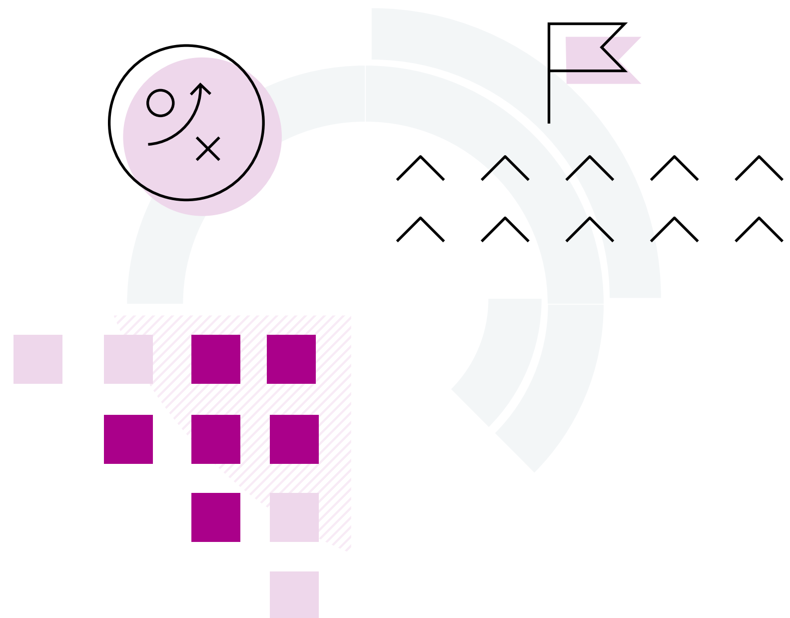
Your personalized path to retirement starts here



Advice that ties it all together

For more than 20 years, Morningstar Investment Management LLC has helped pioneer the delivery of digital advice and has worked with over one million retirement savers with the mission of helping them achieve better retirement outcomes. Backed by a team of investment professionals, our personalized retirement advice service is designed to help you make better decisions about your money.

How does it work? We take the information we have about you into account, from your salary and lifestyle goals to taxes and Social Security, to create a personalized plan that projects how much money you'll need—and how much you'll have—for retirement.

Get a plan based on your needs, not a generic benchmark

Are you a do-it-yourself investor that wonders if you're on the right track? Or have you always relied on target-date funds but want something that considers more than just your age? No matter where you are in your retirement journey, our managed accounts service focuses on the most important part of your retirement strategy: you.

Sample investor spotlight

Mike wants help reaching his retirement goals. We created a strategy based on his unique situation that estimates how much money he may need for his future.[1]

Mike's current situation

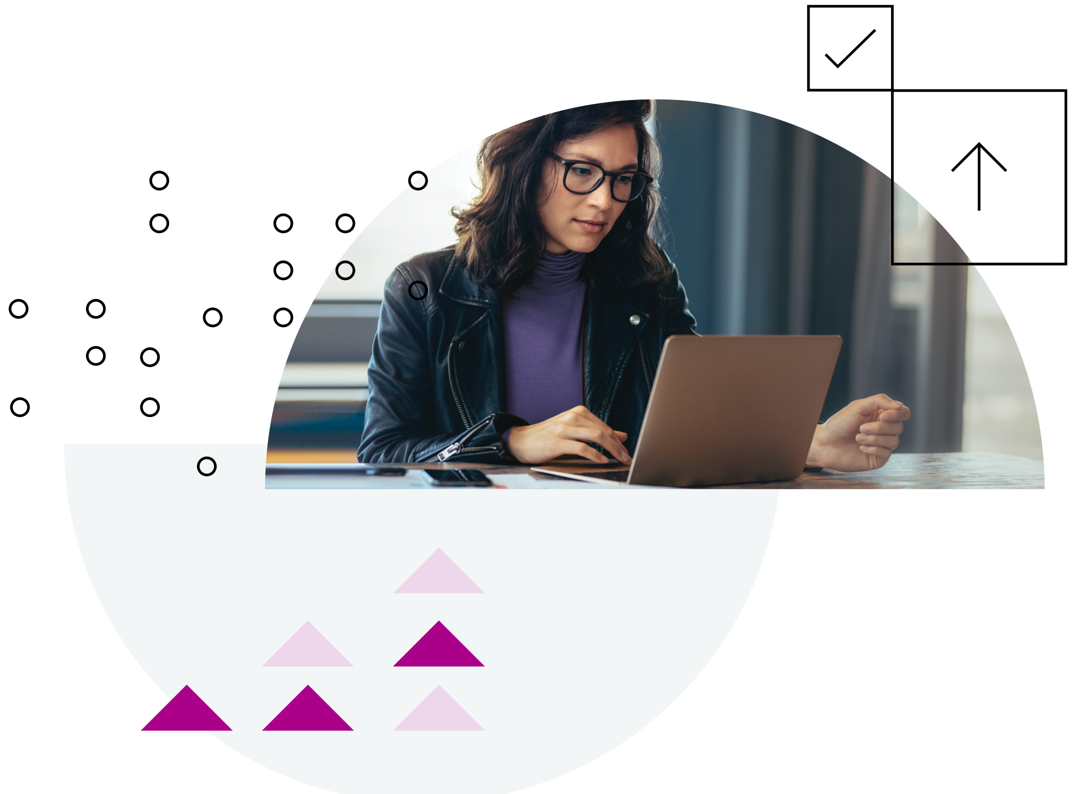
Age	Living in	Annual income	401(k) balance	Wants to retire
27	Colorado	$45,000	$12,750	61

Our advice for Mike

Save more each year.
Mike's saving 6% of his pay before taxes. We estimate he'll need to save 10% to live how he'd like to in retirement.

Retire at 65.
Working for just a few more years could increase Mike's retirement savings.

Be more aggressive.
Shifting his investments to a more aggressive lineup may help Mike compensate for lack of savings right now.



The impact of managed accounts

Although everyone could save more for retirement, a managed accounts service isn't necessarily for everyone. We conducted a study that looked at the impact of managed accounts on those who were and those who weren't on track to meet their retirement goals and found that people enrolled in a managed accounts service saw results in their savings and investing behavior.

Our research

Our study explored the impact of managed accounts on savings and investing behaviors by observing 60,825 defined-contribution participants who used Morningstar Investment Management's managed accounts platform. We found that people enrolled in a managed accounts service saw these results:

More-appropriate portfolios[2]

Our service helped them become more appropriately invested, meaning their portfolios had higher-quality funds[3] and risk levels that made sense for their needs and situation.

Higher-quality funds[2,3]

Using Morningstar, Inc.'s Morningstar Quantitative Rating™ to measure fund quality, our study found that managed accounts resulted in portfolios with higher-quality funds.

Significant impact on retirement savings[2]

We also found that our managed accounts service had a significant impact on how much people saved—especially those who weren't on track to meet their retirement goals.

It's time to plan for your future. We can help.

Advice that keeps up with your life

Our managed accounts service will help you adjust your retirement investments as your circumstances or needs change.

An investment portfolio tailored to your goals

We focus on long-term investing to help you stay on track for your goals, even in times of market volatility.

Advice on your retirement savings

We'll help you allocate any savings you've set aside for retirement outside of your employer plan.

Updates on your progress

You'll receive progress reports every quarter, so you're always up to date.

We're about putting investors first—all investors

At Morningstar Investment Management LLC, we work for you. Today we manage tens of billions in retirement savings, helping employees live the life they want to live.

Our mission

When it comes to helping people reach their financial goals, we're all in. We're focused on providing practical, unbiased advice so you can make better decisions about your money.

Our history

Our team includes investment analysts and researchers with unshakeable standards, and Morningstar, Inc., our parent company, has been helping investors reach their financial goals since 1984.

Our commitment

We don't get paid to make certain recommendations. We work for you—your bottom line is the only one that matters to us.

Interested in having your retirement plan account professionally managed?

Visit your plan provider website or ask your benefits manager how to sign up.

Disclosures

[1] Mike is hypothetical and shown for educational and illustrative purposes only. In no way should the strategies or recommendations shown in the sample investor spotlight be considered indicative of recommendations for an actual managed accounts user. Actual results for an individual user may differ substantially from that shown. The information, data, analyses, and opinions presented herein do not constitute investment advice, are provided as of the date written, and are solely for informational purposes. This content is not an offer to buy or sell a security and is not warranted to be correct, complete or accurate. Asset allocation and diversification are investment methods used to help manage risk. They do not ensure a profit or protect against a loss.

[2] **Research on The Impact of Managed Accounts on Participant Savings and Investment Decisions**
A total of 60,825 retirement plan participants were included in Morningstar Investment Management's study, "The Impact of Managed Accounts on Participant Savings and Investment Decisions." Participants were selected for use based on available information and various filters and include those participants that used the Morningstar Retirement Manager managed accounts service between the dates of January 5, 2007 and June 4, 2018. In no way should any results shown be considered indicative or a guarantee of the future results of an actual defined-contribution plan participant using a managed account service. Actual results of an individual participant may differ substantially from that shown and may include an individual participant incurring a loss. Past performance is no guarantee of future results. Morningstar Investment Management does not guarantee that the results of their advice, recommendations, or the objectives of an investment option will be achieved. To download the full research paper, please go to: https://www.morningstar.com/lp/impact-of-managed-accounts. To measure the appropriateness of portfolios, the median absolute difference between the Morningstar Retirement Manager managed accounts service's recommended asset allocation and the participant's portfolio prior to the use of managed accounts is calculated for each participant. The managed accounts service recommendation assumes that Morningstar Investment Management uses all of the known information about a given participant and the participant is ultimately assigned to the ideal asset allocation. Using Morningstar Investment Management's Capital Market Assumptions and solving for the implied risk-aversion coefficient, the utility of the allocations for the participant's portfolios before and after using the managed accounts services are compared. Commentary on improved portfolio efficiency represents the assumed difference in forecasted geometric returns for portfolios before and after a participant's use of the Morningstar Retirement Manager managed accounts service. Morningstar Investment Management's Capital Market Assumptions were used to calculate the assumed return and standard deviation for each portfolio. This analysis does not include an advisory fee, which is typically charged to users of a managed accounts service on an annual basis. If included, the performance shown would be reduced. The relative portfolio efficiency is determined using a returns-based style analysis to calculate the risk exposure and Morningstar Investment Management's Capital Market Assumptions. Our study quantified the change in savings rates for participants prior to and after using the Morningstar Retirement Manager managed accounts service. (Total savings rates include employee deferrals and employer matching contributions. If an employer matching contribution rate was not available for a plan, an assumed match rate of 50% on the first 6% of deferrals was assumed.) The majority of participants who were not on track increased their savings rate (71.5%) while the majority of participant who were on track did not change their savings rates (64.8%). Changes in savings rates were not constant across age ranges, with younger participants having larger average changes than older participants. Total savings rates increased more than employee deferral rates because Morningstar Retirement Manager considers whether a participant is achieving the maximum employer match, and recommends a deferral rate increase up to the employer match amount regardless of whether the participant is on track or not on track to meet their retirement goals. The study also quantified the change in deferral rates for participants prior to and after using the Morningstar Retirement Manager managed accounts service. The median absolute difference for those not-on-track users was 2 percentage points with a relative change of 33.3%. The median absolute difference for on-track users was zero percentage points with a relative change of 0%. Changes were not constant across age ranges.

The amount of annual income a participant could receive in retirement was determined by calculating the expected geometric return for each participant's portfolio prior to and after using the Morningstar Retirement Manager managed accounts service using the portfolio's asset-class exposures. The difference between these results was then projected forward to the participant's assumed retirement at age 65. Participants are grouped by (i) age, (ii) self-directors versus allocation-fund users, (iii) whether they are on track or off track for meeting the retirement goal, and (iv) annual advisory fee. Each portfolio's fund allocation and the participant's savings rate are assumed to remain constant over time and a retirement age of 65 is assumed. In reality, these would likely change over time and would differ by individual participants. For this calculation, 40 basis points was used as a proxy for the average fee assessed by a managed accounts provider. This analysis does not account for all portfolio costs such as fees, taxes, or expenses other than the annual advisory fee. If included, these fees would lower the potential amount of additional wealth at retirement shown in this analysis. Overall, an average 25- to 34-year-old participant in this scenario could potentially realize an additional $5,548 in annual retirement income. (In this age group, not-on-track self-directors could realize an additional $8,212 by enrolling in managed accounts; not-on-track allocation-fund users could realize an additional $3,279, and on-track self-directors could realize an additional $3,418. On-track allocation-fund users were found to potentially realize $496 less by using managed accounts than by using an allocation fund.) The average amount a participant could realize in annual retirement income by enrolling in managed accounts with an annual 40-basis-point investment management fee varies across age groups, with an average 35- to 44-year-old having the potential to realize an additional $2,566 and an average 45-54-year old has the potential to realize an additional $690. A 55- to 65-year-old could potentially realize $66 less by using managed accounts.

[3] "Fund quality" is measured using Morningstar, Inc.'s Morningstar Quantitative Rating™.

This commentary contains certain forward-looking statements. We use words such as "expects", "anticipates", "believes", "estimates", "forecasts", and similar expressions to identify forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results to differ materially and/or substantially from any future results, performance or achievements expressed or implied by those projected in the forward-looking statements for any reason.

Morningstar Investment Management does not guarantee that the results of their advice, recommendations, or the objectives of an investment option will be achieved. All investments involve risk, including the loss of principal. There can be no assurance that any financial strategy will be successful. Morningstar Investment Management does not guarantee that the results of their advice, recommendations or objectives of a strategy will be achieved. Asset allocation and diversification are investment methods used to help manage risk. They do not ensure a profit or protect against a loss.