



Date: September 15, 2022

To: ACCG Defined Contribution and Deferred Compensation Plans that do NOT offer Tier 3 Funds (Single Asset Class) to their Participants

Re: Amendment to Schedule D-2 of the Administrative Services Agreement – **NEED BY DECEMBER 1, 2022**

We are writing to inform you that your jurisdiction needs to amend Schedule D-2 of the Administrative Services Agreement (“Agreement”) by December 1, 2022. Your jurisdiction has a 3 party Agreement between the Employer (jurisdiction), ACCG and the ACCG Defined Contribution Board of Trustees that outlines the services all three parties will perform as it relates to the 401(a) and/or 457(b) plan.

In the Agreement, the DC Board of Trustees identifies 4 Tiers of investment options that an Employer can select to offer their Participants. The Tiers are (please see page 3 for detailed listing of funds by Tier):

1. Tier 1: Asset Allocation Options (Target Date and Target Risk)
2. Tier 2: Index/Core Options
3. Tier 3: Single Asset Class Options
4. Tier 4: Self-Directed Brokerage Account (only 3 plans have elected this option).

By default, ALL DC plans have Tier 1 and Tier 2. Approximately 45 Plans have Tiers 1, 2 and 3. This leaves 122 plans that do NOT have Tier 3 selected in their portfolio. From an administrative, statement preparation, and education standpoint, ACCG Staff and the ACCG Defined Contribution Board of Trustees believes offering Tiers 1 – 3 to all plans is in the best interest of the Employer and participant. As such, we have started updating Schedule D-2 (see attached) for the 122 plans that have not selected the Single Asset Class option.

There are several positives in adding Tier 3 funds to all plans. Below are some of the advantages:

- 1) Greater consistency - all plans are on the same playing field for offerings.
- 2) Ease of plan-to-plan transfers for participants who change jobs and wish to roll a prior ACCG plan to their new one.

191 Peachtree Street
Suite 700
Atlanta, GA 30303
p 770.952.5225
t 800.736.7166
f 770.563.9356

accgretirement.com

Retirement Services.



- 3) Advantage to employees by offering unique and diverse investment options instead of cookie cutter risk-based portfolios.
- 4) Enhance opportunities for investment diversification and investing in asset classes that may not be available through the non-Single Asset offerings.
- 5) A more sophisticated line up of options.
- 6) Expansion of the fund families.

Below is a more detailed description of the steps you will need to take to complete the Schedule D-2 process:

1. Review the Attached Schedule D-2 Form

A copy of the amended Schedule D-2 form is included with this notice. You will notice that Tiers 1, 2 and 3 are selected as the investment options elections, effective January 1, 2023. Although the Agreement is a 3-party agreement, neither ACCG nor the ACCG Defined Contribution Board of Trustees need to countersign Schedule D-2 to make the amendment effective. Please review the new Schedule D-2 carefully to make sure that the Tier 1, Tier 2 and Tier 3 boxes are checked.

2. Execute the Amended Schedule D-2

When you have reviewed the new Schedule D-2 and are satisfied that it has been properly completed, please have your jurisdiction's governing authority execute new Schedule D-2.

Please have an authorized individual, i.e., the individual authorized by the jurisdiction to sign the document, sign and date Schedule D-2 on behalf of the jurisdiction in the signature block at the bottom of the page.

3. Return Copy of Executed Schedule D-2 to ACCG

After Schedule D-2 has been executed on behalf of the jurisdiction, please scan and return a copy of the executed document to your ACCG Regional Client Manager via email.

Thank you for your attention to the above. Please contact your regional client manager directly, or me at 404.401.0692 or via email at khodges@accg.org if you have any questions or need further information on Schedule D-2.

Sincerely,

A handwritten signature in blue ink that reads "R. Kale Hodges".

R. Kale Hodges
Retirement Services Director
ACCG Retirement Services

American Funds Target Date Funds:

American Funds 2010 Target Date Ret Fund
American Funds 2015 Target Date Ret Fund
American Funds 2020 Target Date Ret Fund
American Funds 2025 Target Date Ret Fund
American Funds 2030 Target Date Ret Fund
American Funds 2035 Target Date Ret Fund

BlackRock Target Risk Retirement Series:

BlackRock 20/80 Target Allocation Fund
BlackRock 60/40 Target Allocation Fund

Index/Core Funds:

Columbia Small Cap Index (A)
Federated Mid Cap Index
Metlife Stable Value CIT

Single Asset Class Funds:

American Beacon Large Cap Value (Inv)
American Funds EuroPacific Growth (R3)
American Funds New World (R3)
BlackRock High Yield Bond (S)
Cohen & Steers Real Estate Securities

Tier 1

American Funds 2040 Target Date Ret Fund
American Funds 2045 Target Date Ret Fund
American Funds 2050 Target Date Ret Fund
American Funds 2055 Target Date Ret Fund
American Funds 2060 Target Date Ret Fund

BlackRock 40/60 Target Allocation Fund
BlackRock 80/20 Target Allocation Fund

Tier 2

Schwab International Index (Sel)
Schwab S&P 500 Index (Sel)
Vanguard Total Bond Market Index

Tier 3

MainStay Large Cap Growth (R2)
Metropolitan West Total Return Bond
Schwab International Opportunites Fund
VOYA GNMA Income Fund (A)