

IN THE CHANCERY COURT OF JACKSON COUNTY, MISSISSIPPI

IN RE: Lay, et al. v. Singing River Health System, et al.; Cause No. 2015-0060

REPORT BY SPECIAL FIDUCIARY TRACI M. CHRISTIAN

Pursuant to the appointment of Traci M. Christian as Special Fiduciary of the Singing River Health System Employees' Retirement Plan and Trust (the "Plan"), the Court has requested a monthly report. The Special Fiduciary brings to the Court's attention the following items for the month of December, 2021.

Updated - Ongoing Litigation

We have three lawsuits involving the Plan that are pending.

A motion was filed per the Court's order to dismiss the case against Transamerica, the former administrator. That motion was granted without prejudice on December 3rd. This clears the way for individual cases by some Plan members who chose to file to proceed.

Transamerica has filed a counter claim against the Special Fiduciary. At the hearing on December 3, a motion was made to dismiss that claim. Judge Johnson asked that such motion be made in writing, filed by January 3, 2022 and that motion is scheduled to be heard on February 4, 2022.

In Beasley et al vs SRHS et al, the Plan is a Respondent. The lawsuit alleges benefits owed from the Plan that were not paid. A hearing on that case took place November 2.

Barbour vs SRHSERPT, where the Plan is the Respondent also alleges benefits owed from the Plan that were not paid. On December 1, 2020 Judge Harris dismissed this case. The case has been appealed to the Mississippi Supreme Court.

Plan Investments

Attached for the Court's review is a report showing asset positions and activity for the month ending November 30. While the markets were down in November investments continue to perform reasonably well keeping pace with current market conditions. Subsequent reports will keep the Court apprised as to the investment performance in coming months. As of November 30, the market value of the Trust is \$116.824 million.

Meetings with FCI Advisors, are held every two to three weeks as we continue to pursue opportunities to lower investment costs and to generate lower volatility around

performance benchmarks. Discussions continue regarding moving more funds out of active management to the extent possible and moving more toward passive investment strategies. Such strategies are common for pension plans of this size and the goal continues to be to maintain a balance between maximizing investment return, minimizing investment expenses and mitigating risk to the portfolio due to market volatility.

Audit of Actuarial Valuation as of October 1, 2021

The Special Fiduciary presented the results of the October 1, 2021 Actuarial Funding Valuation on November 19, 2021 to the committee at Singing River Hospital as well as to Plan participants.

This Actuarial Valuation is in process of audit by the firm of CBIZ, Inc. The results of that audit and any subsequent recommendations made as a result of the audit will be presented to the Court for consideration. After the actuarial audit, if the projected funded status of the Plan remains above 100%, the Special Fiduciary will present the Court with options to consider regarding Plan benefits.

Administration

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

This concludes the report for the 16th day of December, 2021.

Respectfully submitted,



TRACI MILLER CHRISTIAN

Singing River Health System Employees' Pension Plan Trust
Mark to Market Accounting Summary

One Month Ended Nov 30, 2021

Investment (\$000's)	Beginning Market Value	Net Additions/ Withdrawals	Interest/ Dividends/Fees	Gains/ Losses	Ending Market Value
Total	120,859	(1,143)	53	(2,946)	116,824
Cash	5,494	(2,640)	0	-	2,854
Cash in Mutual Fund Account	34	-	-	0	34
FCI Advisors Fixed Income	10,024	-	22	11	10,056
Regiment Capital ¹	251	-	-	-	251
Vanguard High Yield Corp Adm Fund	1,280	500	-	(17)	1,763
III Credit Opportunities Fund ²	3,971	-	-	(10)	3,960
Coho Partners	6,427	-	14	(212)	6,228
Schwab S&P 500 Index Fund	6,185	-	-	(43)	6,142
Sustainable Growth Advisers	5,461	-	3	(248)	5,216
Disciplined Growth Investors	6,138	-	-	(209)	5,929
Nuance Investmenents	6,159	(3)	13	(225)	5,943
Fidelity Mid Cap Index	3,119	-	-	(108)	3,010
Wells Fargo Special Small Cap Value	7,085	-	-	(208)	6,876
Westfield Capital	6,568	-	2	(323)	6,247
Vanguard Real Estate Index	5,205	-	-	(114)	5,091
Fidelity Total International Index	10,823	-	-	(460)	10,363
DFA International Small Cap Value	3,326	-	-	(210)	3,116
Fidelity Emerging Markets Index Prem	3,828	-	-	(145)	3,683
Invesco Opp Developing Markets	3,863	-	-	(165)	3,697
Gramercy Distressed Opportunities Fund II ²	1,627	-	-	(33)	1,594
Invesco Balanced Risk Allocation ⁵	6,089	-	-	(152)	5,936
Elliott International Ltd. ⁵	7,113	-	-	(71)	7,042
Invesco Mortgage Recovery Fund-Loans ⁴	162	-	-	-	162
Invesco US Income ³	5,413	-	-	-	5,413
Eastern Timberland Opportunities II ³	4,376	-	-	-	4,376
Eastern Timberland Opportunities III ³	841	-	-	-	841
Lord Abbet Short Duration Income	-	1,000	-	(1)	999

¹Valuation date: 9/30/2021 and taken from Mark to Market report previously provided by FiduciaryVest

²Valuation date: 11/30/2021 using estimated monthly investment performance

³Valuation date: 9/30/2021 asset prices quarterly

⁴Valuation date: 9/30/2021

⁵Valuation date: Beginning Market Value estimated based off of 9/30/2021 Market Value; Ending Market Value estimated based on estimated monthly investment performance

Withdrawals represent "Employee Benefit Payments" and Additions represent hospital contributions.

Fees represent investment management fees.

Beginning market value may vary from previous month ending market values due to adjustments made during current month.

All values are preliminary.