

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 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 February, 2020.

Repeated - 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. 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.

Plan Investments

Attached for the Court's review is a report showing positions and activity for the Quarter ending December 31, 2019 and the month ending January 31, 2020.

When looking at the invested funds in the Trust, over the calendar year, 2019, the return on investments for that period is nearly 20% - which greatly exceeds our ongoing target. The Special Fiduciary is meeting regularly with the Trust's asset advisors. Improvements in the asset allocation are ongoing with the goal of meeting or exceeding our investment targets.

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 25th day of February, 2020.

Respectfully submitted,



TRACI M. CHRISTIAN