

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 February, 2021.

Repeated - Ongoing Litigation

We 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 ordered on September 14, 2020 that the Special Fiduciary is authorized to file a motion in Cause No. 2017-087-SR in the Circuit Court of Jackson County, Mississippi, requesting authorization to stay the action for up to six months while she provides notice to plan participants of the intention to dismiss her suits against Transamerica and KPMG so that vested beneficiaries may join one of the pending actions or file their own action.

Per the Court's order, that motion was filed and an order granting the motion was signed by Judge Forrest A. Johnson on January 6, 2021. Notices were sent in October, 2020 to all participants with a vested annuity benefit. A second and final notice was sent in February, 2021.

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.

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 February 28. Investments continue to perform well. Subsequent reports will keep the Court apprised as to the investment performance in coming months. As of February 28, the market value of the Trust is \$114.754 million.

Updated - Plan and Trust Documents

Counsel for SRHS has drafted a restatement to the legal Plan and Trust document. This document needs to be updated to reflect law changes, court rulings and administrative practices. The Special Fiduciary, will present to the Court on May 12, 2021.

Mid-Year Actuarial Valuation

The Special Fiduciary will oversee a mid-year actuarial valuation of the Plan as of April 1, 2021. These results will be completed at no additional cost to the Plan. The results of this interim valuation will measure the funded status of the Plan as of that date.

Administration

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

This concludes the report for the 18th day of March, 2021.

Respectfully submitted,



TRACI M. CHRISTIAN

In (\$000's)	Beginning		Net				Asset Value			Net		Ending Market
	Market Value	Deposits	Withdrawals	Transfers	Fees	Expenses	Net Cash Flow	Income	Change	Performance	Value	
Total	\$ 113,016	\$ 0.28	\$ (1,026)	-	\$ (3)	\$ (29)	\$ (1,058)	\$ 33	\$ 2,763	\$ 2,796	\$ 114,754	
Cash	3,881	0.28	(1,026)	500	-	(28)	(553)	0	-	0	3,327	
Cash in Mutual Fund Account	34	-	-	-	-	(1)	(1)	0	-	0	33	
FCI Advisors Fixed Income	9,132	-	-	750	-	(0)	750	22	(221)	(199)	9,682	
Regiment Capital ¹	104	-	-	-	-	-	-	-	-	-	104	
Vanguard High Yield Corp Adm Fund	-	-	-	1,750	-	-	1,750	-	(15)	(15)	1,735	
III Credit Opportunities Fund ³	5,078	-	-	-	-	-	-	-	72	72	5,150	
Coho Partners	6,134	-	-	-	-	(0.14)	(0.14)	5	95	100	6,233	
Schwab S&P 500 Index Fund	5,976	-	-	-	-	-	-	-	165	165	6,141	
Sustainable Growth Advisers	4,409	-	-	-	-	(0.10)	(0.10)	2	80	82	4,491	
Disciplined Growth Investors	8,782	-	-	-	-	-	-	-	415	415	9,197	
Nuance Investment	5,589	-	-	-	(3)	(0.13)	(3)	3	105	108	5,694	
Wells Fargo Special Small Cap Value	7,103	-	-	-	-	-	-	-	702	702	7,806	
Westfield Capital	9,923	-	-	(3,000)	-	(0.23)	(3,000)	1	706	707	7,630	
Vanguard Real Estate Index	2,697	-	-	-	-	-	-	-	91	91	2,788	
Fidelity Total International Index	9,931	-	-	-	-	-	-	-	212	212	10,143	
DFA International Small Cap Value	1,945	-	-	-	-	-	-	-	111	111	2,056	
Fidelity Emerging Markets Index Prem	3,235	-	-	-	-	-	-	-	22	22	3,257	
Invesco Opp Developing Markets	2,700	-	-	-	-	-	-	-	49	49	2,749	
Gramercy Distressed Opportunities Fund II ³	1,558	-	-	-	-	-	-	-	40	40	1,597	
Invesco Balanced Risk Allocation	6,939	-	-	-	-	-	-	-	37	37	6,976	
Elliott International Ltd. ³	6,472	-	-	-	-	-	-	-	97	97	6,569	
Invesco Mortgage Recovery Fund-Loans ¹	170	-	-	-	-	-	-	-	-	-	170	
Invesco US Income ²	4,718	-	-	-	-	-	-	-	-	-	4,718	
Eastern Timberland Opportunities II ²	5,585	-	-	-	-	-	-	-	-	-	5,585	
Eastern Timberland Opportunities III ²	922	-	-	-	-	-	-	-	-	-	922	

¹Valuation date: 9/30/2020

²Valuation date: 12/31/2020

³Valued using estimated monthly investment performance

⁴Fifth Third fee shown include both fees deducted from the Distribution account and expenses deducted from the manager accounts.

⁵Investment services credit represents the reimbursement to the Plan of the revenue sharing associated with certain mutual funds.

⁶Direct cost. Fees deducted from Fifth Third account.

⁷Indirect cost. Fees deducted from ending dividend or ending market value.

Withdrawals represent "Employee Benefit Payments".

Fees represent investment management fees.

Expenses represent withdrawals from 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	\$ (3.7)	custody fee
Jonah Blum Productions ⁶	\$ (1.3)	administrative expenses
Traci Christian ⁶	\$ (22.5)	special fiduciary
Charles Mikhail ⁶	\$ (1.8)	legal fees
Nuance Investments ⁶	\$ (3.1)	investment management fee