Wilshire ERISA 3(21) and 3(38) Investment Fiduciary Service

Investment Oversight Methodology

Helping you manage your fiduciary responsibility

As a plan fiduciary, you're required to navigate the landscape of available investment managers, monitor plan investments on an ongoing basis and offer an investment policy based on the needs of your plan.

In response to these needs, Wilshire Asdvisors LLC (Wilshire®) offers ERISA 3(21) and 3(38) fiduciary services.

ERISA 3(21) Investment Advisor

Wilshire screens, monitors and recommends investment options for a plan's lineup, but it's up to you to either select investment options from a Select List or approve Wilshire's recommended Fund Menu.

ERISA 3(38) Investment Manager

Plan sponsors delegate investment lineup selection, monitoring, and replacement duties to Wilshire Adopting a Fund Menu, allows plans to simplify their investment fiduciary oversight responsibilities with a preset lineup managed by Wilshire.

Investment manager research is a part of Wilshire's history with a methodology and due diligence process that's been developed over the last four decades from serving the institutional and pension marketplace. We can offer your plan the opportunity to gain access to the same manager research resources that help select investment options for some of the largest pension plans in the world.

Now your plan can benefit from ERISA 3(21) and 3(38) fiduciary services, a Wilshire program that delivers the following:

- Thorough investment manager due diligence
- Investment option recommendations
- Investment policy template
- Regular monitoring and reporting

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Which service is right for your plan?

Before deciding which service is right for your plan, consider the following:

- Participant investment sophistication
- Plan trustee investment experience
- Current investment resources
- Plan size and participant balances

Service Level Comparison

	No services	3(21) fiduciary service	3(38) fiduciary service
Service type	"Do it myself"	"Help me do it"	"Do it for me"
Primary Reponsibility	You accept all responsibility for selecting and monitoring your plan's investment options.	Wilshire provides recommendations for investment options in the lineups, and you retain discretion over which to offer in the plan lineup.	You delegate responsibility to Wilshire for selecting and monitoring plan investment options.
Program Components	You select plan investment options offered by the service provider. Typically all available investment options are offered regardless of their appropriateness as investments for retirement plans.	You choose Wilshire and then one of the following services: Select List — you select investment options from a list that Wilshire has concluded are appropriate for retirement plans, or Fund Menu — you select a Wilshire-recommended Fund Menu that consists of one investment option from the Select List for each asset class.*	You delegate responsibility to Wilshire — Wilshire selects, monitors and manages plan investment options through a Fund Menu, which consists of one investment option from the Select List for each asset class.*
Asset Class Selection	You	Wilshire	Wilshire
Investment Option Selection	You	You choose investment options from the Select List or select a Fund Menu.*	Wilshire creates a Fund Menu from the Select List.*
Periodic Investment Option Monitoring	You	You, with Wilshire's support.†	You periodically review Wilshire's services.
Lineup Change Implementation	You	You choose to implement changes to your plan's lineup based on Wilshire's changes to the Select List or recommendations for the Fund Menu, and you may direct the recordkeeper to automatically execute Wilshire's recommendations for changes to the Fund Menu.	Wilshire directs the recordkeeper to implement any on behalf of your plan changes.
Investment Fiduciary	You	Wilshire is investment fiduciary (not applicable for investment options not covered by Wilshire).**	Wilshire**

*Wilshire creates a Fund Menu subject to any restrictions imposed by the recordkeeper (i.e. a minimum number of the funds on the Fund Menu be recordkeeper-sponsored funds).

**You retain fiduciary responsibility for selecting and monitoring Wilshire.

†Select List: Wilshire monitors the investment options on the Select List, and you monitor Wilshire's changes and determine whether to execute any changes to your plan's lineup; Fund Menu: Wilshire monitors the investment options in the Fund Menu and alerts you to any changes in recommendations.

Wilshire process

Through a disciplined and defined review process, Wilshire recommends investment options from a variety of asset classes it considers appropriate for retirement plan lineups. The process relies on a proprietary methodology used to rank asset class peers across multiple components helping to identify investment options that receive fiduciary coverage from Wilshire.

1 Platform Review

The Wilshire Retirement Oversight Committee reviews the investment options available through the program to determine the appropriate asset classes and benchmarks included in a Select List, Fund Profiles or Fund Menu. Often this is determined by the platform of investment options made available by the recordkeeper. Asset class must have the ability to give an appropriate level of diversification (no sector or regional asset classes). Wilshire next assigns each investment option to an asset class and benchmark.

2 Investment Screening

A review of available investment options removes those that do not meet Wilshire's required characteristics for inclusion in a retirement plan lineup. An investment option does not receive fiduciary coverage if it falls into one of these statuses:

Ineligible — Investment options in asset classes categorized as sector, specialty or regionally-focused are removed due to the often narrowly-defined investment objective that does not provide adequate diversification for plan investors.

Pending — Investment options with less than $75 million of assets under management and/or a track record of less than one year will be designated as Pending until they meet either of these requirements.

3 Component Rating

Wilshire performs a screening process on the remaining investment options based on quantitative and qualitative factors. For each eligible investment option, the percentile ranks of these investment statistics and attributes are used to calculate ratings in six different components ("Component Ratings"). Based on a proprietary-weighted formula, a single Wilshire Investment Rating of Above Average, Average, or Below Average is calculated for each investment option and helps determine its fiduciary coverage status.

Component Ratings

Performance
- Total Return: 1-, 3-, 5-Year
- Sharpe Ratio: 1-, 3-, 5-Year

Risk
- Standard Deviation: 1-, 3-, 5-Year
- Tracking Error: 1-, 3-, 5-Year

Style
- R-Square: 1-, 3-, 5-Year

Organization
- Qualitative Review: Wilshire Evaluation

Cost
- Expense Ratio: Prospectus Net Exp.

Track Record
- Strategy Length: Inception Date
- Manager Tenure: Longest, Average

Wilshire Investment Rating

Using a proprietary weighting of the six Component Ratings, a single rating known as the Wilshire Investment Rating is assigned to each investment option made available by the recordkeeper. A possible rating of Below Average, Average or Above Average is calculated each quarter for all available investment options and helps to determine a status of Covered, Covered Watch or Exclude.

Covered — Investment options with a rating of Average or Above Average have fiduciary coverage on the Select List and can be used in Fund Menus.

Covered Watch — Investment options in the bottom of the Average peer ranking (60th to 67th percentile) retain fiduciary coverage but have an additional level of monitoring. If an investment option falls to Exclude status, it must reach Covered status to regain fiduciary coverage.

Exclude — Fiduciary coverage is not extended to investment options with Wilshire Investment Rating that is Below Average and are not considered for Fund Menus.

Target Date Fund Exception — Wilshire looks at status of each target date investment option within a series and includes one that does not pass if the majority of the target date series passes.

4 Ongoing Monitoring

Regular monitoring and quarterly review are a critical part of the review process to ensure investment options selected for the Select List and Investment Menus continue to meet Wilshire's criteria as suitable investment options for retirement plans. Accordingly, the Select List is updated quarterly to capture the most recent performance and fund attributes of each investment option. Turnover among Investment Menu options is generally low, occurring due to a significant deterioration in Wilshire's qualitative conviction in the investment option or in the Wilshire Investment Rating. Changes in the status of an investment option are promptly communicated to plan sponsors, and Wilshire will recommend replacement investment options or make changes to Investment Menus as necessary.

Organizational Event

The Organization Rating, one of the Component Ratings used to calculate an investment option's Wilshire Investment Rating, considers several factors at both the firm level (fraud, bankruptcy, change in ownership) and the investment option level (investment team lift-out, senior investment professional departures). A significantly negative event at either the firm or investment option level resulting in a decline in the Component rating to the bottom three deciles will result in an Exclude Status for all investment options offered by the firm or in some cases, only the impacted investment options. Additionally, any investment option ranked in the seventh decile by Wilshire's Manager Research Team qualitative review will receive a "Covered Watch" status.

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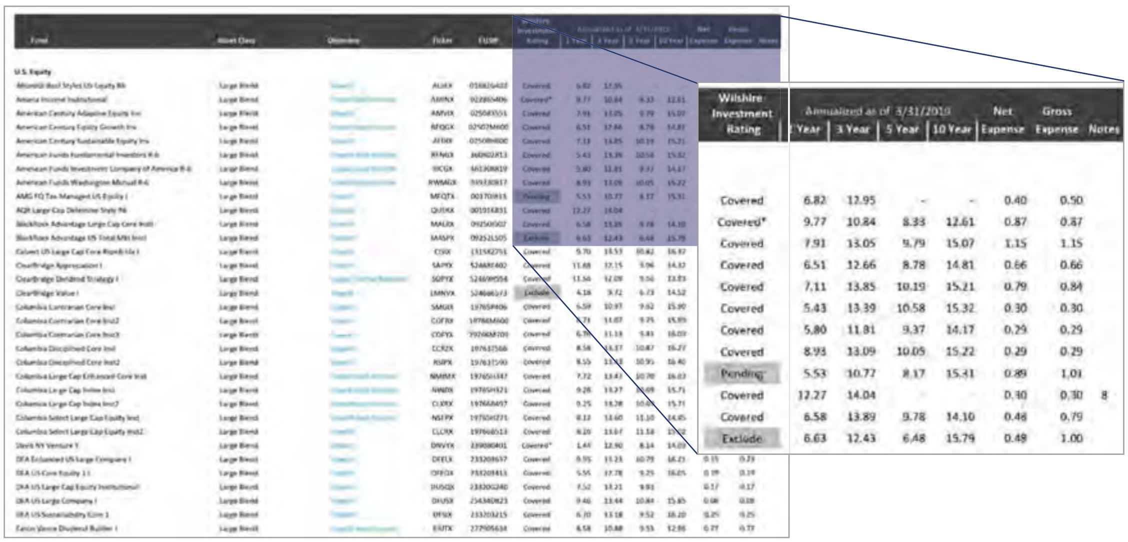
Quarterly reporting

Each quarter, Wilshire provides updated reports to help you monitor your plan's investment options. The 3(21) fiduciary ser- vice includes a Select List report. A separate report is available to plans electing the Fund Menus of either the 3(21) or the 3(38) service.

Wilshire Select List report — 3(21) Fiduciary Service

Includes current ratings and data used to determine Component Ratings for each investment on the Select List.



Wilshire Investment Rating	Annualized as of 3/31/2019 1 Year	3 Year	5 Year	10 Year	Net Expense	Gross Expense	Notes
Covered	6.82	12.95	-	-	0.40	0.50	
Covered*	9.77	10.84	8.33	12.61	0.87	0.87	
Covered	7.91	13.05	9.79	15.07	1.15	1.15	
Covered	6.51	12.66	8.78	14.81	0.66	0.66	
Covered	7.11	13.85	10.19	15.21	0.79	0.84	
Covered	5.43	13.39	10.58	15.32	0.30	0.30	
Covered	5.80	11.81	9.37	14.17	0.29	0.29	
Covered	8.93	13.09	10.05	15.22	0.29	0.29	
Pending	5.53	10.77	8.17	15.41	0.89	1.01	
Covered	12.27	14.04			0.30	0.30	8
Covered	6.58	13.89	9.78	14.10	0.48	0.79	
Exclude	6.63	12.43	6.48	15.79	0.49	1.00	

Wilshire Fund Menu report — 3(21) and 3(38) Fiduciary Service

Provides quarterly updates including replacement selections for investment options included on the Fund Menus.

Name: **American Funds Investment Company of America R-6**

Asset Class: Large Blend

Portfolio Managers (PM): Capital Research & Management Company: James B. Lovelace, Donald D. O'Neal, Joyce E. Gordon, Christopher D. Buchbinder, Eric S. Richter, Barry S. Crosthwaite, Grant L. Cambridge, Martin Romo

Investment Overview:
The Fund seeks long-term growth of capital and income. The Fund invests primarily in common stocks, most of which have a history of paying dividends. Although the Fund focuses on investments in medium to larger capitalization companies, its investments are not limited to a particular capitalization size.

	ANNUALIZED PERFORMANCE						EXPENSE RATIO		PM TENURE (YRS)	
STATISTICS	Investment Name	3 Months	1 Year	3 Year	5 Year	10 Year	Net	Gross	Avg	Longest
	American Funds Investment Company of America R-6	11.45	5.80	11.81	9.37	14.17	0.29	0.29	13	27
	Russell 1000 Index	14.00	9.30	13.52	10.63	16.05				

SCORECARD	Wilshire Investment Rating	Performance	Risk	Expense	Style	Track Record	Org
	Avg	Avg	Avg	Above Avg	Below Avg	Above Avg	Avg

Summary and fees

To help you select and monitor your retirement plan's investment lineup, Wilshire delivers a third-party 3(21) and 3(38) fiduciary program with services that include investment selection, monitoring, reporting, mapping and automatic execution. The program offers the following advantages:

1 Independent investment advice from an industry leader

- Wilshire, as a third-party investment advisor, provides independent investment advice.
- Agreement and payment for this service is between you and Wilshire; the recordkeeper deducts fees for the service and pays directly to Wilshire.

2 Flexible program features

- You can select the service that best suits your plan's needs

ERISA 3(21) Investment Advisor

"Help me do it"
Wilshire recommends, but you select the investment options for your plan.

ERISA 3(38) Investment Manager

"Do it for me"
Wilshire selects your plan's investment options for the Fund Menu.

- For easier plan conversions, Wilshire offers a mapping service.
- Automatic execution is available with Fund Menus within the 3(21) fiduciary service. Unless you opt out, the recordkeeper will automatically execute recommended changes to the investment option lineup of a Fund Menu to ensure it continues to stay in line with Wilshire's recommendations.

3 Independent investment advice from an industry leader

- The cost for the program is a fee based on plan assets with no hidden charges, so sponsors know exactly what they're paying for the service.

Annual program cost

3(21) service — 0.02% of plan assets
3(38) service — 0.05% of plan assets

Mapping fee: $100 for 3(21) Fund Menu; included with 3(38) Fund Menus.

About Wilshire

Wilshire is a global provider of market-leading indexes, advanced analytics, and multi-asset investment solutions. A trusted partner to a diverse range of more than 500 institutional investors and financial advisors and intermediaries, our clients rely on us to improve investment outcomes for a better future. Wilshire is headquartered in the United States with offices worldwide and advises on over $1.3 trillion in assets, $93 billion of which are assets under management.

More information on Wilshire can be found at **www.wilshire.com**

For more information, please visit **www.wilshire.com**, email us at **contactus@wilshire.com** or reach out to your Wilshire representative directly.

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Investing in securities involves risk of loss and should only be done in accordance with an individual's risk tolerance, time horizon and tax circumstances. Wilshire does not guarantee the future performance or profitability of the Plan or of any investment alternative that we may recommend for the Plan's investment lineup.

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