The Association *for* Biblical Higher Education
ABHE

Defined Contribution Investment Consulting Services

A Retirement & Benefit Plan Services presentation for The Association for Biblical Higher Education

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As a Wealth Management Advisor, Robert focuses on wealth enhancement, asset preservation, effective charitable giving, and wealth transfer using tax mitigation strategies. He applies his extensive knowledge of asset management to helping preserve the value of his clients' assets and generate reasonable growth over time. In addition, he uses portfolio construction techniques designed to lessen the effects of market volatility. Robert has a particular aptitude for working with corporate executives, professionals, and private business owners, having developed various strategies for ultra-high-net-worth clients to pursue their financial goals. He is committed to providing the highest level of personal service and attention to detail in order to deliver a distinctive advisory experience for his clients. Robert has been in the wealth management industry since 1988, beginning in Washington, D.C., and moving to North Palm Beach, Florida, in 1998. From 1979 to 1992, he was an attorney in Washington, D.C., with Bierbower and Rockefeller.

In addition to earning a B.S. in economics from Southern Methodist University and a J.D. from Georgetown Law Center, Robert holds the Certified Investment Management Analyst® (CIMA®) certification. The CIMA® designation is awarded by the Investments & Wealth Institute, in conjunction with the Wharton School of Business at the University of Pennsylvania, and it has enhanced Robert's portfolio management process and offerings.

Active in many organizations, Robert is a member of the Florida Chamber of Commerce Board of Directors. He has also served on the George W. Bush Presidential Center National Finance Committee and was the State Co-Chair of Florida for the Bush Presidential Center. He currently serves on the Planned Giving Council for Place of Hope, which offers Christian foster-care services.

Robert is married with five children. He enjoys competitive golf and is a member of the Winged Foot Golf Club in New York, the Congressional Country Club in Washington, D.C., and the Medalist Golf Club in Hobe Sound, Florida. He also enjoys pursuing his personal and professional growth journey.

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Dominic joined Merrill Lynch in 2007. He focuses on retirement strategies for businesses and individuals, including advising corporations on their retirement programs. Dominic is a Retirement Benefits Consultant for Merrill Lynch. This designation is only awarded to 1.6% of firm-wide Advisors who have completed a rigorous assessment process and training program.

Dominic also has his Chartered Financial Analyst® (CFA®), Chartered Retirement Plans Specialist (CRPS®) , and Certified 401(k) Professional (C(k)P®) designations. He earned his Bachelor's degrees in Finance and Political Science and Master's degree in Finance from the University of Florida.

Today's discussion goals

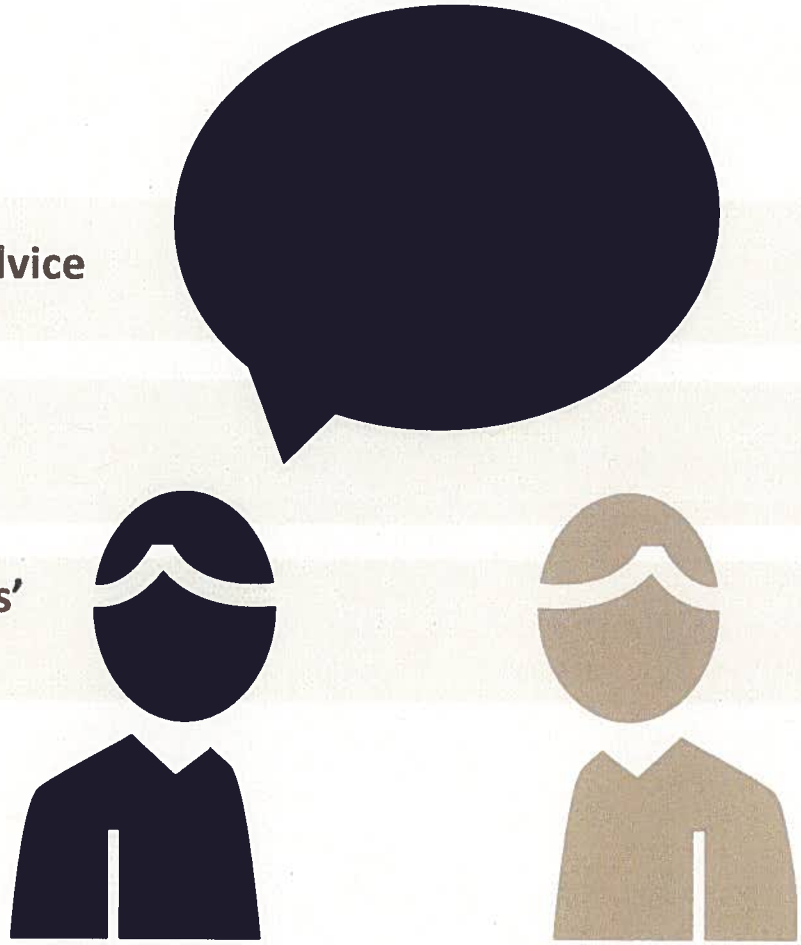
- Discuss your plan's investment menu
- Discuss how we can help you try to achieve your plan goals
- Address your questions
- Agree to next steps

Understanding the concerns of a plan fiduciary

Need for third-party advice

Investment options

Supporting participants' goals



Regulatory changes

A resource to help mitigate fiduciary risk

Automatic enrollment

Helping you fulfill your fiduciary responsibility

Through the Merrill Lynch Defined Contribution Investment Consulting (DCIC) program,[1] we can help you construct and maintain an appropriate investment menu, serving as an ERISA 3(21) fiduciary[2] for the investment advice we provide to you

Merrill Lynch DCIC Program[3]		
Investment Policy Statement and Menu Design	**Investment Due Diligence**	**Investment Performance Reporting**
• Dialogue with your advisor to explore plan objectives and investment options • Help you develop your plan's Investment Policy Statement (IPS)* and investment menu design based on your plan goals, and participant needs • Merrill Lynch accepts ERISA 3(21) fiduciary responsibility[2] for investment advice and recommendations	• Comprehensive due diligence processes to identify appropriate investment opportunities • Confidence knowing that due diligence is conducted by the Chief Investment Office (CIO) or other strategic partners	• Reporting to assist you in documenting a fiduciary process • Provides market trends, fund analysis and outcomes of due diligence in an easy-to-understand format • Recommended replacement options for investments not meeting due diligence standards

* The plan sponsor is responsible for the approval and final adoption of the IPS.

[1] DCIC will be offered to defined contribution plans typically with $10M or more in plan assets for which an external provider serves as recordkeeper (plans with recordkeeping services provided by Merrill Lynch or our Advisor Alliance providers are not eligible). For more information on plan eligibility, speak to your Merrill Lynch Designated Advisor.

[2] The DCIC agreement and disclosure documents include detailed information about Merrill Lynch's fiduciary responsibility pursuant to ERISA 3(21). Final selection of all investments to be included in the defined contribution plan menu offering will ultimately be that of the client. Bank of America Merrill Lynch will not advise upon any employer securities, including any employer stock fund, or with respect to any self-direct brokerage option, participant loan balances, in-plan retirement income options, custom funds or Bank of America or Merrill Lynch affiliated mutual funds or other affiliated products (including, without limitation, deposit products including Retirement Bank Account).

[3] Bank of America Merrill Lynch and its advisors will provide investment advice or recommendations solely on a nondiscretionary basis with regard to qualified retirement plans. All discretionary investment decisions concerning qualified plans, including which investments to offer under a qualified plan and approval of the IPS, are to be made solely by the plan sponsor. Please see the DCIC program Brochure for additional information.

Designing your investment menu

Our experienced and knowledgeable Designated Advisors will help you create an investment menu aligned with your plan needs

Base Menu

We recommend plan sponsors choose one asset class from each of the following 5 categories to help compliance with 404(c)

Large Value & Growth	or	Large Blend / Index
Small Value & Growth	or	Small Blend / Index
Foreign Large Value & Growth	or	Foreign Large Blend / Index
Money Market	or	Stable Value[1]
Intermediate Term Bond		

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Expanded Options

Additionally, plan sponsors can fill out their menu with any of the following asset classes

Allocation—15% to 30% Equity	High Yield Bond
Allocation—30% to 50% Equity	Inflation Protected Bond
Allocation—50% to 70% Equity	Intermediate Government
Allocation—70% to 85% Equity	Mid-Cap Blend
Allocation—85%+ Equity	Mid-Cap Growth
Commodities Broad Basket[2]	Mid-Cap Value
Corporate Bond	Multisector Bond
Diversified Emerging Markets	Real Estate
Emerging Markets Bond	Short-term Bond
Foreign Small/Mid Blend	World Allocation
Foreign Small/Mid Growth	World Bond
Foreign Small/Mid Value	World Large Stock
Global Real Estate	

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QDIA Options

Plan sponsors can also select from the following for their QDIA option

- Pre-Set Allocation Models
- Target Date Series
- Managed Account Solution
- Balanced Fund

[1] Stable value includes Guaranteed Interest/Fixed Income.

[2] Investing in commodities or the securities of companies operating in the commodities market involves a high degree of risk, including leveraging strategies and other speculative investment practices that may increase the risk of investment loss, including the principal value invested. Investments may be highly illiquid and subject to high fees and expenses.

Please see Important Risk Disclosures on the next slide.

Important risk disclosures

Investing involves risk, including possible loss of the principal value invested. There are ongoing fees and expenses associated with investing. Bear in mind that higher return potential is accompanied by higher risk.

Equity

Investments in sector funds, including technology or real estate stocks, are subject to adverse political, economic or other developments and may carry additional risk resulting from lack of industry diversification. Funds that invest in small or mid-capitalization companies experience a greater degree of market volatility than those of large-capitalization stocks and are riskier investments. Investments in foreign securities involve special risks including foreign currency and the possibility of substantial volatility due to adverse political economic or other developments which are magnified in emerging markets. Growth funds primarily seek capital appreciation but usually at above-average risk while value funds primarily hold stocks they deem to be undervalued in price and that are likely to pay dividends. Investing in commodities or the securities of companies operating in the commodities market involves a high degree of risk, including leveraging strategies and other speculative investment practices that may increase the risk of investment loss, including the principal value invested. Investments may be highly illiquid and subject to high fees and expenses.

Fixed Income

Bond funds have the same interest rate, inflation, and credit risks associated with the underlying bonds owned by the fund. Generally, the value of bond funds rises when prevailing interest rates fall and falls when interest rates rise. Investing in lower-grade debt securities ("junk" bonds) may be subject to greater market fluctuations and risk of loss of income and principal than securities in higher rated categories. Any guarantee by the U.S. government, its agencies or instrumentalities applies only to the payment of principal and interest on the guaranteed security and does not guarantee the yield or value of that security.

Target Date

The target date [or retirement date, as applicable] for these funds is the approximate date when an investor plans to start withdrawing the assets from their retirement account. The principal value of these funds is not guaranteed at any time, including at the target date. These funds are designed to become more conservative over time as the target date approaches.

Index

It is not possible to invest directly in an index.

Stable value

Although stable value funds seek to maintain a stable value, achievement of this objective is not guaranteed. The objective of most stable value funds is to provide safety of principal and an investment return that is generally higher than a money market return, while providing participants the ability to withdraw their assets for ordinary transactions at book rather than market value. You should understand, however, that the ability to withdraw stable value assets at book value has limitations based on the insurance contracts that wrap the underlying assets. In addition, most stable value funds require a hold period before assets can be withdrawn from the fund by the plan sponsor at book value and may refuse to honor book value withdrawals after communications from a plan sponsor or plan fiduciaries that it determines caused participants' withdrawals. Additionally, the plan is often restricted from offering investment alternatives or funds that are viewed as competitive with the stable value offering. Finally, you should understand that stable value funds are subject to counterparty risk of the insurers that provide the fund's book value liquidity.

Creating an Investment Policy Statement[1]

Our Designated Advisors will assist you in creating a written investment policy statement (IPS)[1] establishing a process for structuring of the investment menu

The IPS serves as a roadmap for the plan detailing:

1) The purpose and objectives of the plan
2) Roles and responsibilities of fiduciaries of the plan
3) Appropriate asset classes for the investment menu
4) The criteria for selecting, monitoring and terminating investment options
5) Defines stewardship for meeting fiduciary responsibilities

An IPS can serve as a critical tool in helping plan sponsors follow a consistent, prudent process in their investment decisions, and if properly adhered to, may protect plan sponsors from certain types of potential fiduciary liability

[1] The plan sponsor is responsible for the approval and final implementation of the IPS.

Investment due diligence and selection

Our comprehensive due diligence process narrows the universe of investments to a recommended list

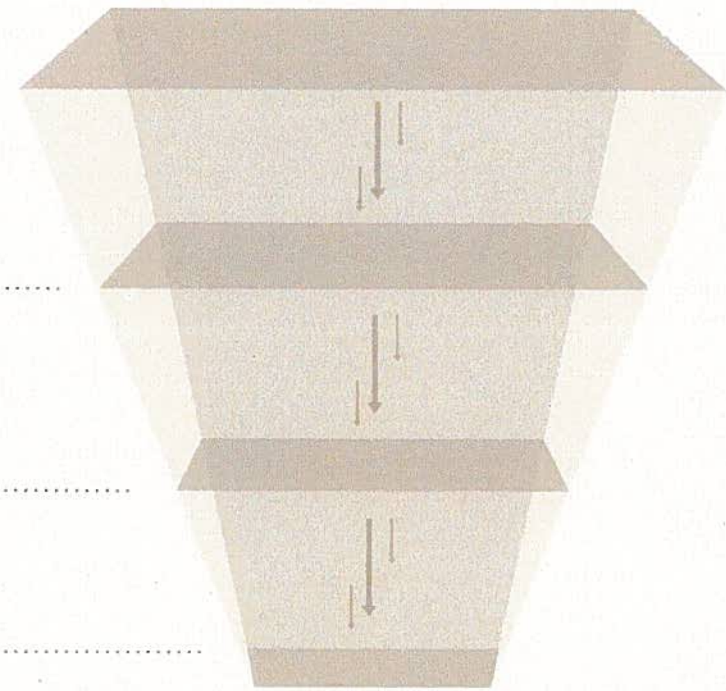
Broad range of investments

Universe screening
Initial quantitative screen

Quantitative and qualitative evaluation

Investment governance

Ongoing monitoring



DCIC Eligible Investments

The result is a regularly updated list of investments to be considered for a plan's menu.

Investment performance reporting

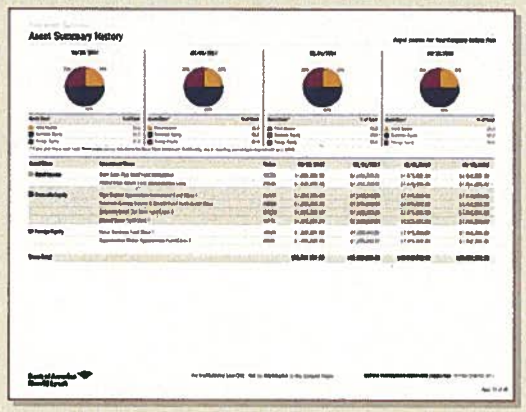
Your Designated Advisor remains actively involved with your plan with investment performance reports and recommendations as needed to help you manage the investment menu over time

Defined Contribution Investment Report

Market Commentary

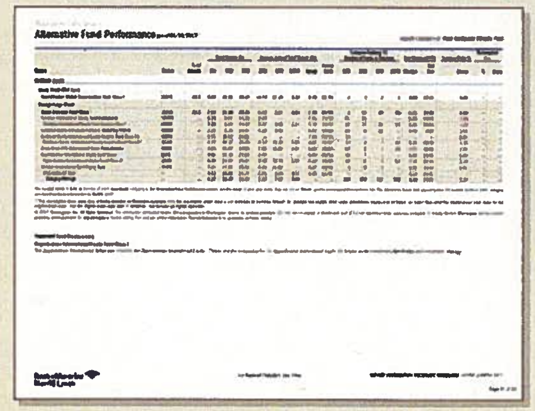
- Market update and trends

Asset Summary, Plan Performance & Investment Details



- Summary of plan menu investment and assets
- Fund performance and investment details

Recommended Replacements



- Ineligible investments
- Recommended replacements

For illustrative purposes only.

What sets our fiduciary services apart

Delivered by a Merrill Lynch Designated Advisor required to meet stringent requirements and demonstrate deep knowledge of defined contribution plans to deliver the DCIC service.

Investment menu design based on your plan goals and participant needs.

Investment performance reporting to assist you in documenting processes that may help in meeting certain types of fiduciary obligations.

ERISA 3(21) fiduciary services — which means you get the benefit of objective advice and some shared fiduciary responsibility, but you retain full discretion and make the final decisions on behalf of your plan regarding investments.

Ability to leverage the experience and expertise of the Chief Investment Office.

You benefit from our size and experience

- **34,005** retirement and benefit plans (as of 9/30/2017)
- 5.9 million participants representing **$379.3 billion** in client balances*
- 401(k) provider to one of the **nation's largest 401(k) plans** (ranked by number of plan participants, BenefitsPro, Feb 2015)
- **83.45 million** participant interactions (Online and Retirement & Benefits Contact Center, 1/1/2017 – 9/30/2017)
- **337,269** employees started or increased 401(k) contributions (YTD 9/30/2017)
- **$15.4 billion** in total assets in Advice Access service (as of 9/30/2017)
- Separately Managed Accounts and outside trust solutions for **$63.2 billion** in assets (as of 9/30/2017)
- **122 Fortune 500 companies** are clients with approximately 36 in the Fortune 125 (Includes DC, DB, NQDC, Equity Awards & reporting, ESPP, health savings and 10b5-1 clients as of 6/30/2016 Source: Fortune.com, 2017)

* Source: Bank of America. Bank of America Merrill Lynch's Retirement Services is part of Global Wealth and Investment Management (GWIM), the wealth and investment management division of Bank of America Corporation. As of September 30 , 2017, Retirement Services had client balances of $379.3 billion. Client Balances consists of assets under management, client brokerage assets and deposits of GWIM retirement plan participants held at Bank of America, N.A. and affiliated banks.

Thank you!

Merrill Lynch's Defined Contribution Investment Consulting (DCIC) is an investment advisory program sponsored by Merrill Lynch. Merrill Lynch offers a broad range of brokerage, investment advisory and other services. There are important differences between brokerage and investment advisory services, including the type of advice and assistance provided, the fees charged, and the rights and obligations of the parties. It is important to understand the differences, particularly when determining which service or services to select. All recommendations must be based on the suitability requirements of the client. Please refer to the Merrill Lynch DCIC Brochure for information on the program including a description of the services and related fees.

Bank of America Merrill Lynch is a marketing name for the Retirement Services business of Bank of America Corporation ("BofA Corp."). Banking activities may be performed by wholly owned banking affiliates of BofA Corp., including Bank of America, N.A., member FDIC. Brokerage activities may be performed by wholly owned brokerage affiliates of BofA Corp., including Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"), a registered broker-dealer and member SIPC.

Investment products:

Are Not FDIC Insured	Are Not Bank Guaranteed	May Lose Value

Certain associates are registered representatives with MLPF&S and may assist you with investment products and services. Unless otherwise noted, all trademarks and registered trademarks are the property of Bank of America Corporation.

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