The Road to Retirement

Announcing Updates to the Retirement Plans

Presented by:
Kirk Welch, CFP®, ChFC®, AIF®, PPC®
EVP, Retirement Plan Consulting

Zac Huish, M.S., CFP®, MPAS®, APMA®, CRPS®
VP of Wealth Management
$96B Retirement plan assets under advisement*

5,500 Retirement plans under advisement *

*Collectively through its various wholly owned entities, HUB International has over $93 Billion in assets under advisement and over 5,500 plans under advisement. Employees of HUB International offer securities through partner Broker Dealers not affiliated with HUB. Employees of HUB provide advisory services through both affiliated and unaffiliated Registered Investment Advisors. Global Retirement Partners, LLC, RPA Financial, LLC, Hub International Investment Advisory Services, Inc., Silverstone Asset Management, LLC and Sheridan Road Advisors, LLC are wholly owned subsidiaries of HUB International.
# HUB Retirement & Private Wealth

## Organizations and Institutions
- Retirement plan consulting
- Investment advice
- Fiduciary outsourcing, governance support and education
- Regulatory updates
- Institutional investment research
- Executive benefit solutions
- Financial wellness strategies

## Individuals and Families
- Goals-based financial planning
- Investment advice
- Risk-managed asset allocation strategies
- Online portfolio management
- Retirement income planning
- Specialized financial planning for divorce
- Comprehensive advice for special needs family members
- Personal insurance and risk management

*Collectively through its various wholly owned entities, HUB International has over $93 Billion in assets under advisement and over 5,500 plans under advisement. Employees of HUB International offer securities through partner Broker Dealers not affiliated with HUB. Employees of HUB provide advisory services through both affiliated and unaffiliated Registered Investment Advisors. Global Retirement Partners, LLC, RPA Financial, LLC, Hub International Investment Advisory Services, Inc., Silverstone Asset Management, LLC and Sheridan Road Advisors, LLC are wholly owned subsidiaries of HUB International.*
Agenda

1. Roadmap to Retirement Plan Updates
2. Updates to TIAA Retirement Plan Investments & Accounts
3. Plan Fees and Updated Transparency & Levelization
4. Best Practices in Your Own Portfolio
Roadmap to Retirement Plan Updates

RFP 2019 - 2020

RFP process that was done with the USHE
Retained HUB International Investment Services, Inc. to conduct an initial review of all investments and costs
HUB presented findings to all institutions at USHE
Roadmap to Retirement Plan Updates

RFP 2019 - 2020

- RFP process that was done with the USHE
- Retained HUB International Investment Services, Inc. to conduct an initial review of all investments and costs
- HUB presented findings to all institutions at USHE

OUTCOME 2020

- Formation of the Dixie State University’s Retirement Investment Committee
- Recommendation of the appointment of the team from HUB International Investing Inc. to work with committee as a 3(38) Investment Manager – Fiduciary
- Adopted an Investment Policy Statement
- Fiduciary Training of all members
Roadmap to Retirement Plan Updates

**RFP 2019 - 2020**
- RFP process that was done with the USHE
- Retained HUB International Investment Services, Inc. to conduct an initial review of all investments and costs
- HUB presented findings to all institutions at USHE

**OUTCOME 2020**
- Formation of the Dixie State University’s Retirement Investment Committee
- Recommendation of the appointment of the team from HUB International Investing Inc. to work with committee as a 3(38) Investment Manager – Fiduciary
- Adopted an Investment Policy Statement
- Fiduciary Training of all members

**ACTION 2021**
- Review of investment offering and recommendations for updating in all plans
- Negotiated lower administration costs for all plans
- Plan costs will now be transparent and fairly distributed to all participants in plans
- Ongoing monitoring or investments and plan costs with committee
Committee Members:

- Travis Rosenberg*, Executive Director of Human Resources
- Paul Morris*, Vice President of Administrative Affairs
- Helen Saar, Ph.D., Faculty Finance Department
- Michelle Cabana, HR Coordinator - Benefits
- Kim Seaich, Director of Payroll
- Mike Pinegar, Director Internal Audit
Investment Review Process

Investment Scoring Standards

<table>
<thead>
<tr>
<th>Standards</th>
<th>Criteria</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Return 3Y</td>
<td>Top 50%</td>
<td>10</td>
</tr>
<tr>
<td>Total Return 5Y</td>
<td>Top 50%</td>
<td>20</td>
</tr>
<tr>
<td>Capture Ratio 3Y</td>
<td>Greater than 1</td>
<td>5</td>
</tr>
<tr>
<td>Capture Ratio 5Y</td>
<td>Greater than 1</td>
<td>10</td>
</tr>
<tr>
<td>Info Ratio 3Y</td>
<td>above 0</td>
<td>8</td>
</tr>
<tr>
<td>Info Ratio 5Y</td>
<td>above 0</td>
<td>12</td>
</tr>
<tr>
<td>Max Drawdown 3Y</td>
<td>Lowest 50%</td>
<td>5</td>
</tr>
<tr>
<td>Sharpe Ratio 3Y</td>
<td>Top 50%</td>
<td>8</td>
</tr>
<tr>
<td>Sharpe Ratio 5Y</td>
<td>Top 50%</td>
<td>12</td>
</tr>
<tr>
<td>Expense Ratio</td>
<td>Lowest 50%</td>
<td>10</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>100</td>
</tr>
</tbody>
</table>

Qualitative Measures

**People**
- Manager history
- Analyst compensation

**Philosophy**
- Portfolio concentration
- Benchmark philosophy

**Process**
- Methodology
- Sell discipline

**Parent**
- Merger or acquisition
- Assets managed
How does this process benefit you?
Updates to Retirement Plans

New Investment Options

New options from a variety of fund families are being added while several current options were retained (including TIAA Traditional & CREF Annuity options).

There are some underperforming funds that will no longer be available.

These updates begin August 2, 2021; any mapping will happen week of August 16, 2021.

New Accounts

As a plan participant, you will be enrolled in a new type of plan account with TIAA.

No action is required by participants. Your same contribution % and investment allocation will map over to new accounts.

The new accounts allow for us to expand our investment offering.

Begins August 2, 2021

Fee Transparency & Leveling

A new fee structure will make it easier to view the cost of each investment option as well as fees paid for plan administration.

These fees will be applied equally to all participants.

Plan Fee Reduction

Begins October 1, 2021
Updates to Retirement Plans

New Investment Options

New options from a variety of fund families are being added while several current options were retained (including TIAA Traditional & CREF Annuity options).

There are some underperforming funds that will no longer be available.

These updates begin **August 2, 2021**; any mapping will happen week of August 16, 2021.

New Accounts

As a plan participant, you will be enrolled in a new type of plan account with TIAA.

No action is required by participants. Your same contribution % and investment allocation will map over to new accounts.

The new accounts allow for us to expand our investment offering.

**Begins August 2, 2021**

Fee Transparency & Leveling

A new fee structure will make it easier to view the cost of each investment option, as well as fees paid for plan administration.

The fees will be applied equally to all participants.

**Plan Fee Reduction**

**Begins October 1, 2021**
FAQ

Do we have indexes or passively managed choices?

**YES**
- Vanguard Total Bond Market Index I
- TIAA-CREF Equity Index I
- TIAA-CREF S&P 500 Index I
- Vanguard Total Stock Market Index I
- CREF Equity Index R3
- Vanguard Mid-Cap Index Inst
- Vanguard Small Cap Index I
- TIAA-CREF International Eq Index I
- Vanguard Total Intl Stock Index I

Do we have Socially Responsible Choices?

**YES**
- TIAA-CREF Social Choice Equity I
- TIAA-CREF Social Choice Low-Carbon Equity

Do I have re-enroll or take any action* from these changes?

**NO**

The investment direction and current contribution amounts will be sent to the new accounts.

*If you are currently taking installment payments or required minimum distributions at age 70 ½ there may be some action needed. We will contact you if this applies to you.
## Key Dates for Retirement Plan Updates

<table>
<thead>
<tr>
<th>2021 Dates*</th>
<th>Events</th>
</tr>
</thead>
<tbody>
<tr>
<td>Week of July 5</td>
<td>You will be mailed a <strong>guidebook</strong> from TIAA to give you the details of these updates.</td>
</tr>
<tr>
<td>Starting August 2</td>
<td>New contributions will be directed to the new account(s) with TIAA is expected to occur. You will receive an enrollment confirmation. No action is required from you.</td>
</tr>
<tr>
<td>August 16</td>
<td>Existing mutual fund balances transfer to new accounts and the new investment options.</td>
</tr>
<tr>
<td>Starting October 1</td>
<td>Fee updates will begin including transparency and levelization.</td>
</tr>
</tbody>
</table>

*Date are subject to change and will be outlined in the guidebook sent in July.*
Fee Updates: Transparency & Leveling

Today

- Plan administration fees are not all transparent.
- They are collected through the investment options.
- Not all participants are contributing to these fees at the same level (% of plan assets).
- Some Participants are not contributing at all to plan administration fees at all.
- Current plan administration fees are 0.20% of plan assets annually; for every $1,000 equals $2.00 a year.

Beginning October 1, 2021

- Plan fees will be transparent.
- Participants will pay equal fees regardless of investment selection.
- Participants that are invested in options that contribute more to the plan fees than required will receive a credit back to their account.
- New plan administration fees are 0.13% of plan assets annually; for every $1,000 equals $1.30 a year.
Fee Updates: Transparency & Leveling

Today

• Plan administration fees are not all transparent.
• They are collected through the investment options.
• Not all participants are contributing to these fees at the same level (% of plan assets).
• Some Participants are not contributing at all to plan administration fees at all.
• Current plan administration fees are 0.20% of plan assets annually; for every $1,000 equals $2.00 a year.

Beginning October 1, 2021

• Plan fees will be transparent.
• **Participants will pay equal fees** regardless of investment selection (% of account balance).
• Participants that are invested in options that contribute more to the plan fees than required will receive a credit back to their account.
• **New plan administration fees are 0.13%** of plan assets annually; for every $1,000 equals $1.30 a year.
How should I manage my own retirement account investments?
Conference Presenter

Zac Huish, M.S., CFP®, APMA®, MPAS®, CRPS®
Vice President of Wealth Management
HUB International Investment Services, Inc.

Zac is a Certified Financial Planner® with a Master’s Degree in Personal Financial Planning. He creates successful financial plans for clients that care about details. There are many complicated variables that go into a financial plan which include; investing, taxes, risk protection, estate and retirement planning. Zac and his wife Tiffany keep busy raising five daughters in Eagle Mountain, Utah. They love being outdoors as a family. His life goal is to visit every Major League Ball Park in the U.S.
The 3 Major Asset Classes

1. Stocks
2. Bonds
3. Cash

7.50%  4.6%  1.4%

- Source: Barclays, Bloomberg, FactSet, Standard & Poor’s, J.P. Morgan Asset Management; (Bottom) Dalbar Inc, MSCI, NAREIT, Russell.

- Indices used are as follows: REITs: NAREIT Equity REIT Index, Small cap: Russell 2000, EM Equity: MSCI EM, DM Equity: MSCI EAFE, Commodity: Bloomberg Commodity Index, High Yield: Bloomberg Barclays Global HY Index, Bonds: Bloomberg Barclays U.S. Aggregate Index, Homes: median sale price of existing single-family homes, Cash: Bloomberg Barclays 1-3m Treasury, Inflation: CPI. 60/40: A balanced portfolio with 60% invested in S&P 500 Index and 40% invested in high-quality U.S. fixed income, represented by the Bloomberg Barclays U.S. Aggregate Index. The portfolio is rebalanced annually. Average asset allocation investor return is based on an analysis by Dalbar Inc., which utilizes the net of aggregate mutual fund sales, redemptions and exchanges each month as a measure of investor behavior.

- Guide to the Markets – U.S. Data are as of May 12, 2021.
Time, Diversification and the Volatility of Returns

![Chart showing range of stock, bond, and blended total returns from 1960 to 2020. The chart includes annual average total returns and growth of $100,000 over 20 years for stocks, bonds, and a 50:50 portfolio.](chart)


Returns shown are based on calendar year returns from 1950 to 2020. Stocks represent the S&P 500 Shiller Composite, and Bonds represent Strategas/Ibbotson for periods from 1950 to 2010 and Bloomberg Barclays Aggregate thereafter. Growth of $100,000 is based on annual average total returns from 1960 to 2020.

Guide to the Markets - U.S. Data are as of January 14, 2021.
Diversification

Stocks 75%
Cash 5%
Large Cap 40%
Mid Cap 10%
Small Cap 10%
International 15%
Bonds 20%
### Investment Line-up

<table>
<thead>
<tr>
<th>Money Market &amp; Short-Term Fixed Income</th>
<th>Bond</th>
<th>Large Cap Equity &amp; Allocation Options</th>
<th>Mid Cap &amp; Small Cap Equity</th>
<th>International Global</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vanguard Short-Term Treasury Adm</td>
<td><strong>Intermediate-term:</strong> Vanguard Short-Term Investment-Grade I</td>
<td>Vanguard Windsor II Adm</td>
<td>Victory Sycamore Established Value R6</td>
<td>Hartford Schroders International Stock R6</td>
</tr>
<tr>
<td>TIAA-CREF Money Market I</td>
<td>Vanguard Total Bond Market Index I</td>
<td>TIAA-CREF Equity Index I</td>
<td>Vanguard Mid-Cap Index Inst</td>
<td>TIAA-CREF International Eq Index I</td>
</tr>
<tr>
<td>TIAA Traditional Accounts</td>
<td>American Funds Bond Fund of Amer R6</td>
<td>TIAA-CREF Social Choice Equity I</td>
<td>Carillion Eagle Mid Cap Growth R6</td>
<td>Vanguard Total Intl Stock Index I</td>
</tr>
<tr>
<td>CREF Money Market R3</td>
<td>Hartford Strategic Income R6</td>
<td>TIAA-CREF S&amp;P 500 Index I</td>
<td>Goldman Sachs Small Cap Value</td>
<td>American EuroPac Growth R6</td>
</tr>
<tr>
<td></td>
<td>CREF Bond Market R3</td>
<td>TIAA-CREF Social Choice Low-Carbon Equity</td>
<td>Vanguard Small Cap Index I</td>
<td>Invesco Developing Markets R6</td>
</tr>
<tr>
<td><strong>Long-Term:</strong></td>
<td>Vanguard Total Bond Market Index I</td>
<td>Vanguard Total Stock Market Index I</td>
<td>American Century Small Cap Growth</td>
<td>CREF Global Equities R3</td>
</tr>
<tr>
<td></td>
<td>American Funds US Gov Sec</td>
<td>CREF Equity Index R3</td>
<td>TIAA-CREF Real Estate Sec I</td>
<td></td>
</tr>
<tr>
<td></td>
<td>CREF Inflation-Linked Bond R3</td>
<td>T. Rowe Price Large Cap Growth I</td>
<td>TIAA Real Estate Account</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>CREF Growth R3</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Allocation 50% to 85% Equity</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>CREF Social Choice R3</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Vanguard Admiral Wellington</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>CREF Stock R3</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Target Date Fund:** TIAA – CREF Lifecycle Funds

TIAA – Self Directed Brokerage Account

**New investment option August 2021**

TIIA Traditional & Annuity Options
Creating a Portfolio

Aggressive
- Stocks: 80%
- Bonds: 15%
- Cash: 5%

Moderate
- Stocks: 60%
- Bonds: 30%
- Cash: 10%

Conservative
- Stocks: 50%
- Bonds: 30%
- Cash: 20%
Is there something easier to choose my investments?
The target date is the approximate date when investors plan to start withdrawing their money. The principal value of a target investment is not guaranteed at any time, including at the target date.
How Target Date Investments Work

Phase 1: Young
Phase 2: Transition
Phase 3: Retirement
Target Date Funds offer a blend of stocks, bonds, and short-term investments within a single fund. They are designed for average investors who don’t feel qualified or want to take the time in picking and choosing funds from but who still want to diversify among stocks, bonds, and short-term investments.

Funds to left have potentially more inflation risk and less investment risk

Funds to right have potentially less inflation risk and more investment risk

Target Date Funds are represented on a separate investment spectrum because each fund will gradually adjust its asset allocation to be more conservative as the fund approaches its target retirement date. Past performance is no indication of future results.
How do I manage my investments over time?
After Portfolio Construction
Rebalancing

When One Asset Class Outperforms the Others

<table>
<thead>
<tr>
<th>Date</th>
<th>Stocks</th>
<th>Bonds</th>
<th>Cash</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/1</td>
<td>70%</td>
<td>20%</td>
<td>10%</td>
</tr>
<tr>
<td>7/1</td>
<td>75%</td>
<td>18%</td>
<td>7%</td>
</tr>
<tr>
<td>12/31</td>
<td>80%</td>
<td>15%</td>
<td>5%</td>
</tr>
</tbody>
</table>

Hypothetical example. For illustrative purposes only.
Avoid These Common Pitfalls

1. Acting on Emotion
2. Market Timing
3. Chasing Return
Interested in attending another webinar on Retirement & Financial Planning Topics?
# Retirement & Financial Planning Webinars

<table>
<thead>
<tr>
<th>Principles of Finance 101 Webinars</th>
<th>Nearing Retirement Age 55+ Webinars</th>
<th>New to Saving, Retirement Basics Webinars</th>
</tr>
</thead>
<tbody>
<tr>
<td>9:00 am – 9:45 am MDT</td>
<td>10:00 am – 10:45 am MDT</td>
<td>11:00 am – 11:45 am MDT</td>
</tr>
<tr>
<td>- May 21&lt;sup&gt;st&lt;/sup&gt; – Investing 101</td>
<td>- May 21&lt;sup&gt;st&lt;/sup&gt; – Social Security</td>
<td>- May 21&lt;sup&gt;st&lt;/sup&gt;</td>
</tr>
<tr>
<td>- June 18&lt;sup&gt;th&lt;/sup&gt; – Building your Retirement Plan</td>
<td>- June 18&lt;sup&gt;th&lt;/sup&gt; – Medicare</td>
<td>- June 18&lt;sup&gt;th&lt;/sup&gt;</td>
</tr>
<tr>
<td>- July 16&lt;sup&gt;th&lt;/sup&gt; – How Term Life Insurance Works</td>
<td>- July 16&lt;sup&gt;th&lt;/sup&gt; – Reverse Mortgages</td>
<td>- July 16&lt;sup&gt;th&lt;/sup&gt;</td>
</tr>
</tbody>
</table>
Thank you.

Zac Huish, M.S., CFP®, MPAS®, APMA®, CRPS®
Zac.huish@hubinternational.com
801-643-9728
Securities offered through LPL Financial, Member FINRA/SIPC. Investment advice offered through MRP, a registered investment advisor and a separate entity from LPL Financial.

Past Performance is not a guarantee of future results.

No strategy assures success or protects against loss.

The opinions in this material are for general information only and are not intended to provide specific advice or recommendations for any individual.

All indices are unmanaged and may not be invest into directly.

The views and judgments expressed are those of MRP. They are subject to change at any time.

The economic forecasts set forth in this material may not develop as predicted and there can be no guarantee that the strategies promoted will be successful.

This material was created for educational and informational purposes only and is not intended as ERISA, tax, legal or investment advice specific to your needs, such advice services must be obtained on your own, separate from this educational material.
Investment Disclosures

Investing in stocks includes numerous specific risks including: the fluctuation of dividend, loss of principal and potential illiquidity of the investment in a falling market.

The prices of small cap stocks are generally more volatile than large cap stocks.

International investing involves a greater degree of risk and increased volatility. Changes in currency exchange rates and differences in accounting and taxation policies outside the U.S. can raise or lower returns. Also, some overseas markets may not be as politically and economically stable as the United States and other nations. International investing may not be suitable for all investors.

Investments in emerging markets can be more volatile. As mentioned above, the normal risks of investing in foreign countries are heightened when investing in emerging markets. In addition, the small size of securities markets and the low trading volume may lead to a lack of liquidity, which leads to increased volatility. Also, emerging markets may not provide adequate legal protection for private or foreign investment or private property.

Bonds are subject to market and interest rate risks. Bond prices generally fall when interest rates rise. Bonds are subject to availability and change in price.

High Yield/junk bonds (grade BB or below) are not investment grade securities, and are subject to higher interest rate, credit, and liquidity risks than those graded BBB and above. They generally should be part of a diversified portfolio for sophisticated investors.

Government bonds and Treasury bills are guaranteed by the U.S. Government as to the timely payment of principal and interest and, if held to maturity, offer a fixed rate of return and fixed principal value.

Investments in commodities may have greater volatility than investments in traditional securities, particularly if the instruments involve leverage. The value of commodity-linked derivative instruments may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs and international economic, political and regulatory developments. Use of leveraged commodity-linked derivatives creates an opportunity for increased return but, at the same time, creates the possibility for greater loss.

The fast price swings in commodities can result in significant volatility in an investor's holdings.
Index Disclosures

**U.S. Bonds as measured by the Bloomberg Barclays U.S. Aggregate Bond Index.** The Bloomberg Barclays U.S. Aggregate Bond Index is composed of U.S. securities in Treasury, Government-Related, Corporate, and Securitized sectors that are of investment-grade quality or better, have at least one year to maturity, and have an outstanding par value of at least $250 million.

**U.S. High Yield Bonds as measured by the ICE Bank of America Merrill Lynch High Yield Index.** The Intercontinental Exchange (ICE) Bank of America Merrill Lynch US High Yield Index is an unmanaged outstanding issue weighted index composed of below investment grade U.S. dollar denominated corporate bonds publicly issued in the U.S. domestic market.

**U.S. Stocks as measured by the S&P 500 Index.** The S&P 500 Index is a capitalization weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

**U.S. Small Cap Stocks as measured by the Russell 2000 Index.** The Russell 2000 Index is a capitalization weighted index that measures the performance of the small-cap segment of the U.S. equity market including approximately 2000 of the smallest securities based on market capitalization.

**International Stocks as measured by the MSCI Europe Africa and Far East (EAFE) Index.** The MSCI EAFE Index is a free float-adjusted market capitalization weighted index designed to measure the developed markets’ equity performance, excluding the U.S. & Canada, for 21 countries.

**Emerging Market Stocks as measured by the MSCI Emerging Markets (EM) Index.** The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that measures emerging market equity performance of 22 countries.

**Commodities as measured by the S&P Goldman Sachs Commodity Index (GSCI).** The S&P GSCI Index serves as a benchmark for investment in the commodity markets and as a measure of commodity performance over time.