

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 October, 2019.

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

The investments of the Plan have struggled in recent months and while performance is fair relative to benchmarks, overall performance for the year is poor and improvements in the asset allocation are needed with the goal of meeting or exceeding our investment targets. The special fiduciary is meeting regularly with the Plan's asset advisors to address this issue. Attached for the Court's review is a report showing positions and activity for the month of September.

Administration

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

The Special Fiduciary is planning a visit to Plan participants on November 15. It is anticipated that the October 1, 2019 Actuarial Valuation will be completed by early November and presented to the Court and to Plan participants with similar timing to last year. Preliminary results indicate that the Plan's funding status on a projected basis remains within the court ordered corridor of 90% - 110%. The Special Fiduciary does not anticipate making any recommendations for changes to the Plan as a result of this valuation.

Singing River Health System has again graciously offered to host both meetings at no cost to the Plan.

This concludes the report for the 18th day of October, 2019.

Respectfully submitted,



TRACI M. CHRISTIAN

In (\$000's)	Beginning Market Value	Deposits	Withdrawals	Net Transfers	Fees	Expenses	Net Cash Flow	Income	Asset Value Change	Net Performance	Ending Market Value
Total	\$ 106,102	\$ 1,200	\$ (1,130)	-	\$ (7)	\$ (3)	\$ 60	\$ 155	\$ 800	\$ 955	\$ 107,117
Cash	1,234	1,200	(1,130)	-	-	(2)	\$ 68	2	-	\$ 2	1,304
Cash in Mutual Fund Account	90	-	-	1,101	-	(1)	\$ 1,100	0	-	\$ 0	1,190
Lord Abbett Short Duration Income I	3,007	-	-	-	-	-	\$ -	9	(7)	\$ 2	3,009
Metropolitan West Total Return Bond M	7,702	-	-	(7,601)	-	-	\$ (7,601)	15	(42)	\$ (27)	74
FCI Advisors Fixed Income	-	-	-	7,601	-	-	\$ 7,601	2	(55)	\$ (52)	7,549
Regiment Capital ¹	328	-	-	-	-	-	\$ -	-	-	\$ -	328
III Credit Opportunities Fund ²	7,789	-	-	-	-	-	\$ -	-	(11)	\$ (11)	7,778
Coho Partners	5,596	-	-	-	-	(0.13)	\$ (0.13)	17	97	\$ 115	5,710
Schwab S&P 500 Index Fund	4,868	-	-	-	-	-	\$ -	-	90	\$ 90	4,958
Sustainable Growth Advisers	6,094	-	-	-	-	(0.14)	\$ (0.14)	8	(86)	\$ (78)	6,016
Disciplined Growth Investors	5,864	-	-	-	-	-	\$ -	-	181	\$ 181	6,045
Wedge Capital	6,508	-	-	-	-	(0.15)	\$ (0.15)	18	160	\$ 179	6,686
Westfield Capital	11,989	0	-	-	-	(0.28)	\$ 0	8	(75)	\$ (67)	11,922
Invesco Global Real Estate R5	3,805	-	-	-	-	-	\$ -	-	40	\$ 40	3,845
Fidelity Total International Index	10,679	-	-	(1,101)	-	-	\$ (1,101)	-	293	\$ 293	9,871
DFA International Small Cap Value	1,913	-	-	-	-	-	\$ -	9	61	\$ 70	1,983
Fidelity Emerging Markets Index Prem	2,332	-	-	-	-	-	\$ -	-	47	\$ 47	2,379
Oppenheimer Developing Markets	2,046	-	-	-	-	-	\$ -	-	15	\$ 15	2,062
Gramercy Distressed Opportunities Fund II ²	1,965	-	-	-	-	-	\$ -	-	(44)	\$ (44)	1,921
Invesco Balanced Risk Allocation	6,009	-	-	-	(7)	-	\$ (6.81)	-	46	\$ 46	6,049
Elliott International Ltd. ²	5,601	-	-	-	-	-	\$ -	-	39	\$ 39	5,640
Invesco Mortgage Recovery Fund-Loans ¹	179	-	-	-	-	-	\$ -	-	-	\$ -	179
Invesco US Income	4,614	-	-	-	-	-	\$ -	66	48	\$ 114	4,728
Eastern Timberland Opportunities II ¹	5,891	-	-	-	-	-	\$ -	-	-	\$ -	5,891

¹Valuation date: 6/30/2019

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.

Deposits represent residual income transferred from Trustmark.

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 ³	\$ (182.0) custody fee
Invesco Bal Risk ⁶	\$ (6.8) investment mgmt