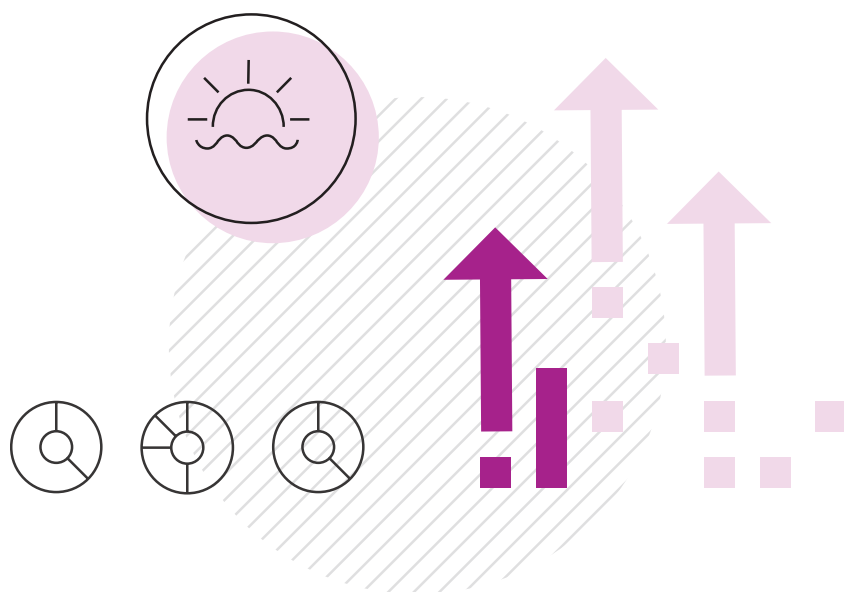


Morningstar Managed Accounts Frequently Asked Questions



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1

What is Morningstar Managed Accounts?

Morningstar Managed Accounts is a service designed to provide you with a personalized retirement plan. When you're focused on today's priorities, it can be hard to find the time and motivation to focus on planning your financial future. Your employer wants to help you take action.

You access Morningstar Managed Accounts online, so you can use it just about anywhere. It takes about five minutes to get started with setting up a plan—and that plan will be completely personalized to your unique situation. You have access to Morningstar Managed Accounts as part of your company's overall benefits package. Anyone eligible to participate in your company's 401(k) program can use the service.

2

Who's Morningstar, Inc.?

Morningstar, Inc. is a company that has been helping people make more-informed investing decisions for more than 30 years. When it comes to the information they provide to investors, Morningstar, Inc. is obsessed with two things: quality and independence. Around the world, they have become a trusted source of objective, unbiased information about investing.*

Morningstar, Inc. and its subsidiaries uses their data, research, and investment management knowledge and experience to provide retirement solutions to hundreds of thousands of employers and their employees on retirement planning and investing—with the aim of helping individuals achieve their financial goals.

Morningstar Investment Management is a registered investment advisor and subsidiary of Morningstar, Inc. and provides some of the advisory services through Managed Accounts.

3

Why should I consider using Morningstar Managed Accounts?

Saving and investing for retirement is something we all know we have to do, but it can be difficult to find the time and motivation. Morningstar Managed Accounts helps make it easier by providing you with a personalized plan to help you figure out how much you need to save and how to invest your savings. You can get your plan in as little as five minutes.

Also, you get to decide how involved you want to be in managing your retirement account. You can either manage it yourself or have the professionals at Morningstar Investment Management manage it for you.

*Morningstar U.S. brand study, May 2016

4

Why should I consider using Morningstar Managed Accounts?

You can access Morningstar Managed Accounts through your plan provider website. Once you log onto the website, there will be a link to access Morningstar Managed Accounts. You'll be able to confirm some information about yourself and your financial situation, and in about five minutes, you will have a personalized plan for saving for retirement. Morningstar Managed Accounts helps you figure out answers to these kinds of tough questions:

- ▶ How much money do I need in retirement?
- ▶ When will I be able to retire?
- ▶ How much money should I be saving now?
- ▶ How much risk should I take on?
- ▶ What investments should I choose?

These questions can be complicated because there are a lot of factors to consider and so much depends on your unique situation. Morningstar Managed Accounts takes many aspects into account—your age, financial situation, other sources of income, etc.—and then runs simulations to build a plan for your retirement goals and creates a savings plan that's completely customized for you.

5

How much time will it take me to set up my plan and choose my investments?

This is hard to believe, but true: Getting started with Morningstar Managed Accounts and receiving your personalized retirement savings plan takes about five minutes! Going forward, if you've chosen to have Morningstar Investment Management's professionals manage your investments, you should expect to spend about 10 minutes a year focusing on your plan.

6

What is a managed account?

Managed accounts uses details (like your age and salary) to create a professionally managed portfolio designed specifically for your financial situation. Next to hiring a personal financial planner, managed accounts is one of the only options that offers a full retirement strategy, including a recommended savings rate, a target retirement date, and a retirement income projection and goal.

What is the difference between managed accounts and advice?

Managed Accounts

If you're someone who dreads financial planning or simply doesn't have time for it, check out the managed accounts option. You get a lot of help upfront setting up your plan, and then the professionals at Morningstar Investment Management will manage it for you, tweak it when necessary, and keep you posted on how it's going.

Advice

If you'd rather manage your account yourself, there's the advice option. You get a ton of information that will help you make the most informed decisions—resources, research and educational support—and you call the shots.

You can choose the personalized retirement solution that works for you.

	Managed Accounts	Advice
Target retirement income goal	✓	✓
Projected retirement income amount	✓	✓
Savings rate recommendation	✓	✓
Retirement age recommendation	✓	✓
Personalized asset allocation strategy	✓	✓
Professional investment selection	✓	✓
Ongoing account monitoring	✓	
Automatic account rebalancing	✓	
Changes implemented automatically	✓	
Quarterly progress reports available online	✓	
Annual progress reports mailed	✓	

How much does the service cost?

Receiving your personalized retirement savings plan is available at no cost to you, as this service is provided by your employer as a benefit.

There is an annual account management fee—less than 1 percent of your account balance—if you choose the managed accounts service and have the professionals at Morningstar Investment Management manage your account for you. For example, less than \$350 for a \$35,000 account. That's less than what you'd pay to have a private financial advisor do this work—they usually charge more than 1 percent. You receive this special rate through your employer.

There is no additional charge for the information and support you receive if you choose to manage your account yourself.

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