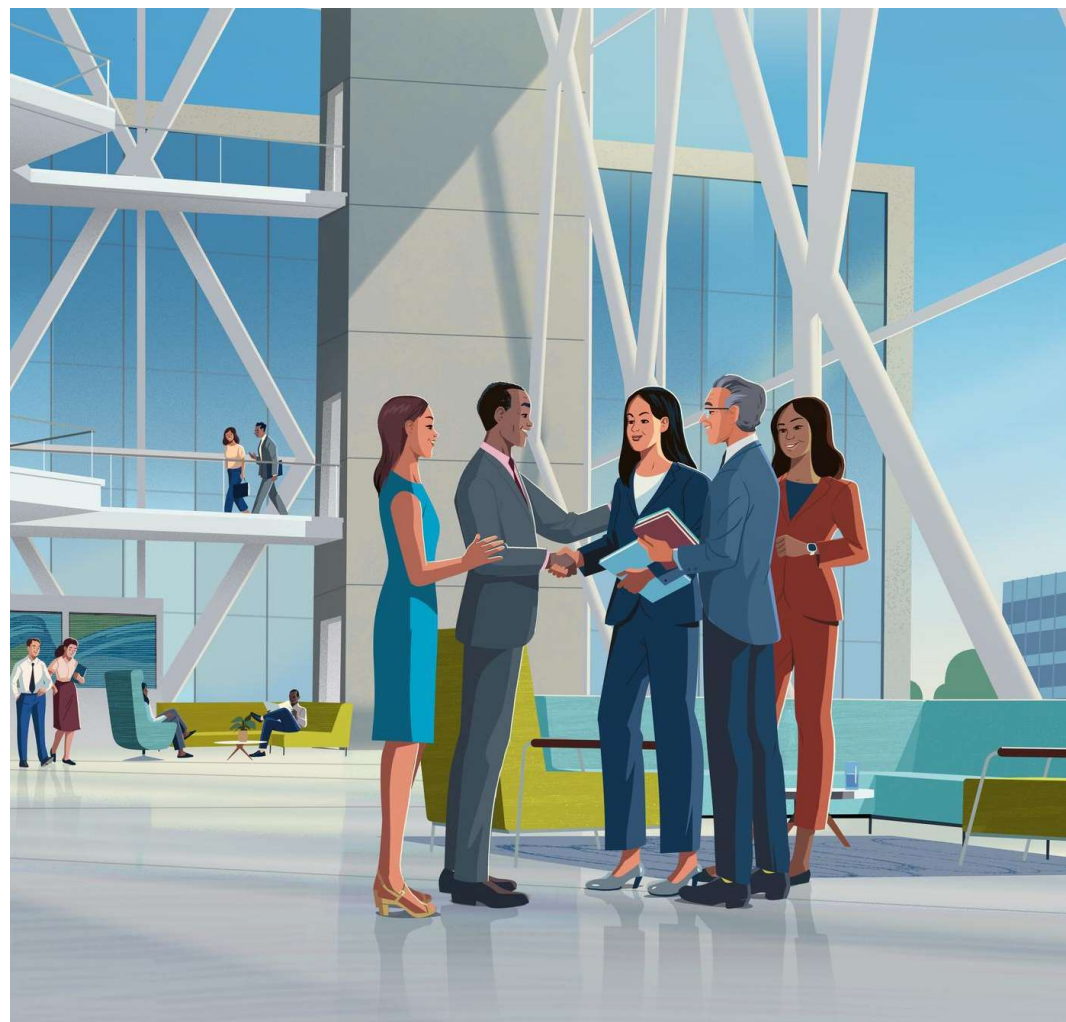
**Morgan Stanley**  
**AT WORK**

# Your Retirement Plan: Focusing on Success

**Corporate Retirement Director**

Investment advisory services discussed herein are offered through Morgan Stanley Smith Barney LLC ("Morgan Stanley") Advisory Programs only. Please see the applicable program disclosure document for more information, available at [www.morganstanley.com](http://www.morganstanley.com)/ ADV or from your Financial Advisor.

*Morgan Stanley at Work* services are provided by Morgan Stanley Smith Barney LLC, member SIPC, and its affiliates, all wholly owned subsidiaries of Morgan Stanley.



## Agenda

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Focusing on Your Investment Outcomes	18
Helping Prepare Your Employees for Retirement	30

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Section 1

# Our Firm



## Doing Business with Integrity: A Focus on Core Values

We believe capital can work to benefit all of society. We make this belief a reality by focusing on four key elements that comprise the core values of our Firm:



### Do the Right Thing

- Act with integrity
- Think like an owner to help create long-term shareholder value
- Value and reward honesty and character



### Put Clients First

- Keep the client's interest first
- Work with colleagues to deliver the best of the Firm to every client
- Listen to what the client is saying and needs



### Lead with Exceptional Ideas

- Win by breaking new ground
- Leverage different perspectives to gain new insight
- Drive innovation
- Be vigilant about what we can do better



### Commit to Diversity & Inclusion

- Value individual and cultural differences as a defining strength
- Champion an environment where all employees feel a sense of belonging – are heard, seen and respected
- Expect everyone to challenge behaviour counter to our culture of inclusion
- Attract, develop and retain talent reflecting the full diversity of society



### Give Back

- Be generous with our expertise, our time and our money
- Build a better firm for the future by contributing to our culture
- Develop our talent through mentoring and sponsorship

## Access To Robust Capital



### Dedicated team

Of 70+ professionals focused exclusively on investment manager selection for the Firm's investment advisory platform



### Process-driven approach

That seeks quality managers and strategies with the goal of optimizing portfolio return potential in various market environments



### Extensive

Third-party manager due diligence, including comprehensive quantitative and qualitative tools used for all manager assessments



### Insights

From the Firm's Global Investment Committee (GIC), to integrate asset allocation and thought leadership into advisory program

#### Global Investment Manager Analysis

- Experienced investment professionals including Stable Value due diligence
- Extensive investment manager analysis and ongoing evaluation
- Developed proprietary defined contribution investment consulting fund screening process

#### Morgan Stanley Wealth Management Global Investment Committee

- Seasoned professionals, including 8 members, with extensive expertise
- Monitors market and economic conditions and publishes outlook and commentary
- Creates asset allocation models with the goal of providing integrated investment solutions
- Provides guidance for defined contribution asset allocation programs

#### Retirement Services

- Access to an array of product solutions
- Experience with leading recordkeepers
- Approximately 24,000 bundled DC plans <sup>(1)</sup>
- \$313 billion in retirement assets <sup>(1)</sup>
- \$150 billion in DC plan assets <sup>(1)</sup>

<sup>1</sup> Data as of December 31, 2021

## Morgan Stanley Corporate Retirement Directors



### Corporate Retirement Directors (CRDs)



Less than 2% of our approximately 16,000  
Financial Advisors



Firm designated Financial Advisors with a specialty  
on serving retirement plans



Professional retirement plan focused accreditations with  
continuing education requirements

All information as of March 2022 and subject to change.

YOUR RETIREMENT PLAN: FOCUSING ON SUCCESS

## Industry Trends Influencing Your Plan Goals

### Common Concerns

- Fiduciary responsibilities and oversight
- Fee and service benchmarking
- Plan features
- Investment due diligence
- Employee retirement readiness and Financial Wellness

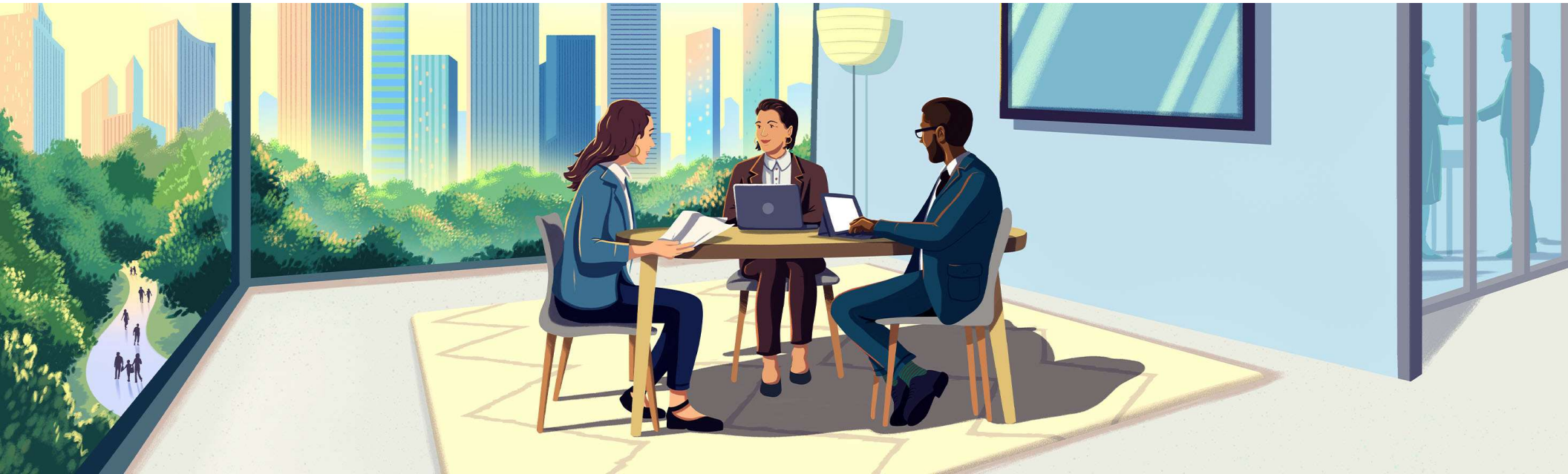
### Plan Goals

- Preparing employees for retirement
- Providing a tax deferred investment vehicle
- Conducting oversight of your investments
- Managing your fiduciary responsibilities



Section 2

# Enhancing Your Retirement Plan Oversight





# Enhancing Your Plan

## Resources to Improve Plan Benefits and Participant Retirement Readiness



### Plan review

- Assess existing plan features
- Make recommendations



### Plan benchmarking

- Provide plan design benchmarks
- Fee benchmarks



### Industry updates

- White papers
- Surveys
- Regulatory and Legislative Updates
- Quarterly Plan Sponsor Newsletter

**Plan Sponsor Insights**  
A Quarterly Newsletter for Retirement Plan Sponsors

**Fiduciary Training Kit**





TABLE OF CONTENTS	
2	Section 1: Roles
6	Section 2: Investments
8	Section 3: Administration
10	Section 4: Education
12	Section 5: Plan Design

**The Retirement Wave Is Here: Are You Prepared?**  
Discover how a surge in retirements could transform the workplace talent acquisition and retention strategies may help you stay ahead

[Read More](#)

# Helping You With Risk Management

Educational Resources and Tools to Help Manage the Responsibility of Being a Plan Fiduciary

 <p><b>Fiduciary Educational Materials</b></p>	 <p><b>Fiduciary Audit File</b></p>	 <p><b>Washington Update Newsletter</b></p>	 <p><b>Plan Advocate</b></p>
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**Risk Management**

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Retirement Solutions



**Creating a Fiduciary**

Helping plan sponsors manage their fiduciary responsibilities

The decision to offer a workplace retirement plan also carries with it fiduciary responsibilities. This document provides a checklist of key considerations to help you understand what a fiduciary is – and what you're responsible for.



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**Washington Update**

A Summary of Key Legislative and Regulatory Developments Affecting Retirement Savings

APRIL 2022

**The Second Session of the 117th Congress – What to Expect this Election Year**

The second session of the 117th Congress is well underway, with the focus in Washington today centered both on domestic and on foreign policy. While at some point this spring the domestic policy agenda will shift to election-year politics, foreign policy will continue to remain in focus for the foreseeable future, and in particular regarding Ukraine.

TABLE OF CONTENTS	
1	Legislation
7	Outlook
8	Regulatory
10	Miscellaneous

# Assessing Plan Competitiveness & Matching Your Goals

## Benchmarking and Recordkeeper Review of Services Rendered Compared to the Expenses Paid



### Benchmark

- Evaluate plan fees and services
- Assess reasonableness of fees relative to services received
- Support 408(b)(2) review of fees and services



### Plan Review

- Identify gaps in service offerings
- Understand plan goals
- Document prudent process



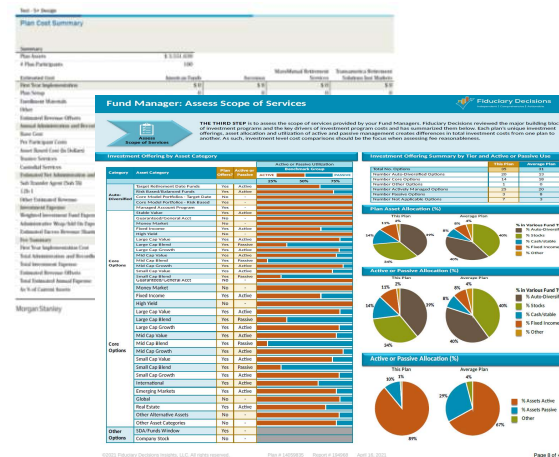
### Recommend

- Identify recordkeepers for your consideration
- Side-by-side analysis of recordkeepers to identify solutions that meet your needs



### Transition

- Manage finalist presentations
- Assist in cost negotiations with service providers
- Assist with transition to new provider
- Provide ongoing support with your service provider



Section 3

# Focusing on Your Investment Outcomes



## ERISA Fiduciary Standards

The Guidelines and Standards of all ERISA Fiduciaries



**ERISA Plan Fiduciary**



Act solely in the interest of plan participants and beneficiaries



Act for the exclusive purpose of providing benefits to participants and beneficiaries



Pay only reasonable plan expenses



Act with requisite care, skill, prudence, and diligence



Act in accordance with the documents and instruments governing the plan

## ERISA Fiduciary Services for Your Plan

### The Classification of a 3(21) Fiduciary and a 3(38) Fiduciary:



#### ERISA 3(21) defines a Fiduciary as a person or entity who:

1. Renders investment advice for a fee or other compensation
2. Has any discretionary authority for the administration of the plan
3. Has any discretionary authority or control regarding management of the plan, or over the management or disposition of its assets

#### ERISA 3(38) defines an Investment Manager as a person or entity who:

1. Has the power to manage, acquire, or dispose of any asset of the plan
2. Is a Registered Investment Advisor (RIA), bank or insurance company
3. Has acknowledged in writing that they are a fiduciary with respect to the plan

## Flexible ERISA Fiduciary Services for Your Plan

	3(21) Investment Advice		3(38) Investment Manager	
	Plan Sponsor	Morgan Stanley	Plan Sponsor	Morgan Stanley
<b>Investment Policy Statement</b>	Primary Role	Provide template and advice	Primary Role	Provide template and advice
<b>Fund Selection</b>	Primary Role	Provide Advice <sup>(1)</sup>	N/A	Primary role and final authority <sup>(1)</sup>
<b>Fund Monitoring and Replacement</b>	Primary Role	Provide Advice <sup>(1)</sup>	N/A	Primary role and final authority <sup>(1)</sup>
<b>QDIA <sup>(2)</sup></b>	Select investment type and fund	Provide advice on investment fund only <sup>(1)</sup>	Select investment type	Primary role and final authority for investment fund selection <sup>(1)</sup>
<b>Asset Allocation Programs</b>	N/A	Risk-Based Models	N/A	Risk-Based Models Target Date Models
<b>Selecting / Monitoring Investment Advisor</b>	Solely Responsible	N/A	Solely Responsible	N/A

<sup>1</sup> Only funds that meet the Morgan Stanley screening process will be recommended or selected.

<sup>2</sup> Excludes services with respect to managed accounts.



## Choosing a Fiduciary Wisely

If a plan's named fiduciary does not have the requisite expertise to carry out certain of its functions (such as investment of the plan's assets), then a fiduciary has a duty to act prudently and hire a service provider with that professional knowledge.



One of the largest,  
most established  
wealth management  
businesses in  
the industry



**85 years** as a global leader  
in financial services



**\$59.8 billion** in  
full year net revenues <sup>(1)</sup>



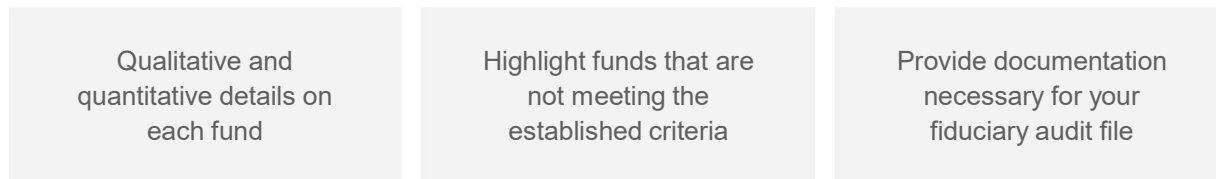
More than **16,000**  
Financial Advisors with  
extensive knowledge,  
diverse skills  
and experience

<sup>1</sup> Information (unaudited) as reported in Morgan Stanley Annual Report for year ending December 31, 2021.

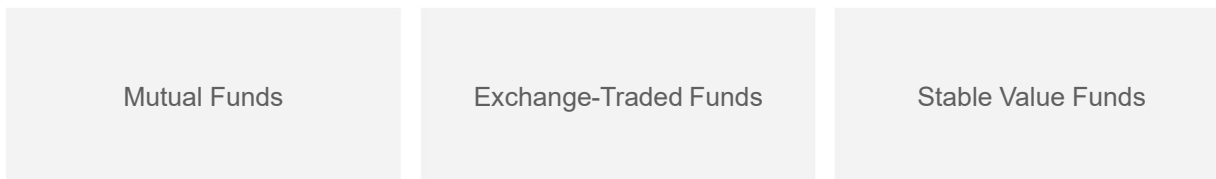
## Ongoing Fund Monitoring and Selection (cont'd)

Quarterly Performance Report Provides a Review of Plan Investments and Documentation of the Prudent Process for Reviewing Plan Investments

Deliver Quarterly Reports That Contain a Detailed Review of Investment Line Up:



Proprietary Investment Manager Analysis on:



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Plan Investment Review  
Sample Performance Company 401k Plan  
July 1 - September 30, 2021

Sample Performance Company 401k Plan  
Summary Showing Funds Approved and Not Approved by Morgan Stanley

Investment	Ticker	MS Status	CRS	GAIA	Wash	AAA	1141	Percent for Fund Not Being Approved by Morgan Stanley
Well Fargo Stable Return Fund II		Approved						
Amplify Certify Core Plus HS	ACDX	Screened						
Calvert High Yield Bond Inc	CHYD	Approved						
Fidelity New Markets Income	FNMX	Screened						
F. Bond Price Reference Enhanced I	FRTY	Approved						
BlackRock Global Allocation Inv A	MOGX	Approved						
Principal Divers Intl Bond Asset Inst	FDGIC	Approved						Fund Category is not screened by Morgan Stanley
Wangard Mid Brck Mkt Inv Adm	VTSM	Approved						
Well Fargo Large Cap Core Adm	WFLX	Approved						
Fidelity Contrafund	FCON	Screened						
Cheniere Small Cap Value Inst	SCVA	Force						
Global Partners Small Cap Value II	SPSM	Screened						
Investment Research Global Energy ETF	ENRG	Approved						
Baron International Growth Institutional	BNIG	Approved						
IMF International Enhanced Value	IMHE	Force						
Well Fargo Emerging Markets Eq Inc Inst	EQEM	Force						
Wellstar Short-Term Government	WSTG	Screened						

Not on MS Status Legend  Approved Using the MS Proprietary Screening Process  Not MS Approved  Fund Category Not Screened by MS  Data Not Available  
 High Risk Screened Status Legend  Screening with Reason  
 Force Legend:  Screened  Not Screened  Force  
 Force Legend:  Screened  Not Screened  Force

See the disclosures page at the end of this report for an explanation of how Morgan Stanley approves and identifies funds for the Institutional Services Program.

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For Sample Performance Company, Inc. 1/2021 and 9/30/2021  
For the General Public, 7/1/21 to 9/30/21

## Stable Value Due Diligence (Cont'd)

Proprietary Stable Value (“SV”) Due Diligence Review and Analysis on Over 40 Collective Trusts, Insurance Company Separate Accounts and General Account Products



### INSIGHTS

Commentary on the attributes and points to consider for the investment option



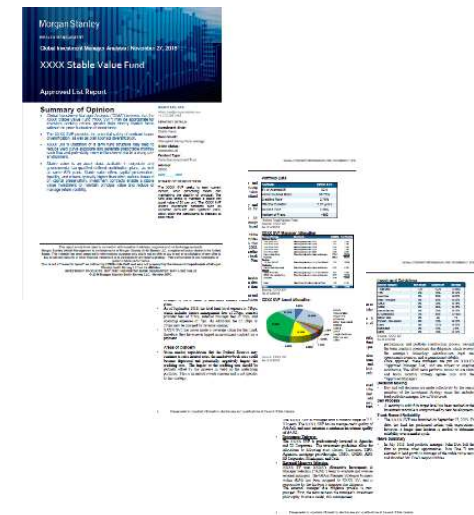
### OVERVIEW

- Portfolio management
- Investment philosophy and process
- Portfolio construction
- Asset allocation
- Utilization/selection of sub-advisors



### EVALUATION

- Calculation of market-to-book ratio and crediting rate
- Book value redemption mechanism for plan sponsors
- Competing fund restrictions imposed on plan participants



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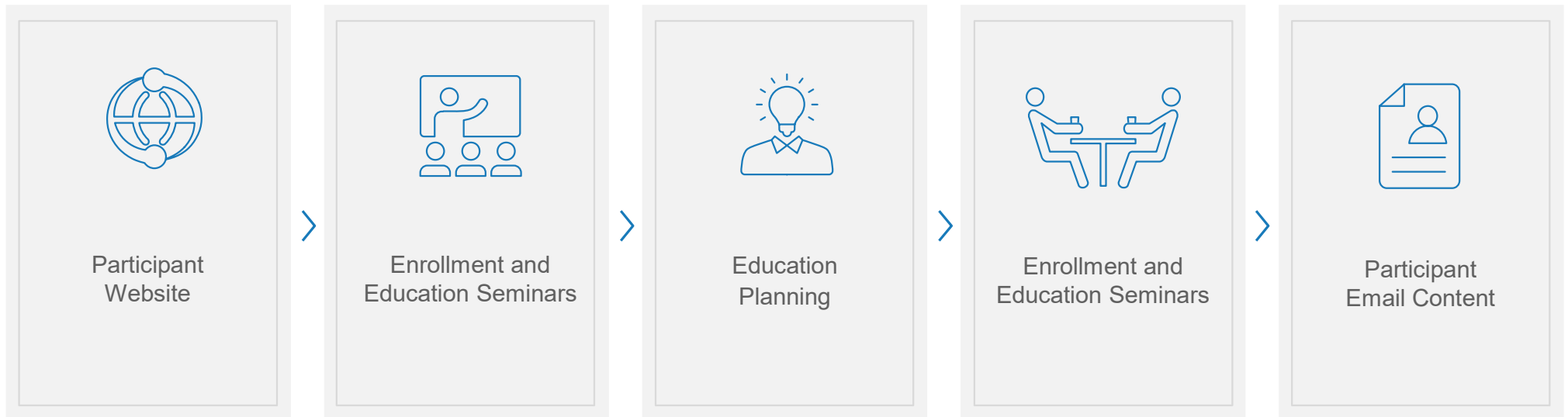
Section 4

# Helping Prepare Your Employees for Retirement



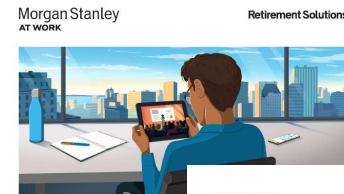
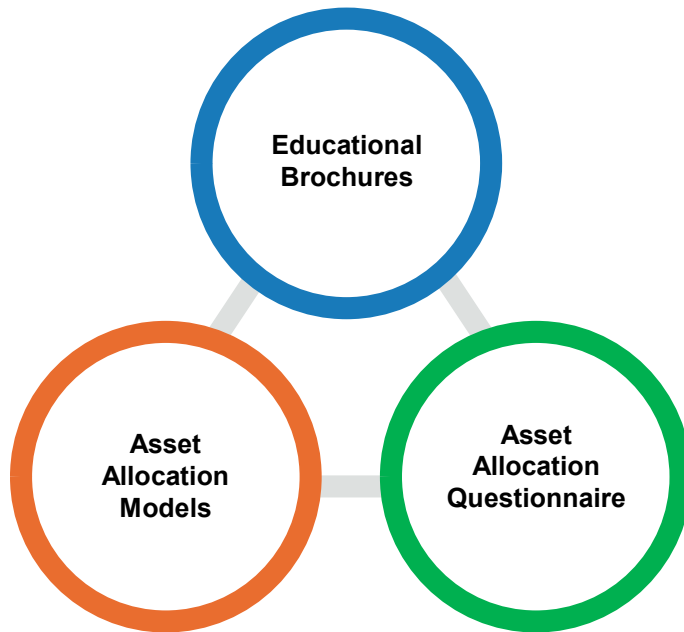
## Preparing Your Employees for Retirement

A Combination of Services Can Help Participants Achieve Retirement Readiness



# Aligning Employee Investment Strategies with Long-Term Objectives

## Available Resources and Materials to Help Participants Become More Informed With Investment Decisions



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Retirement Solutions

### Participant Asset Allocation Questionnaire and

Morgan Stanley, Aligning Investment Strategies With Long-Term Objectives

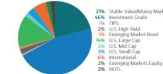
**Asset Allocation Questionnaire**  
How you allocate your assets can significantly impact your portfolio performance. To make sure for you and your retirement, it is important to think about your long-term strategy. One of the best ways to plan for a comfortable retirement is by choosing the appropriate asset allocation mix, based on your risk tolerance and time horizon. Following questions are designed to assist you in understanding your attitude toward risk and return. Your results may help you consider asset allocation strategy that is appropriate for your long-term goals.

### Sample Portfolio Mixes— Asset Allocation Models

The following asset mixes are designed to provide the optimum level of risk and reward as balanced agent the time you have until you retire. Obviously, this mix should be balanced according to your changing needs. When applying any asset allocation model to your retirement portfolio, you should consider your entire financial picture.

**Model 1: Capital Preservation**  
CONSERVATIVE 10-15 YEARS  
SMALLEST TIME HORIZON AND LOW RISK TO WITHSTAND RISE IN INFLATION

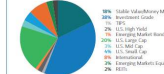
**WHY THIS MIX?** If you're not ready to retire, or generally risk averse, a portfolio allocated largely toward fixed income helps reduce overall portfolio volatility, providing a greater degree of capital preservation. Some equities returns appropriate to help your portfolio keep pace with inflation.



- MAY BE APPROPRIATE FOR INVESTORS WHO:**
- Seek to preserve the real value of investment principal and ensure stability.
  - Are in retirement or generally risk averse.
  - Want as little volatility as possible.

**Model 2: Income**  
MODERATE 15-20 YEARS  
MEDIUM TIME HORIZON AND RISK LOW TO WITHSTAND RISE IN INFLATION

**WHY THIS MIX?** As your time horizon for retirement gets closer, your portfolio should begin to transition toward income-producing investments and away from more growth-oriented investments. A moderately conservative portfolio will have a slightly higher allocation to income-producing fixed income assets than a moderate portfolio.



- MAY BE APPROPRIATE FOR INVESTORS WHO:**
- Seek to preserve investment principal and maintain stability, yet still need some growth.
  - Are relatively close to retirement.
  - Want lower levels of volatility.

### Asset Allocation Questionnaire

Please answer the following questions. Circle your choice for each question.

#### Scoring:

- 1. IN GENERAL, WHAT TYPE OF INVESTOR ARE YOU?**  
A. I feel very comfortable with investment volatility, and I am willing to take more risk over all of time to pursue growth of my retirement funds.  
B. I feel comfortable with investment volatility, but I need to potentially reduce my investment over time.  
C. I am comfortable with investment volatility, but I need to potentially reduce my investment over time.  
D. I am comfortable with investment volatility, but I need to potentially reduce my investment over time.
- 2. IF YOU COULD GREATLY INCREASE YOUR INCOME BY INCREASING YOUR RISK, WOULD YOU?**  
A. Take a great deal more risk with some or all of your money.  
B. Take a little more risk with all of your money.  
C. Not increase your risk at all.  
D. Not increase your risk at all.
- 3. WHICH SCENARIO DESCRIBES YOUR CAREER? DO YOU FORESEE THAT YOUR EARNINGS WILL INCREASE AT A RATE HIGHER THAN INFLATION (NEW JOB, PROMOTION, ETC.)?**  
A. Increase at the same rate as inflation.  
B. Increase at the same rate as inflation.  
C. Remain about the same.  
D. Decrease (retirement, change to part-time job, etc.)
- 4. APPROXIMATELY HOW MANY MORE YEARS DO YOU PLAN TO WORK UNTIL YOU RETIRE?**  
A. 20 years or more.  
B. 15 to 20 years.  
C. 10 to 15 years.  
D. 5 years or fewer.
- 5. DO YOU ANTICIPATE WITHDRAWING ANY MONEY FROM YOUR RETIREMENT PORTFOLIO ON A LOW OR DUE TO RETIREMENT NEED?**  
A. I do not intend to remove any money in the foreseeable future.  
B. I intend to withdraw money within 10 years or more.  
C. I intend to withdraw money within 5 to 10 years.  
D. I intend to withdraw money within 5 years or fewer.

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Section 5

# Summary





## Summary of Services

Through our consultative process, we strive to help you improve:

- 1** Retirement Readiness for Your Employees
- 2** Management of Your Fiduciary Responsibilities and Risk
- 3** Performance of Your Plan



### Investment Management

- Investment Policy Statement
- Investment Selection
- Investment Monitoring



### Plan Management

- Issue Resolution
- Fiduciary Audit File
- Fee Analysis



### Plan Participation

- Education Materials & Seminars
- Strategic Planning
- Custom Risk and Target Date Models



### Plan Evaluation

- Needs Assessment
- Benchmarking
- Provider Search

## OUR TEAM DEMOGRAPHICS



### THE STRENGTH OF The Ratay Group at Morgan Stanley

Our Team is focused on the retirement plan market

Over **40+** years of retirement plan experience

**Just under \$2 billion** in overall retirement assets

We are very close to meeting our goals for our clients of

90% participation

10% average contribution rate

Data as of: 12-31-21

## Important Disclosures

When Morgan Stanley Smith Barney LLC, its affiliates and Morgan Stanley Financial Advisors and Private Wealth Advisors (collectively, “Morgan Stanley”) provide “investment advice” regarding a retirement or welfare benefit plan account, an individual retirement account or a Coverdell education savings account (“Retirement Account”), Morgan Stanley is a “fiduciary” as those terms are defined under the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), and/or the Internal Revenue Code of 1986 (the “Code”), as applicable. When Morgan Stanley provides investment education, takes orders on an unsolicited basis or otherwise does not provide “investment advice”, Morgan Stanley will not be considered a “fiduciary” under ERISA and/or the Code. For more information regarding Morgan Stanley’s role with respect to a Retirement Account, please visit [www.morganstanley.com/disclosures/dol](http://www.morganstanley.com/disclosures/dol). Tax laws are complex and subject to change. Morgan Stanley does not provide tax or legal advice. Individuals are encouraged to consult their tax and legal advisors (a) before establishing a Retirement Account, and (b) regarding any potential tax, ERISA and related consequences of any investments or other transactions made with respect to a Retirement Account. Asset Allocation and diversification do not assure a profit or protect against loss in declining financial markets.

Target-date funds are subject to the risks associated with their underlying funds. The year in the fund name refers to the approximate year (the target date) when an investor in the fund would retire and leave the workforce. The fund will gradually shift its emphasis from more aggressive investments to more conservative ones based on its target date. An investment in a target date fund is not guaranteed at any time, including on or after the target date. These funds are based on an estimated retirement age of approximately 65. Should you choose to retire significantly earlier or later, you may want to consider a fund with an asset allocation more appropriate to your particular situation.

**Investors should carefully consider the investment objectives, risks, charges and expenses of a mutual fund, exchange traded fund and collective investment trust before investing. The prospectus contains this and other information about the fund. To obtain a prospectus, contact your Financial Advisor or visit the fund company’s website. Please read the prospectus carefully before investing.**

Stable Value Funds – The underlying fund investments are subject to market risk, credit and interest rate risk and other risks associated with the types of fixed income securities in which the funds invest, each of which are more fully described in the applicable prospectus. There is no assurance that these investments will achieve their investment objective or will meet or exceed their performance benchmarks.

Morgan Stanley offers a wide array of brokerage and advisory services to its clients, each of which may create a different type of relationship with different obligations to you. Please consult with your Financial Advisor to understand these differences.

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## Important Disclosures (cont'd)

Investment, insurance and annuity products offered through Morgan Stanley Smith Barney LLC are: NOT FDIC INSURED | MAY LOSE VALUE | NOT BANK GUARANTEED | NOT A BANK DEPOSIT | NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY

Morgan Stanley Wealth Management is a business of Morgan Stanley Smith Barney LLC.

Morgan Stanley Smith Barney LLC. Member SIPC.

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*Morgan Stanley at Work* services are provided by Morgan Stanley Smith Barney LLC, member SIPC, and its affiliates, all wholly owned subsidiaries of Morgan Stanley.

CRC 4714315 05/22

Expires: April 2023