

RMS EasyPlan Investment Policy Statement



1 INTRODUCTION

- 1.1 Access Plans LLC (“Access Plans”) sponsors a retirement pooled employer plan, as defined in Section 3(43) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), which is entitled the “RMS EasyPlan” (hereinafter the “PEP”). Pursuant to the terms of the PEP, Access Fiduciary Services LLC (“AFS”) is an additional named fiduciary of the PEP and possesses the authority and responsibility to select and monitor certain parties that provide services to, or on behalf of, the PEP, including one or more investment managers, as defined in Section 3(38) of ERISA.
- 1.2 AFS, acting on behalf of the PEP, has engaged MML Investors Services, LLC (“MMLIS”) to serve as the investment manager for the PEP.
- 1.3 In its capacity as the investment manager for the PEP, MMLIS is responsible for the selection and monitoring of the various investment offerings that are, or may later become, available to participants in the PEP. To satisfy its duties and obligations as the PEP’s investment manager, MMLIS has adopted this RMS EasyPlan Investment Policy Statement (“IPS”), which is intended to establish formal guidelines that will be considered by MMLIS when evaluating investment offerings that may be adopted and monitoring those that have been adopted for participants in the PEP.

2

ASSET CLASS SELECTION

- 2.1 Asset class selection is determined and reviewed quarterly by the MMLIS Wealth Management Investment Team Investment Committee (WMIT IC), whose members are reflected on Exhibit A, attached hereto.
- 2.2 Asset classes that are appropriate for the PEP are evaluated based upon the following “three” qualities:
1. **Diversification** - Concentrated asset classes such as single sector funds or country-specific (excluding US and Real Estate funds) strategies are generally excluded.
 2. **Transparency** - Asset classes investing in derivatives and illiquid securities are generally excluded.
 3. **Long-only** - Asset classes that take short positions, utilize leverage and/or track inverse benchmarks are generally excluded.

3

DESIGNATED INVESTMENT ALTERNATIVE SELECTION PHILOSOPHY

- 3.1 The approach to fund selection is based on supporting and encouraging prudent investment management that focuses on maximizing the chances of achieving financial goals over the long term. To that end, a systematic, objective quantitative screening process (the “Quantitative Screening Process”) has been developed to identify stable, consistent outperformance relative to peers and benchmarks. This process is designed to exclude funds with persistent subpar or inconsistent/volatile performance, avoid performance chasing and other fads, and discern performance that exhibits staying power. Candidate funds that pass the Quantitative Screening Process receive additional quantitative and qualitative analysis (e.g., evaluation of risk-adjusted returns, expense ratios, management team, investment philosophy and process, etc.) from which the final list is determined.

4

DESIGNATED INVESTMENT ALTERNATIVE SELECTION PROCESS

- 4.1 Available Category Investments** - In selecting the funds available to participants in the PEP (the “Designated Investment Alternatives”), the WMIT IC begins with the full list of funds available on the PEP’s custodial platform (the “Investment Universe”) and, using the asset class selection guidelines discussed Section II.B above, selects those asset classes that will be represented by one or more Designated Investment Alternatives (the “Category” or “Categories”)¹. The WMIT IC then identifies the available investment alternatives within both the Investment Universe and each of the Categories (the “Available Category Investments”). The Available Category Investments are then screened and ranked according to a quantitative methodology, as described in Section IV.C below.
- 4.2 Potential Category Investments** - Each Available Category Investment that satisfies the criteria applied in the Quantitative Screening Process, as described in Section IV.C below, is eligible for selection as a Designated Investment Alternative and is included within a list of potential investment candidates associated with a given Category (the “Potential Category Investments”).
- 4.3 Quantitative Screening Process** - At the end of each calendar quarter, the following methodology is applied using the most recent five-year window of quarterly return data within each of the Categories to screen the Available Category Investments to determine eligibility for inclusion on the list of Potential Category Investments.
1. Available Category Investments with less than five years of consecutive performance history are excluded.
 2. Quarterly Return Outliers within each of the Categories are calculated using the interquartile range (“IQR”) method.
 - a. The IQR is equal to the 3rd quartile return (“3rd Quartile”) minus the 1st quartile return (“1st Quartile”).
 - b. Quarterly Return Outliers are defined as returns that are either:
 - i. Less than 1.5 X IQR below 1st Quartile, or
 - ii. Greater than 1.5 X IQR above 3rd Quartile.
 - iii. Available Category Investments with four or more quarters of negative or alternating negative/positive Quarterly Return Outliers within a five-year period are categorized as excessively volatile and automatically assigned as “Available” (see Tier 5 below).
 - c. Available Category Investments with four or more quarters of positive-only Quarterly Return Outliers are indicative of potential superior performance or benchmark/category misclassification, and these funds are flagged for review.

3. 1-, 3-, and 5-year returns for each Available Category Investment are calculated each quarter, and each Available Category Investment is classified into one of the following five tier rankings (the “Quarterly Tier Rankings”):
- a. Preferred Tier 1: Top quartile (1st Quartile) 1-, 3-, and 5-year returns.
 - b. Preferred Tier 2: Top quartile (1st Quartile) 1- and 3-, 1- and 5-, or 3- and 5-year returns.
 - c. Approved Tier 3: Second quartile (“2nd Quartile”) 1-, 3-, and 5-year returns.
 - d. Approved Tier 4: Second quartile (2nd Quartile) 1- and 3-, 1- and 5-, or 3- and 5-year returns.
 - e. Tier 5 (Available): Available Category Investments that do not satisfy the above performance criteria or have four or more negative or alternating negative/positive Quarterly Return Outliers.

Quartile	1/3/5-Year Return Criteria	1/3-, 1/5-, or 3/5-Year Return Criteria
1st Quartile	Preferred Tier 1	Preferred Tier 2
2nd Quartile	Approved Tier 3	Approved Tier 4
	Available - Tier 5	

4. The Quantitative Screening Process is a systematic, rules-based process that is applied to the available past performance data associated with each of the Available Category Investments to produce historical Quarterly Tier Rankings, which is used as the basis for constructing a subset of the Potential Category Investments from which the Designated Investment Alternatives will be selected (the “Investment Alternative Candidates”). A minimum of three years of Quarterly Tier Rankings is required for a Potential Category Investment to be eligible for inclusion among the Investment Alternative Candidates.

4.4 Investment Alternative Candidates

1. Every quarter, the number of Quarterly Tier Rankings in each of the five tiers over a Potential Category Investment’s entire history is determined. The following two ratios are then calculated:
 - a. The sum of Quarterly Tier Rankings in Preferred Tier 1 through Approved Tier 4 divided by the sum of Quarterly Tier Rankings in Tier 5.
 - b. The maximum number of consecutive Quarterly Tier Rankings in Preferred Tier 1 through Approved Tier 4 divided by the maximum number of consecutive Quarterly Tier Rankings in Tier 5.

2. Higher values indicate a Potential Category Investment has spent more time as a Preferred Tier 1 through Approved Tier 4 performer than as a Tier 5 performer. Potential Category Investments that have at least one of these ratios equal to or greater than two are included with the group of Investment Alternative Candidates, so that consideration for selection as a Designated Investment Alternative is given only to those Investment Alternative Candidates whose time spent ranked in Preferred Tier 1 through Approved Tier 4 is at least twice as much as time spent in Tier 5 on either a consecutive or overall basis.
3. The Potential Category Investments that satisfy the screening process described in IV.D.1 above, are then sorted by the sum of the percentage of Quarterly Tier Rankings in Preferred Tier 1 and Preferred Tier 2. This is the primary basis for determining those Potential Category Investments that will be designated as an Investment Alternative Candidate, with higher values corresponding to Potential Category Investments with steady top quartile performance in their respective Categories.
4. A supporting variable to that described in IV.D.3 above, is the sum of the percentage of Quarterly Tier Rankings in Preferred Tier 1 through Approved Tier 4, which helps distinguish Potential Category Investments that, while not necessarily ranked within the top quartile, nonetheless exhibit stable, consistent outperformance relative to other Potential Category Investments within a given Category.
5. Next, a measure of tier categorization stability is measured, based upon the history of deviations in Quarterly Tier Rankings (the “Mean Squared Rank Deviation” or “MSRD”), which is the sum of squared differences between a Potential Category Investment’s Quarterly Tier Ranking and the Potential Category Investment’s “Applicable Tier Rank,” as described in Section IV.E below, divided by the number of quarters the Available Category Investment has been classified as a Potential Category Investment.
6. Lower MSRD values indicate a Potential Category Investment’s historical Quarterly Tier Rankings have on average stayed close to its Applicable Tier Rank, while higher MSRD values indicate a Potential Category Investment has experienced greater variances in Quarterly Tier Rankings and is therefore prone to greater changes in Quarterly Tier Ranking classification. Squaring the difference in Quarterly Tier Ranking and Applicable Tier Rank effectively penalizes more extreme deviations (e.g., the squared difference between Preferred Tier 1 and Preferred Tier 2 (a difference of one) is equal to one, while the squared difference between Preferred Tier 1 and Tier 5 (a difference of four) is equal to 16).
7. For Designated Investment Alternatives, a combination of the following is sought:
 - a. A high percentage of Quarterly Tier Rankings in Preferred Tier 1 and Preferred Tier 2.
 - b. A low number Quarterly Tier Rankings in Tier 5.
 - c. A low MSRD.

8. For Investment Alternative Candidates with a MSRD value greater than one, the summed percentage values of Quarterly Tier Rankings in Preferred Tier 1 through Preferred Tier 2, and Preferred Tier 1 through Approved Tier 4 are reduced by dividing these values by the square root of MSRD (the “Adjusted Percentage”). This approach reduces the summed percentage values of Quarterly Tier Rankings in Preferred Tier 1 through Preferred Tier 2 and Preferred Tier 1 through Approved Tier 4 of these Investment Alternative Candidates in proportion to the average of the absolute deviations in Quarterly Tier Ranking and Applicable Tier Rank. In general, Investment Alternative Candidates with an Adjusted Percentage of at least 50% will be retained as Investment Alternative Candidates.
9. Based on the above criteria, Investment Alternative Candidates receive an “Overall Score” that is equal to the sum of the corresponding values in each of the seven columns reflected in the following table:

Time Spent in Tiers 1-2 >50%	Time Spent in Tiers 1-4 >50%	Time Spent in Tiers 1-2 (MRSD adjusted) >50%	Time Spent in Tiers 1-4 (MRSD adjusted) >50%	MRSD ≤ 1	Time Spent in Tier 5 = 0	Time Spent in Tier 5 ≥ 25%
1, 0 otherwise	1, 0 otherwise	1, 0 otherwise	1, 0 otherwise	1, 0 otherwise	1, 0 otherwise	-1, 0 otherwise

10. Each candidate fund is sorted based on its Overall Score relative to other Investment Alternative Candidates, with 6 being the highest and zero the lowest. The list of Investment Alternative Candidates is drawn from the sorted set of Investment Alternative Candidates using additional quantitative and qualitative analysis (e.g., evaluating expense ratios, risk-adjusted returns, investment philosophy, management turnover, etc.). An Investment Alternative Candidate’s Applicable Tier Rank, its position on the Watch List, and whether it recently changed Quarterly Tier Rankings will also be considered. It is important to note that the process for constructing the list may result in one or more Categories having no Available Category Investments that would otherwise qualify as an Investment Alternative Candidate, in which case the Quantitative Screening Process may be used to help identify funds that, while failing to meet the strict criteria for classification as Investment Alternative Candidates, exhibit performance metrics that closely align with the screening objectives.
11. Mutual funds on the Investment Alternative Candidate list will consist of the lowest cost share classes available for each Investment Alternative Candidate. Certain fund families have revenue sharing agreements with the PEP, whereby fund expense ratios are offset by returning a portion of fees to participants, and these arrangements are considered when determining the effective cost of share classes for participants. As such, the inclusion of some Investment Alternative Candidate mutual funds may be based on adjusted expense ratios that are lower than those shown in the Investment Alternative Candidates’ prospectuses.

4.5 Turnover control

1. To minimize fluctuations in the Quarterly Tier Rankings, when an Investment Alternative Candidate first becomes a Potential Category Investment it will receive an initial tier classification, based upon the Potential Category Investment's Quarterly Tier Ranking, which will remain constant for at least three additional quarters (the "Initial Tier Classification"). Thereafter, a Potential Category Investment's Initial Tier Classification will remain unless the Potential Category Investment's Quarterly Tier Rankings differ from its Initial Tier Classification for three consecutive quarters. If this occurs, the Potential Category Investment's Initial Tier Classification will be updated and will be determined by the Potential Category Investment's most recent Quarterly Tier Ranking (the "Applicable Tier Rank"). Thereafter, the methodology will begin anew, with the Potential Category Investment's new Applicable Tier Rank status remaining constant for at least four quarters.
2. For each quarterly update, Potential Category Investments whose respective Quarterly Tier Rankings differ from their respective Applicable Tier Rank are flagged along with their most recent Quarterly Tier Ranking, and the number of quarters that the Quarterly Tier Ranking has differed from the Applicable Tier Rank. Potential Category Investments that are on their third consecutive deviation of their Quarterly Tier Ranking from their Applicable Tier Rank are highlighted as having a high potential to switch tiers in the upcoming quarter and are placed on a Watch List.

4.6 Tier Change Watch List

1. The Quantitative Screening Process also produces a list of Investment Alternative Candidates that are likely to become, or cease to be, classified as an Investment Alternative Candidate (the "Watch List"). As noted above, Potential Category Investments with less than three years of Quarterly Tier Rankings are not eligible to be classified as Investment Alternative Candidates, but those that are approaching the three-year mark and exhibit promising metrics based on the Quantitative Screening Process will be highlighted as potential additions to the Investment Alternative Candidates in subsequent quarters.
2. Investment Alternative Candidates that show deterioration in key metrics, such as a sustained increase in the number of Tier 5 performance quarters, will be flagged as candidates for potential removal from the list of Investment Alternative Candidates. Specifically, an Investment Alternative Candidate that drops to a Tier 5 classification will be added to the Watch List, indicating that the Investment Alternative Candidate may be revoked. If, after four quarters on the Watch List, an Investment Alternative Candidate switches back to a classification of Preferred Tier 1 through Approved Tier 4 will be removed from the Watch List; however, if the Investment Alternative Candidate remains in Tier 5, the Investment Alternative Candidate will be flagged for potential removal.
3. Investment Alternative Candidates that have been flagged for removal, which do not show any changes in their respective Quarterly Tier Rankings will be removed after two more consecutive quarters, and Investment Alternative Candidates that do show Quarterly Tier Ranking changes, but remain in Tier 5 after four consecutive quarters will be removed.
4. Once the list of suitable Investment Alternatives Candidates has been identified based on the criteria described in Sections 2 through 4, the Monitoring Process detailed in Section 5 is applied to those funds. The Monitoring Process is a final audit used by the WMIT IC to produce the curated Designated Investment Alternatives list, and is an input to the quarterly review process to help ensure fund options remain appropriate for the PEP.

5

DESIGNATED INVESTMENT ALTERNATIVE MONITORING PROCESS

5.1 Reporting

1. Absent unusual circumstances, the WMIT IC will provide quarterly reviews of the PEP's Designated Investment Alternatives, based upon the Scorecard System Methodology described below, as well as a reviews of each Designated Investment Alternative's respective Quarterly Tier Ranking, any Watch List commentary, additions or removals of Investment Alternative Candidates, and other information that is reasonably requested by AFS or otherwise relevant to the PEP.

5.2 Scorecard System Overview

1. The Scorecard System Methodology incorporates both quantitative and qualitative factors in evaluating Designated Investment Alternatives. The Scorecard System is built around pass/fail criteria, on a scale of 0 to 10 (with 10 being the best) and has the ability to measure active, passive and asset allocation investing strategies. Active and asset allocation strategies are evaluated over a five-year time period, and passive strategies are evaluated over a three-year time period. The Scorecard System establishes the procedural process that WMIT IC will generally follow.

Scorecard Point System		
Acceptable: 7-10 Points	Watchlist ¹ : 5-6 Points	Review ² : 0-4 Points

2. Eighty percent of a Designated Investment Alternative's score is quantitative (consisting of eight unique factors), incorporating modern portfolio theory statistics, quadratic optimization analysis, and peer group rankings (among a few of the quantitative factors). The other 20 percent of the score is qualitative, taking into account manager tenure, the Designated Investment Alternative's expense ratio relative to the average fund expense ratio in that asset class, and the Designated Investment Alternative's strength of statistics (statistical significance).
3. Combined, these factors measure relative performance, characteristics, behavior and overall appropriateness of a Designated Investment Alternative. General guidelines are shown in the "Scorecard Point System" table above. Non-scored funds are evaluated using qualitative criteria, detailed in Section 5.8 below.

¹ Designated Investment Alternatives that receive a watchlist score four consecutive quarters or five of the last eight quarters should be placed under review status.

² Review status necessitates documenting why the Designated Investment Alternative remains appropriate or documenting the course of action for removal as an investment option.

5.3 Scorecard System Methodology – Target Date Fund Strategies

1. Target Date Fund strategies are investment strategies that invest in a broad array of asset classes that may include U.S. equity, international equity, emerging markets, real estate, fixed income, high yield bonds and cash (to name a few asset classes). These strategies are managed to a retirement date or life expectancy date, typically growing more conservative as that date is approached. For this type of investment strategy, the Scorecard System is focused on how well these managers can add value from asset allocation. Asset allocation is measured using our Asset allocation strategies methodology.
2. Risk-based strategies follow the same evaluation criteria and are evaluated on both their asset allocation and security selection.

Weightings Target Date Fund Strategies	Target Date Fund Strategies	Maximum Points
Asset Allocation Score (Average) 50%	<p>The individual funds in this Score average require five years of time history to be included. See Asset Allocation strategies methodology for a detailed breakdown of the Scoring criteria. Funds without the required time history are not included in the Score average.</p> <p>The Funds included in this average are from the Conservative, Moderate Conservative, Moderate, Moderate Aggressive and Aggressive categories, where Funds (also referred to as “vintages”) are individually Scored according to their standard deviation or risk bucket.</p>	5
Selection Score (Average) 50%	<p>Active strategies: The individual active funds in this Score average require five years of time history to be Scored. See Active strategies methodology for a detailed breakdown of the Scoring criteria. Funds without the required time history are not included in the Score average.</p> <p>Passive strategies: The individual passive funds in this Score average require three years of time history to be Scored. See Passive strategies methodology for a detailed breakdown of the Scoring criteria. Funds without the required time history are not included in the Score average.</p>	5
		Total 10

5.4 Scorecard System Methodology – Asset Allocation Strategies

1. Asset allocation strategies are investment strategies that invest in a broad array of asset classes that may include U.S. equity, international equity, emerging markets, real estate, fixed income, high yield bonds and cash (to name a few asset classes). These strategies are typically structured in either a risk-based format (the strategies are managed to a level of risk, e.g., conservative or aggressive) or, in an age-based format (these strategies are managed to a retirement date or life expectancy date, typically growing more conservative as that date is approached). For this type of investment strategy, the Scorecard System is focused on how well these managers can add value, with asset allocation being the primary driver of investment returns and the resulting Score. Multisector Bond (MSB) asset class follows the same evaluation criteria with some slightly different tolerance levels where noted. These managers are also evaluated on both their asset allocation and security selection.

Weightings	Asset Allocation Strategies	Maximum Points
Style Factors 30%	Risk Level: The Designated Investment Alternative's standard deviation is measured against the category it is being analyzed in. The Designated Investment Alternative passes if it falls within the range for that category.	1
	Style Diversity: Designated Investment Alternative passes if it reflects appropriate style diversity (returns-based) among the four major asset classes (Cash, Fixed Income, U.S. & International Equity) for the given category. MSB funds pass if reflect some level of diversity among fixed income asset classes (Cash, U.S. Fixed Income, Non-U.S. Fixed Income and High Yield/Emerging Markets).	1
	R-Squared: Measures the percentage of a Designated Investment Alternative's returns that are explained by the benchmark. Designated Investment Alternative passes with an R-squared greater than 90 percent. This statistic measures whether the benchmark used in the analysis is appropriate.	1
Risk/Return Factors 30%	Risk/Return: Designated Investment Alternative passes if its risk is less than the benchmark or its return is greater than the benchmark. Favorable risk/return characteristics are desired.	1
	Up/Down Capture Analysis: Measures the behavior of a Designated Investment Alternative in up and down markets. Designated Investment Alternative passes with an up capture greater than its down capture. This analysis measures the relative value by the manager in up and down markets.	1
	Information Ratio: Measures a Designated Investment Alternative's relative risk and return. Fund passes if ratio is greater than 0. This statistic measures the value added above the benchmark, adjusted for risk.	1
Peer Group Rankings 20%	Returns Peer Group Ranking: Designated Investment Alternative passes if its median rank is above the 50th percentile.	1
	Sharpe Ratio Peer Group Ranking: Designated Investment Alternative passes if its median rank is above the 50th percentile. This ranking ranks risk-adjusted excess return.	1
Qualitative Factors 20%	Two points may be awarded based on qualitative characteristics of the Designated Investment Alternative. Primary considerations are given to manager tenure, expenses and strength of statistics, however, other significant factors may be considered. It is important to take into account nonquantitative factors, which may impact future performance.	2
		Total 10

5.5 Scorecard System Methodology – Active Strategies

1. Active strategies are investment strategies where the manager of the Designated Investment Alternative is trying to add value and outperform the market averages (for that style of investing). Typically, these investment strategies have higher associated fees due to the active involvement in the portfolio management process by the fund manager(s). For this type of investment strategy, the Scorecard System is trying to identify those managers who can add value on a consistent basis within their own style of investing.

Weightings	Active Strategies	Maximum Points
Style Factors 30%	Style Analysis: Returns-based analysis to determine the style characteristics of a Designated Investment Alternative over a period of time. Designated Investment Alternative passes if it reflects the appropriate style characteristics. Style analysis helps ensure proper diversification in the PEP.	1
	Style Drift: Returns-based analysis to determine the behavior of the Designated Investment Alternative/manager over multiple (rolling) time periods. Designated Investment Alternative passes if the Designated Investment Alternative exhibits a consistent style pattern. Style consistency is desired so that Designated Investment Alternatives can be effectively monitored within their designated asset class.	1
	R-Squared: Measures the percentage of a Designated Investment Alternative's returns that are explained by the benchmark. Designated Investment Alternative passes with an R-squared greater than 80 percent. This statistic measures whether the benchmark used in the analysis is appropriate.	1
Risk/Return Factors 30%	Risk/Return: Designated Investment Alternative passes if its risk is less than the benchmark or its return is greater than the benchmark. Favorable risk/return characteristics are desired.	1
	Up/Down Capture Analysis: Measures the behavior of a Designated Investment Alternative in up and down markets. Designated Investment Alternative passes with an up capture greater than its down capture. This analysis measures the relative value by the manager in up and down markets.	1
	Information Ratio: Measures a Designated Investment Alternative's relative risk and return. Fund passes if ratio is greater than 0. This statistic measures the value added above the benchmark, adjusted for risk.	1

Peer Group Rankings 20%	Returns Peer Group Ranking: Designated Investment Alternative passes if its median rank is above the 50th percentile.	1
	Information Ratio Peer Group Ranking: Designated Investment Alternative passes if its median rank is above the 50th percentile. This ranking ranks risk-adjusted excess return.	1
Qualitative Factors 20%	Two points may be awarded based on qualitative characteristics of the Designated Investment Alternative. Primary considerations are given to manager tenure, expenses and strength of statistics, however, other significant factors may be considered. It is important to take into account nonquantitative factors, which may impact future performance.	2
		Total 10

5.6 Scorecard System Methodology – Passive Strategies

1. Passive strategies are investment strategies where the manager of the Designated Investment Alternative is trying to track or replicate some area of the market. These types of strategies may be broad-based in nature (e.g., the manager is trying to track/replicate the entire U.S. equity market like the S&P 500) or may be more specific to a particular area of the market (e.g., the manager may be trying to track/replicate the technology sector). These investment strategies typically have lower fees than active investment strategies due to their passive nature of investing and are commonly referred to as index funds. For this type of investment strategy, the Scorecard System is focused on how well these managers track and/or replicate a particular area of the market with an emphasis on how they compare against their peers.

Weightings	Passive Strategies	Maximum Points
Style & Tracking Factors 40%	Style Analysis: Returns-based analysis to determine the style characteristics of a Designated Investment Alternative over a period of time. Designated Investment Alternative passes if it reflects the appropriate style characteristics. Style analysis helps ensure proper diversification in the PEP.	1
	Style Drift: Returns-based analysis to determine the behavior of the Designated Investment Alternative/manager over multiple (rolling) time periods. Designated Investment Alternative passes if the Designated Investment Alternative exhibits a consistent style pattern. Style consistency is desired so that Designated Investment Alternatives can be effectively monitored within their designated asset class.	1
	R-Squared: Measures the percentage of a Designated Investment Alternative's returns that are explained by the benchmark. Designated Investment Alternative passes with an R-squared greater than 95 percent. This statistic measures whether the benchmark used in the analysis is appropriate.	1
	Tracking Error: Measures the percentage of a Designated Investment Alternative's excess return volatility relative to the benchmark. Designated Investment Alternative passes with a tracking error less than 4. This statistic measures how well the fund tracks the benchmark.	1
Peer Group Rankings 40%	Tracking Error Peer Group Ranking: Designated Investment Alternative passes if its median rank is above the 75th percentile.	1
	Expense Ratio Peer Group Ranking: Expense Ratio Peer Group Ranking: Designated Investment Alternative passes if its median rank is above the 75th percentile.	1
	Returns Peer Group Ranking: Designated Investment Alternative passes if its median rank is above the 75th percentile.	1
	Sharpe Ratio Peer Group Ranking: Designated Investment Alternative passes if its median rank is above the 75th percentile.	1
Qualitative Factors 20%	Two points may be awarded based on qualitative characteristics of the Designated Investment Alternative. Primary considerations are given to expenses and strength of statistics, however, other significant factors may be considered. It is important to take into account nonquantitative factors, which may impact future performance.	2
		Total 10

5.7 Qualitative Factors

1. The letters T, E, and S in the qualitative section of the Scorecard are indicating why a Dedicated Investment Alternative was docked qualitative points.

- T = manager tenure
- E = expenses
- S = strength of statistics

2. **Active & Allocation Strategies:** All investments start with 2 points, with potential deductions if the following criteria are not met:

- Manager tenure:

Tenure	Years	Deduct
Less than:	1.5	2 points
Less than:	3.5	1 point

- Fund expense: If greater than RPAG Peer Group Average (for that style), deduct 0.5 point.
- Strength of statistics:

Condition	Average Style	R-Squared	Deduct
If:	Fails	<75%	1 point
If:	Fails	<60%	2 points
If:	Passes	<50%	1 point
Condition	IR	Sig. Level	Deduct
If:	Positive	<65%	0.5 point

The total qualitative score is rounded to the nearest whole number. For example, a score of 1.5 will be rounded to 2.

3. **Passive Strategies:** All Dedicated Investment Alternatives start with 2 points, with potential deductions if the following criteria are not met:

- Fund expense: if expenses rank in the 90% or below, 1 point impact.
- Strength of statistics: If the tracking error is greater than 6, 1 point impact. If tracking error is greater than 7, 2-point impact.

Unique events or conditions that warrant modifying this framework to capture the same intent are rare, but are noted when they occur.

5.8 Manager Research Methodology – Qualitative Factors Beyond the Scorecard

1. The Scorecard System establishes a process and methodology that is both comprehensive and independent. It strives to create successful outcomes. It also helps direct the additional qualitative research conducted on managers throughout the year. Going beyond the Scorecard incorporates the following three important categories below.

People	Process	Philosophy
<ul style="list-style-type: none">• Fund manager and team experience	<ul style="list-style-type: none">• Clearly defined	<ul style="list-style-type: none">• Research and ideas must be
<ul style="list-style-type: none">• Deep institutional expertise	<ul style="list-style-type: none">• Consistent application	<ul style="list-style-type: none">• Coherent and persuasive
<ul style="list-style-type: none">• Organizational structure	<ul style="list-style-type: none">• Sound and established	<ul style="list-style-type: none">• Strong rationale
<ul style="list-style-type: none">• Ability to drive the process and performance	<ul style="list-style-type: none">• Clearly communicated	<ul style="list-style-type: none">• Logical and compelling

Exhibit A

Following is a list of the individuals who comprise the WMIT IC:

1. Daken Vanderburg, Chief Investment Officer MassMutual Wealth Management
2. Nick Dowell, MassMutual FSP Portfolio Manager
3. Adam Deady, MassMutual Head of Customized Portfolios
4. Matt Whitbread, Head of MassMutual Trust Investments
5. Randy O'Toole, MassMutual Head of Research and Portfolio Construction
6. Kurt Lippincott, MassMutual Head of Investment Office
7. Chris Duke, MassMutual FSP Portfolio Manager

¹ Morningstar category groups, names, and associated benchmark indices are used for fund and peer group classification.

Advisory and fiduciary services offered by MML Investors Services, LLC. MML Investors Services, LLC, 1295 State Street, Springfield, MA is a registered investment adviser and a MassMutual subsidiary.

Investment advisory services are offered through Investment Adviser Representatives of MML Investors Services. For information about MML Investors Services, contact your Investment Adviser Representative to request Part 2A and 2B of Form ADV.

