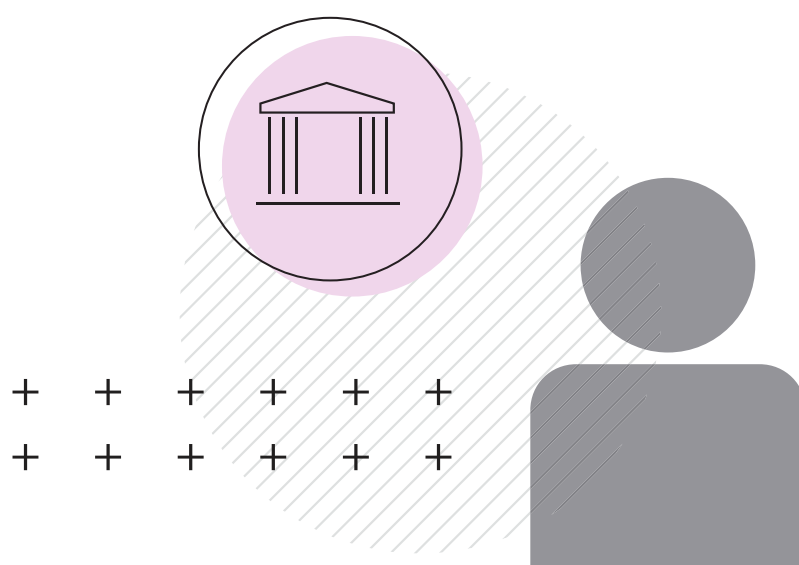


Morningstar[®] Retirement ManagerSM with Social Security Optimization Feature Guide



What is it?

Morningstar® Retirement ManagerSM has introduced a feature on our Advice Dashboard called Social Security Optimization (SSO), designed to help participants make an informed decision on when to start collecting their Social Security benefits.

In the new modal, Morningstar Investment Management LLC shows a breakdown of a participant's estimated Social Security benefit by age of withdrawal (62-70), as well as the age we recommend they begin collecting Social Security benefits. These benefit estimates take into account the Social Security Administration's (SSA) early retirement reductions, penalties, delayed credit incentives, and spousal benefits (if applicable).

Participants can move forward with our recommendation, select another age from those shown (62-70), or enter a custom start age and estimate. They also have the option to select "I don't want to rely on Social Security" if they don't want to incorporate Social Security into their retirement strategy or if they are not eligible to receive those benefits. Our modal provides dynamic information based on the participant's retirement age and equips the participant with clear indicators of their full retirement age (labeled as Full Benefit Age), their selected retirement age, and tooltips to provide context for the information displayed.

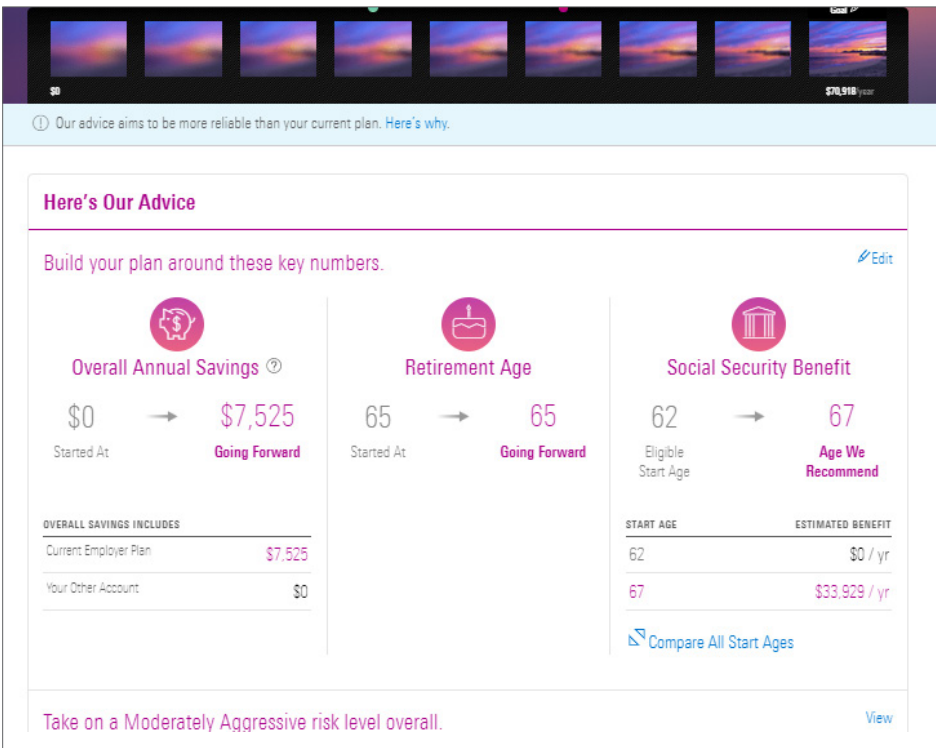
Who can use this?

This feature is available to all participants below the age of 71 and for all clients, except for those with Railroad Benefits turned on, regardless of service options available in their plan. At this time, the Wealth Forecasting Engine is not designed to advise participants with Railroad Benefits.

Where can participants interact with this feature?

The feature is visible under the Social Security section on the Advice Dashboard. Once participants save their Social Security selections on the Accounts page, the feature will update with that information.

Upon landing on this page, the participant will see:



For illustrative purposes only.

Displayed above, we provide participants with their eligible start age while continuing to disclose our recommended age.

Finally, we see a link to the modal, labeled as Compare All Start Ages. When clicked, this will open the SSO modal in a new window within the user interface.

When a participant opens the modal, they will see:

Compare and Edit Your Social Security Projection

The longer you can wait to start collecting Social Security, the larger your benefit will be. If you planned to start at a different age, select that age below.

Start Age	Penalty ⓘ	Estimated Benefit
<input type="radio"/> 62	\$10,098	\$3,372 / yr
<input type="radio"/> 63	\$9,886	\$4,547 / yr
<input type="radio"/> 64	\$9,653	\$5,741 / yr
<input type="radio"/> 65	\$9,401	\$7,276 / yr
<input type="radio"/> 66 Age You'll Retire	\$0	\$17,961 / yr
<input type="radio"/> 67 Full Benefit Age ⓘ		\$19,244 / yr
<input type="radio"/> 68		\$20,783 / yr
<input type="radio"/> 69		\$22,322 / yr
<input type="radio"/> 70		\$23,862 / yr

We've used the Social Security Administration's calculation, which is based on your earnings over the course of your working lifetime, to estimate your benefit. [Learn how the SSA estimates your benefit](#)

☐ Use my own estimates.

☐ I don't want to rely on Social Security to fund any of my retirement

For illustrative purposes only.

- 1) The modal consists of three columns: Start Age, Penalty, and Estimated Benefit.
 - ▶ Start Age: Age at which a participant can start taking Social Security, ages 62-70.
 - ▶ Penalty: The estimated amount the participant would lose if they choose to take Social Security before their full benefit age (67).
 - ▶ Estimated Benefit: The estimated benefit a participant would receive at the age they choose to take Social Security, ages 62-70.
- 2) Two labels to indicate "Age You'll Retire," which is the participant's intended retirement age, and "Full Benefit Age," which is when the participant is eligible for full benefits.

3) Two tooltips to provide context for Full Benefit Age and Penalties.

Compare and Edit Your Social Security

The longer you can wait to start collecting Social Security, the higher your benefit will be. If you planned to start at age 62, your benefit would be \$3,372 per year. However, once you reach full benefit age you can collect your whole benefit even if you're still working.

Start Age	Penalty ⓘ	Estimated Benefit
<input type="radio"/> 62	\$10,098	\$3,372 / yr
<input type="radio"/> 63		\$4,547 / yr
<input type="radio"/> 64		\$5,741 / yr
<input type="radio"/> 65		\$7,276 / yr
<input type="radio"/> 66		\$17,961 / yr
<input checked="" type="radio"/> 67 Full Benefit Age ⓘ		\$19,244 / yr
<input type="radio"/> 68		\$20,783 / yr
<input type="radio"/> 69		\$22,322 / yr
<input type="radio"/> 70		\$23,862 / yr

We've used the Social Security Administration's calculation, which is based on your earnings over the course of your working lifetime, to estimate your benefit. [Learn how the SSA estimates your benefit](#)

☐ Use my own estimates.

☐ I don't want to rely on Social Security to fund any of my retirement

For illustrative purposes only.

4) A link to the SSA for participants interested in learning how we calculate this data.

5) The option to enter their own start age and estimate, as is currently offered under the Accounts Page.

6) The option to not rely on Social Security "I don't want to rely on Social Security to fund any of my retirement (or I'm not eligible)."

The modal is also built to only display relevant information to the participant, based on age:

Compare and Edit Your Social Security Projection

The longer you can wait to start collecting Social Security, the larger your benefit will be. If you planned to start at a different age, select that age below.

Start Age	Penalty ①	Estimated Benefit
<input type="radio"/> 62	—	—
<input type="radio"/> 63	—	—
<input type="radio"/> 64	—	—
<input type="radio"/> 65	\$28,738	\$0 / yr
<input type="radio"/> 66 Full Benefit Age ②	\$0	\$30,791 / yr
<input type="radio"/> 67		\$33,254 / yr
<input type="radio"/> 68		\$35,717 / yr
<input type="radio"/> 69		\$38,180 / yr
<input type="radio"/> 70		\$40,644 / yr

We've used the Social Security Administration's calculation, which is based on your earnings over the course of your working lifetime, to estimate your benefit. [Learn how the SSA estimates your benefit.](#)

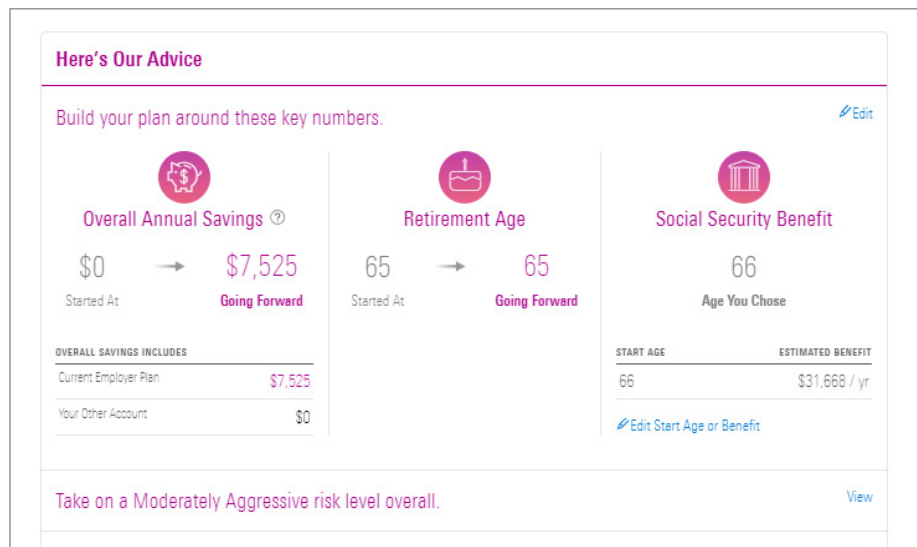
For illustrative purposes only.

Within the modal, participants can either move forward with our initial recommendation by cancelling out of this, or, choose one of the ages available, enter their own estimates, or opt to not rely on Social Security as part of their retirement strategy.

How does it work?

After landing on the Advice Dashboard, participants will advance to one of these paths:

- 1) Default: A participant moves forward with our initial recommendation, regardless if they opened our modal.
- 2) Selected Age: A participant selects their own start age, but uses the estimates provided in the modal.
 - When this happens, participants will see a new view after saving their selection in the modal.
 - Should a participant change their mind, they continue to have the link to our modal, now labeled Edit Start Age or Benefit.



For illustrative purposes only.

3) Custom Age and Estimate: A participant enters their own start age and benefit estimate in the modal or in the Accounts Page.

- When this happens, participants will see a modified version of the modal, with their custom estimate labeled Your Estimated Benefit.

Compare and Edit Your Social Security Projection

The longer you can wait to start collecting Social Security, the larger your benefit will be. If you planned to start at a different age, select that age below.

Start Age	Penalty ②	Estimated Benefit
<input type="radio"/> 62	\$10,098	\$3,372 / yr
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<input type="radio"/> 70		\$23,862 / yr

We've used the Social Security Administration's calculation, which is based on your earnings over the course of your working lifetime, to estimate your benefit. [Learn how the SSA estimates your benefit.](#)

☒ Use my own estimates.

Begin receiving at age:

Estimated Yearly Benefit:

67

\$10,000

Morningstar Investment Management assumes no responsibility for the accuracy of your estimate and its effect on our proposed strategy.

☐ I don't want to rely on Social Security to fund any of my retirement (or I'm not eligible).

Cancel


Save

For illustrative purposes only.

- 4) Omit Social Security: A participant selects to not incorporate Social Security benefits as part of their retirement strategy.
- ▶ When this happens, participants will see a new view, letting them know that they have elected to not include Social Security in their retirement strategy.
 - ▶ Should they change their mind, participants continue to have access to our modal by clicking Include Social Security Benefits.

Here's Our Advice

Build your plan around these key numbers. [Edit](#)




Overall Annual Savings [?]

\$0 → \$7,525

Started At **Going Forward**


OVERALL SAVINGS INCLUDES	
Current Employer Plan	\$7,525
Your Other Account	\$0



Retirement Age

65 → 65

Started At **Going Forward**



Social Security Benefit

68

Age You Chose

START AGE	YOUR ESTIMATED BENEFIT
68	\$43,222 / yr


[Edit Start Age or Benefit](#)

Take on an Aggressive risk level overall. [View](#)

For illustrative purposes only.

Here's Our Advice

Build your plan around these key numbers. [Edit](#)




Overall Annual Savings [?]

10% → 10%

Started At **Going Forward**


OVERALL SAVINGS INCLUDES	
Current Employer Plan	10%
Will increase 1% a year until 2021 when you reach a target of 12.0% [?]	
Your Other Account	0%



Retirement Age

65 → 79

Started At **Going Forward**



Social Security Benefit

You've chosen not to rely on Social Security, so we're not including it in Our Advice

[Include Social Security Benefits](#)

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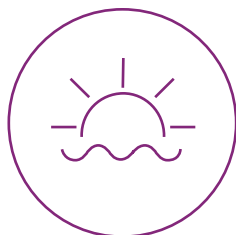
Once a participant finalizes their choice and moves forward to submit their strategy, Morningstar Retirement Manager will incorporate this information into their retirement strategy.

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MANAGED ACCOUNTS



TARGET-DATE SOLUTIONS



FIDUCIARY SERVICES



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