

IN THE CHANCERY COURT OF JACKSON COUNTY, MISSISSIPPI

IN RE: Singing River Health System Employees' Retirement Plan and Trust
Almond, et al. v. Singing River Health System, et al.; Cause No. 2014-2653
Thompson, et al. v. Singing River Health System, et al.; Cause No. 2014-2695
Bosarge, et al. v. Singing River Health System, et al.; Cause No. 2014-2729
Aguillar, et al. v. Singing River Health System, et al.; Cause No. 2014-2753
Drury, et al. v. Singing River Health System, et al.; Cause No. 2015-0001
Broun, et al. v. Singing River Health System, et al.; Cause No. 2015-0027
Eiland, et al. v. Singing River Health System, et al.; Cause No. 2015-0030
Lay, et al. v. Singing River Health System, et al.; Cause No. 2015-0060

REPORT BY TRACI M. CHRISTIAN

Traci M. Christian files this Report with the Court and would show as follows:

1.

Pursuant to my appointment as Special Fiduciary of the Singing River Health System Employees' Retirement Plan and Trust (the "Plan"), the Court has requested a monthly report. I bring to the Court's attention the following items for the month of February, 2018.

2.

I have communicated to Plan participants in two letters this month via the Plan's website regarding the ongoing litigation and speculation regarding the March 27th hearing. The URL for the website is: <http://www.singingriverretirement.com>.

3.

I had a meeting on February 1st with Fiduciary Vest, the Plan's investment consultant, at their offices to discuss the Investment Policy for the Plan and the positioning of Plan assets.

A new proposed Investment Policy Statement will be submitted for the court to review prior to the March 27th hearing.

4.

I attended the Singing River Health System quarterly pension meeting by phone on February 12, 2018. Fiduciary Vest also attended by phone. At this meeting, we discussed the services provided to the Plan by Trustmark. Currently Trustmark provides custodial services to certain Plan assets. Trustmark also "shadows" certain other investments that are not in their custody and includes information about these investments on their statements.

After discussions with Fiduciary Vest and Singing River Health System staff, it was determined that the service of "shadowing" investments outside of the custody of

Trustmark was redundant in nature and not needed. I have directed Fiduciary Vest to work with Trustmark to eliminate this service. I estimate this will save the fund approximately \$40,000 per year in administrative fees.

I continue to examine the service providers of the Plan and their fees in an effort to reduce costs.

5.

Also discussed at the quarterly meeting were two classes and managers of alternative investments: Lazard Emerging Markets and Schroders Commodity Portfolio. After discussion with Plan's investment advisors, I determined that the asset classes were not in the best interest of the Plan and its long term investment objectives. I have directed Fiduciary Vest to begin the process of divesting from these asset classes and moving those funds into already existing class investments of the Plan.

In addition to repositioning Plan assets, this change will reduce investment expenses.

6.

All Plan vendor invoices to date have been authorized for payment.

THIS, the 21st day of February, 2018

Respectfully submitted,



TRACI M. CHRISTIAN