

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 August, 2020.

Updated - Ongoing Litigation

We now have four other lawsuits involving the Plan that are pending. Two cases in which the Plan is Petitioner. Those suits are against Transamerica and KPMG, former administrator and auditor respectively. The Court has scheduled a hearing regarding these cases for September 11, 2020.

In the third lawsuit, Beasley et al vs SRHS et al, the Plan is a Respondent. The lawsuit alleges benefits owed from the Plan that were not paid. In the fourth lawsuit, Barbour vs SRHSERPT, the Plan is the Respondent. This lawsuit also alleges benefits owed from the Plan that were not paid. On the Barbour case, a hearing was held on August 7, 2020 and a decision is pending from Judge Harris.

Plan Investments

Attached for the Court's review is a report showing asset positions and activity for the month ending July 31. Investment returns continue to improve from the low point in March. Subsequent reports will keep the Court apprised as to the investment performance in coming months.

For reference: In order to maintain the required funding corridor, the Plan will need to have at least \$97 million in the Trust as of October 1, 2020. As of the valuation date of April 1, we had \$89.241M. With the recovery and continued improvement through July, as of July 31, we had \$100.494.

Repeated - Plan and Trust Documents

Discussions are underway with counsel for SRHS regarding the status of the legal Plan document and Trust Agreement. Both of these documents need to be updated to reflect law changes, court rulings and administrative practices. The Special Fiduciary expects to offer a motion to the Court in the coming weeks requesting permission to move forward with these updates.

Administration

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

This concludes the report for the 28th day of August, 2020.

Respectfully submitted,



TRACI M. CHRISTIAN

In (\$000's)	Beginning		Net				Asset Value		Net		Ending Market Value
	Market Value	Deposits	Withdrawals	Transfers	Fees	Expenses	Net Cash Flow	Income	Change	Performance	
Total	\$ 98,751	\$ 0	\$ (1,040)	\$ 0	\$ (84)	\$ (61)	\$ (1,185)	\$ 41	\$ 2,887	\$ 2,928	\$ 100,494
Cash	1,972	0	(1,040)	2,374	-	(59)	\$ 1,274	0	-	\$ 0	3,246
Cash in Mutual Fund Account	363	-	-	(325)	-	(0)	\$ (325)	0	-	\$ 0	37
FCI Advisors Fixed Income	9,273	-	-	-	(51)	(0)	\$ (51)	15	159	\$ 174	9,396
Regiment Capital ¹	90	-	-	-	-	-	\$ -	-	-	\$ -	90
III Credit Opportunities Fund ³	5,978	-	-	-	-	-	\$ -	-	53	\$ 53	6,031
Coho Partners	5,437	-	-	-	(9)	(0.13)	\$ (8.86)	10	174	\$ 184	5,613
Schwab S&P 500 Index Fund	4,942	-	-	-	-	-	\$ -	-	279	\$ 279	5,221
Sustainable Growth Advisers	5,626	-	-	(2,000)	(11)	(0.14)	\$ (2,011.11)	1	312	\$ 313	3,928
Disciplined Growth Investors	6,226	-	-	-	-	-	\$ -	-	382	\$ 382	6,608
Nuance Investment	4,867	-	-	-	-	-	\$ -	10	111	\$ 121	4,988
Wells Fargo Special Small Cap Value	5,275	-	-	-	-	-	\$ -	-	122	\$ 122	5,397
Westfield Capital	7,323	-	-	-	(14)	(0.18)	\$ (14)	4	283	\$ 287	7,597
Invesco Global Real Estate R5	2,827	-	-	-	-	-	\$ -	-	90	\$ 90	2,917
Fidelity Total International Index	7,950	-	-	-	-	-	\$ -	-	338	\$ 338	8,288
DFA International Small Cap Value	1,549	-	-	-	-	-	\$ -	-	36	\$ 36	1,585
Fidelity Emerging Markets Index Prem	2,406	-	-	-	-	-	\$ -	-	204	\$ 204	2,609
Invesco Opp Developing Markets	2,087	-	-	-	-	-	\$ -	-	135	\$ 135	2,223
Gramercy Distressed Opportunities Fund II ³	1,637	-	-	-	-	-	\$ -	-	(18)	\$ (18)	1,619
Invesco Balanced Risk Allocation ³	6,005	-	-	-	-	-	\$ -	-	136	\$ 136	6,141
Elliott International Ltd. ³	6,033	-	-	-	-	-	\$ -	-	90	\$ 90	6,124
Invesco Mortgage Recovery Fund-Loans ¹	170	-	-	-	-	-	\$ -	-	-	\$ -	170
Invesco US Income	4,573	-	-	(49)	-	-	\$ (49)	-	-	\$ -	4,524
Eastern Timberland Opportunities II ²	5,634	-	-	-	-	-	\$ -	-	-	\$ -	5,634
Eastern Timberland Opportunities III ²	509	-	-	-	-	-	\$ -	-	-	\$ -	509

¹Valuation date: 3/31/2020

²Valuation date: 6/30/2020

²Valued using estimated monthly investment performance

³Fifth Third fee shown include both fees deducted from the Distribution account and expenses deducted from the manager accounts.

⁴Investment services credit represents the reimbursement to the Plan of the revenue sharing associated with certain mutual funds.

⁵Direct cost. Fees deducted from Fifth Third account by investment manager.

⁶Indirect cost. Fees deducted from ending dividend or ending market value.

Withdrawals represent "Employee Benefit Payments".

Fees represent investment management fees.

Expenses represent withdrawals from manager accounts for custodian fees and additional plan services expenses.

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

All values are preliminary.

Monthly Fee Overview (in \$000's):

Fifth Third ⁴	\$ (3.2)	custody fee
McCloud Consulting	\$ (29.5)	special fiduciary
BKD	\$ (15.6)	audit fee
FiduciaryVest	\$ (12.3)	investment consulting
FCI	\$ (51.0)	investment consulting/mgmt
Coho Partners	\$ (9.0)	investment management fee
Sustainable Growth	\$ (11.0)	investment management fee
Westfield Capital	\$ (14.0)	investment management fee