

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 April, 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 March 31. Investments continue to perform well. Subsequent reports will keep the Court apprised as to the investment performance in coming months. As of March 31, the market value of the Trust is \$115.742 million.

At the request of the Special Fiduciary, FCI Advisors, one of the Plan's investment advisors, has added a 10% discount to their fee schedule which should save the Plan close to \$25,000 annually.

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.

On April 16, the Special Fiduciary filed a motion to amend the Plan's Investment Policy Statement. Revisions include adding minor clarifying or corrective grammatical language and adjusting investment policy targets as recommended by the independent investment advisors. The adjustments are intended to further enhance diversification in the plan as well as improve the probability of exceeding return assumptions over future economic cycles.

Mid-Year Actuarial Valuation

The Special Fiduciary oversaw a mid-year actuarial valuation of the Plan as of April 1, 2021. These results were done at no additional cost to the Plan. The results of this interim valuation indicate that the Plan remains well within the 90%-110% funding corridor on a projected basis as ordered by the Court.

As of April 1, 2021, the projected funded status of the plan sits at an estimated 102%.

Administration

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

This concludes the report for the 20th day of April, 2021.

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	\$ 114,808	\$ 0.54	\$ (1,023)	-	\$ (3)	\$ (4)	\$ (1,030)	\$ 92	\$ 1,871	\$ 1,963	\$ 115,742	
Cash	3,327	0.54	(1,023)	(158)	-	(2)	(1,183)	0	-	0	2,145	
Cash in Mutual Fund Account	33	-	-	-	-	(1)	(1)	0	(0)	0	33	
FCI Advisors Fixed Income	9,682	-	-	158	-	(0)	158	31	(161)	(131)	9,709	
Regiment Capital ¹	131	-	-	-	-	-	-	-	-	-	131	
Vanguard High Yield Corp Adm Fund	1,735	-	-	-	-	-	-	4	(9)	(4)	1,731	
III Credit Opportunities Fund ³	5,151	-	-	-	-	-	-	-	(29)	(29)	5,122	
Coho Partners	6,233	-	-	-	-	(0.14)	(0.14)	17	488	505	6,738	
Schwab S&P 500 Index Fund	6,141	-	-	-	-	-	-	-	268	268	6,409	
Sustainable Growth Advisers	4,491	-	-	-	-	(0.10)	(0.10)	5	93	97	4,588	
Disciplined Growth Investors	9,197	-	-	-	-	-	-	-	90	90	9,287	
Nuance Investment	5,694	-	-	-	(3)	(0.13)	(3)	14	232	245	5,936	
Wells Fargo Special Small Cap Value	7,806	-	-	-	-	-	-	-	409	409	8,214	
Westfield Capital	7,630	-	-	-	-	(0.18)	(0)	3	(49)	(46)	7,583	
Vanguard Real Estate Index	2,788	-	-	-	-	-	-	17	126	143	2,931	
Fidelity Total International Index	10,143	-	-	-	-	-	-	-	161	161	10,304	
DFA International Small Cap Value	2,056	-	-	-	-	-	-	2	75	77	2,133	
Fidelity Emerging Markets Index Prem	3,257	-	-	-	-	-	-	-	(34)	(34)	3,223	
Invesco Opp Developing Markets	2,749	-	-	-	-	-	-	-	(36)	(36)	2,713	
Gramercy Distressed Opportunities Fund II ³	1,597	-	-	-	-	-	-	-	(10)	(10)	1,587	
Invesco Balanced Risk Allocation	7,001	-	-	-	-	-	-	-	31	31	7,032	
Elliott International Ltd. ³	6,569	-	-	-	-	-	-	-	66	66	6,635	
Invesco Mortgage Recovery Fund-Loans ²	170	-	-	-	-	-	-	-	-	-	170	
Invesco US Income	4,718	-	-	-	-	-	-	-	162	162	4,880	
Eastern Timberland Opportunities II ¹	5,585	-	-	-	-	-	-	-	-	-	5,585	
Eastern Timberland Opportunities III ¹	922	-	-	-	-	-	-	-	-	-	922	

¹Valuation date: 12/31/2020

²Valuation date: 9/30/2020

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 Cash Flow Overview (in \$000's):	
Fifth Third ⁴	\$ (3.6) custody fee
CAPIS	\$ 0.5 commission recapture
Nuance Investments ⁶	\$ (3.1) investment management fee