

Quarter End 09/30/2018

Quarterly Plan Review

Board	Mtg Date	Item #
DC	11.15.18	15F2

Table of Contents

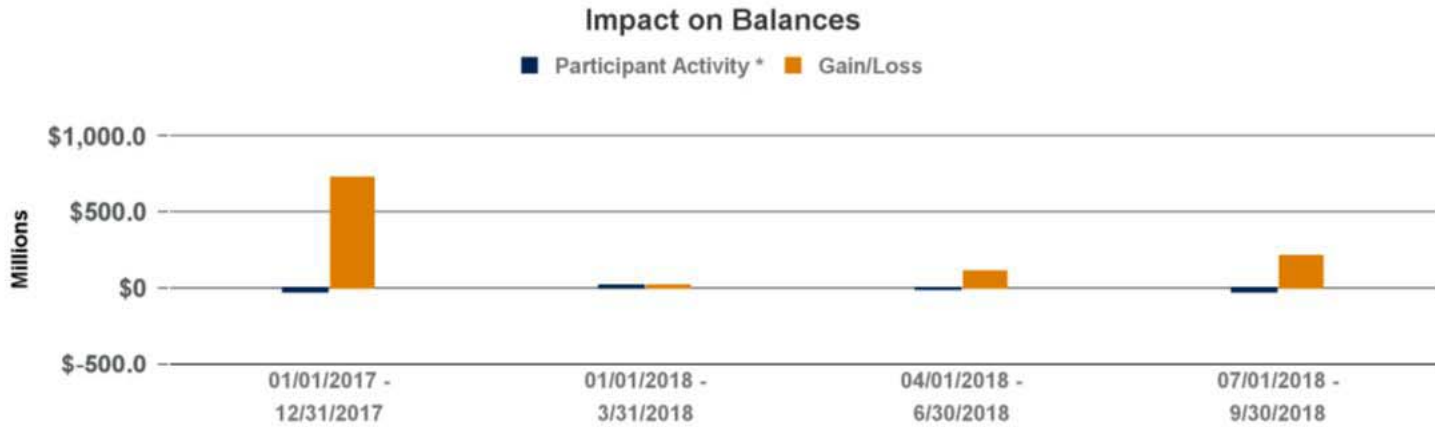


- Plan Analytics
- Legislative and Regulatory updates

Plan Analytics

Cash Flow

As of 09/30/2018



	01/01/2017 - 12/31/2017	01/01/2018 - 03/31/2018	04/01/2018 - 06/30/2018	07/01/2018 - 09/30/2018
Beginning Balance	\$4,298,833,843.78	\$4,986,864,008.59	\$5,018,199,737.76	\$5,114,147,623.30
Contribution	\$192,020,968.29	\$87,032,060.67	\$51,401,070.42	\$45,819,841.08
Total Disbursements	-\$220,054,583.23	-\$72,695,053.36	-\$60,841,613.60	-\$71,298,620.71
Participant Fees **	-\$2,966,200.30	-\$812,609.25	-\$815,134.51	-\$1,001,390.72
Other ***	\$0.00	\$0.00	\$0.00	\$0.00
Gain/Loss	\$719,029,980.05	\$17,811,331.11	\$106,203,563.23	\$207,549,420.65
Balance / - 2014	\$4,986,864,008.59	\$5,018,199,737.76	\$5,114,147,623.30	\$5,295,216,873.60

* Participant Activity includes the sum of Contributions and Total Disbursements.

** Fees may include but are not limited to: transactional and plan administrative fees.

*** Other includes 'Transfer In', 'Transfer Out', 'Adjustments', 'Loan Issue' and 'Loan Payment'.

Net Interfund Transfer Activity

Rolling 12 Months as of 09/30/2018

! "# \$	Transfer In	Participant Transfer In Counts	Transfer Out	Participant Transfer Out Count	Net Transfers	Assets	Net Transfer as a % of Fund's Assets
American Beacon Bridgwy Lg Cp Val I CIT	\$22,464,198.18	12,019	-\$4,324,217.45	6,319	\$18,139,980.73	\$18,992,447.29	95.51%
American Funds EuroPacific Gr R6	\$39,431,600.00	13,233	-\$37,364,737.51	13,496	\$2,066,862.49	\$179,961,637.94	1.15%
BlackRock EAFE Equity Index Coll T	\$43,629,087.47	13,586	-\$35,969,100.83	11,821	\$7,659,986.64	\$160,355,296.10	4.78%
BlackRock Mid Cap Equity Index - Coll F	\$27,058,236.32	11,291	-\$40,554,776.85	13,194	-\$13,496,540.53	\$219,082,057.27	-6.16%
BlackRock Russell 2000 Index Coll T	\$14,658,307.00	7,694	-\$18,584,048.79	11,323	-\$3,925,741.79	\$87,957,283.58	-4.46%
BlackRock US Debt Index Fund Coll W	\$47,789,545.26	13,612	-\$17,052,135.74	8,887	\$30,737,409.52	\$177,141,750.87	17.35%
Calvert Equity I	\$5,650,245.65	352	-\$64,901,237.31	3,215	-\$59,250,991.66		
Calvert US Large Cap Core Resp Index R6	\$59,643,108.41	3,051	-\$1,038,692.60	74	\$58,604,415.81	\$59,892,762.64	97.85%
DFA US Micro Cap I	\$15,001,460.14	3,514	-\$29,566,182.70	1,740	-\$14,564,722.56	\$265,815,176.97	-5.48%
FDIC Bank Option	\$31,634,041.95	8,561	-\$21,336,479.61	7,189	\$10,297,562.34	\$118,979,740.49	8.65%
Federated US Government Securities 2-5yr	\$3,353,824.23	355	-\$3,900,902.99	877	-\$547,078.76	\$31,013,724.05	-1.76%
Fidelity Contrafund	\$33,077,813.85	1,395	-\$805,309,481.33	19,972	-\$772,231,667.48	\$0.18	<-500.00%
Fidelity Contrafund Commingled Pool CI 2	\$755,774,588.28	25,074	-\$6,969,982.86	413	\$748,804,605.42	\$773,565,985.68	96.80%
Schwab SDB Securities	\$0.00	0	\$0.00	0	\$0.00	\$60,016,527.81	0.00%
Schwab SDB Securities Roth	\$0.00	0	\$0.00	0	\$0.00	\$1,490,361.99	0.00%
Schwab SDB Sweep Program	\$3,354,139.17	83	-\$6,155,740.50	108	-\$2,801,601.33	\$5,633,405.74	-49.73%
Schwab SDB Sweep Program Roth	\$41,507.71	11	-\$31,843.52	9	\$9,664.19	\$297,135.97	3.25%
Stable Value Fund	\$100,015,860.97	13,307	-\$69,151,203.23	7,057	\$30,864,657.74	\$663,908,512.80	4.65%
T. Rowe Price Instl Mid-Cap Equity Gr	\$32,817,158.08	12,746	-\$60,817,387.82	14,222	-\$28,000,229.74	\$556,410,092.37	-5.03%
Vanguard Institutional 500 Index Trust	\$547,432,118.53	26,747	-\$6,152,283.07	2,635	\$541,279,835.46	\$554,115,921.31	97.68%
Vanguard Institutional Index Instl PI	\$31,577,100.04	9,463	-\$607,298,134.90	27,369	-\$575,721,034.86	\$0.21	<-500.00%
Vanguard Instl Trgt Retire 2015 Instl	\$12,770,160.03	208	-\$126,613,222.08	3,230	-\$113,843,062.05		
Vanguard Instl Trgt Retire 2025 Instl	\$20,367,105.24	429	-\$260,433,591.36	6,907	-\$240,066,486.12		
Vanguard Instl Trgt Retire 2035 Instl	\$7,535,741.66	282	-\$175,024,632.47	6,995	-\$167,488,890.81	\$80,965.07	<-500.00%
Vanguard Instl Trgt Retire 2045 Instl	\$4,588,227.13	196	-\$99,541,323.69	6,366	-\$94,953,096.56		
Vanguard Instl Trgt Retire 2055 Instl	\$2,436,594.26	123	-\$27,954,089.01	3,598	-\$25,517,494.75		

Wisconsin Deferred Compensation Program | 98971-01

PT# 267822 (5/16)

For Plan Sponsor use only. Not for use with Participants.



Net Interfund Transfer Activity

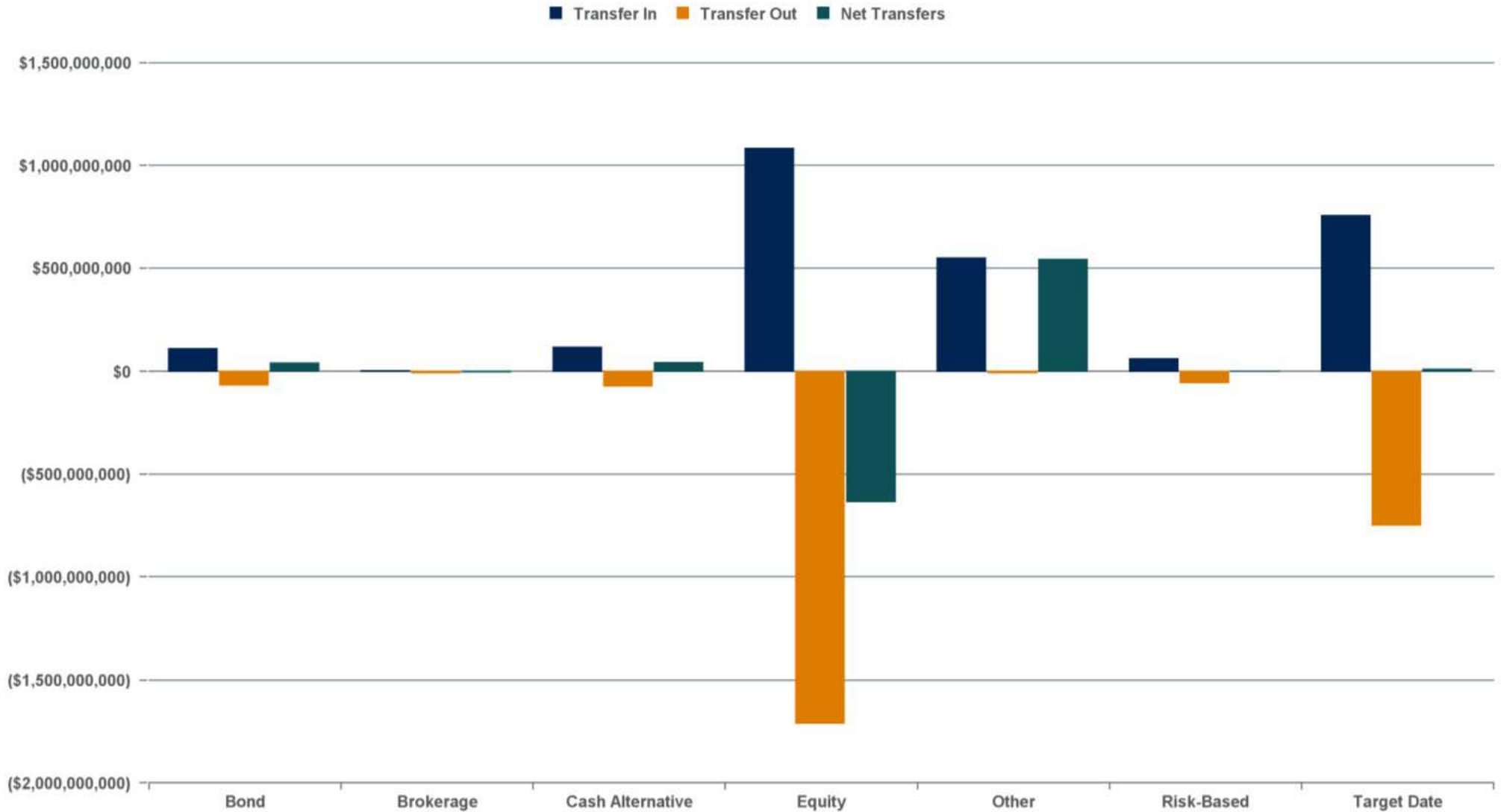
Rolling 12 Months as of 09/30/2018

Fund	Transfer In	Participant Transfer In Counts	Transfer Out	Participant Transfer Out Count	Net Transfers	Assets	Net Transfer as a % of Fund's Assets
Vanguard Long-Term Investment Grade Adm	\$26,688,015.01	8,601	-\$27,027,046.92	8,565	-\$339,031.91	\$131,691,688.86	-0.26%
Vanguard Target Retirement 2015 Trust I	\$118,030,289.62	3,078	-\$1,186,472.94	27	\$116,843,816.68	\$117,015,119.00	99.85%
Vanguard Target Retirement 2025 Trust I	\$244,930,242.70	6,634	-\$1,631,200.95	51	\$243,299,041.75	\$246,580,862.23	98.67%
Vanguard Target Retirement 2035 Trust I	\$165,119,163.62	6,765	-\$1,483,588.32	58	\$163,635,575.30	\$167,412,290.94	97.74%
Vanguard Target Retirement 2045 Trust I	\$95,928,899.29	6,181	-\$373,733.89	39	\$95,555,165.40	\$98,791,062.27	96.72%
Vanguard Target Retirement 2055 Trust I	\$25,681,930.68	3,460	-\$339,618.44	26	\$25,342,312.24	\$26,427,739.29	95.89%
Vanguard Target Retirement Inc Instl	\$8,955,607.56	209	-\$52,272,629.74	1,983	-\$43,317,022.18		
Vanguard Target Retirement Inc Trust I	\$49,566,013.58	1,886	-\$320,411.15	22	\$49,245,602.43	\$49,227,624.51	100.04%
Vanguard Treasury Money Market Inv	\$16,652,146.13	221	-\$4,424,176.77	292	\$12,227,969.36	\$33,101,281.07	36.94%
Vanguard Wellington Adm	\$59,893,934.21	12,495	-\$58,443,704.62	11,749	\$1,450,229.59	\$490,258,419.10	0.30%
Total	\$2,673,548,011.96		-\$2,673,548,011.96		\$0.00	\$5,295,216,873.60	

Net Transfer Activity by Asset Class

Rolling 12 Months as of 09/30/2018

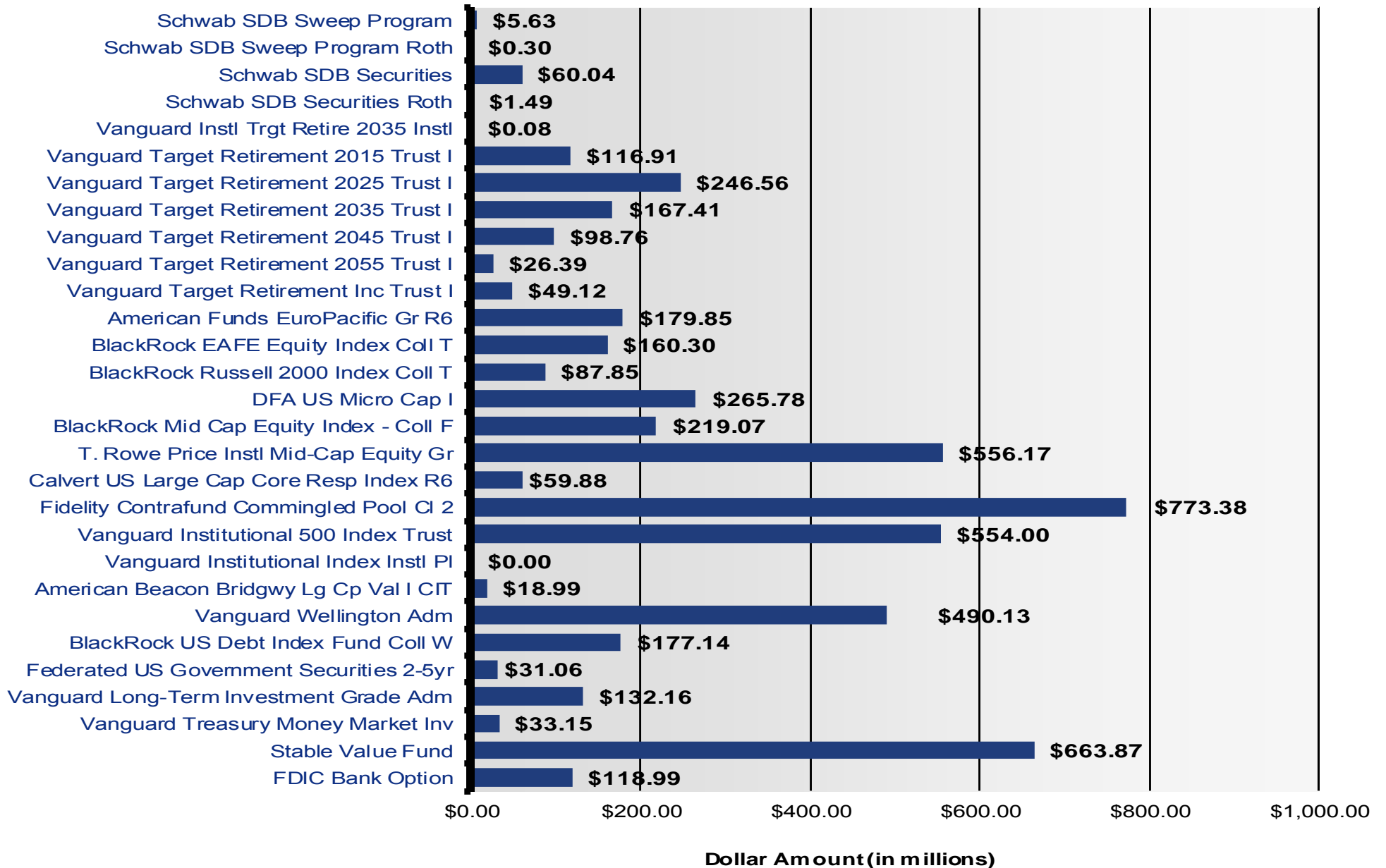
Dollars



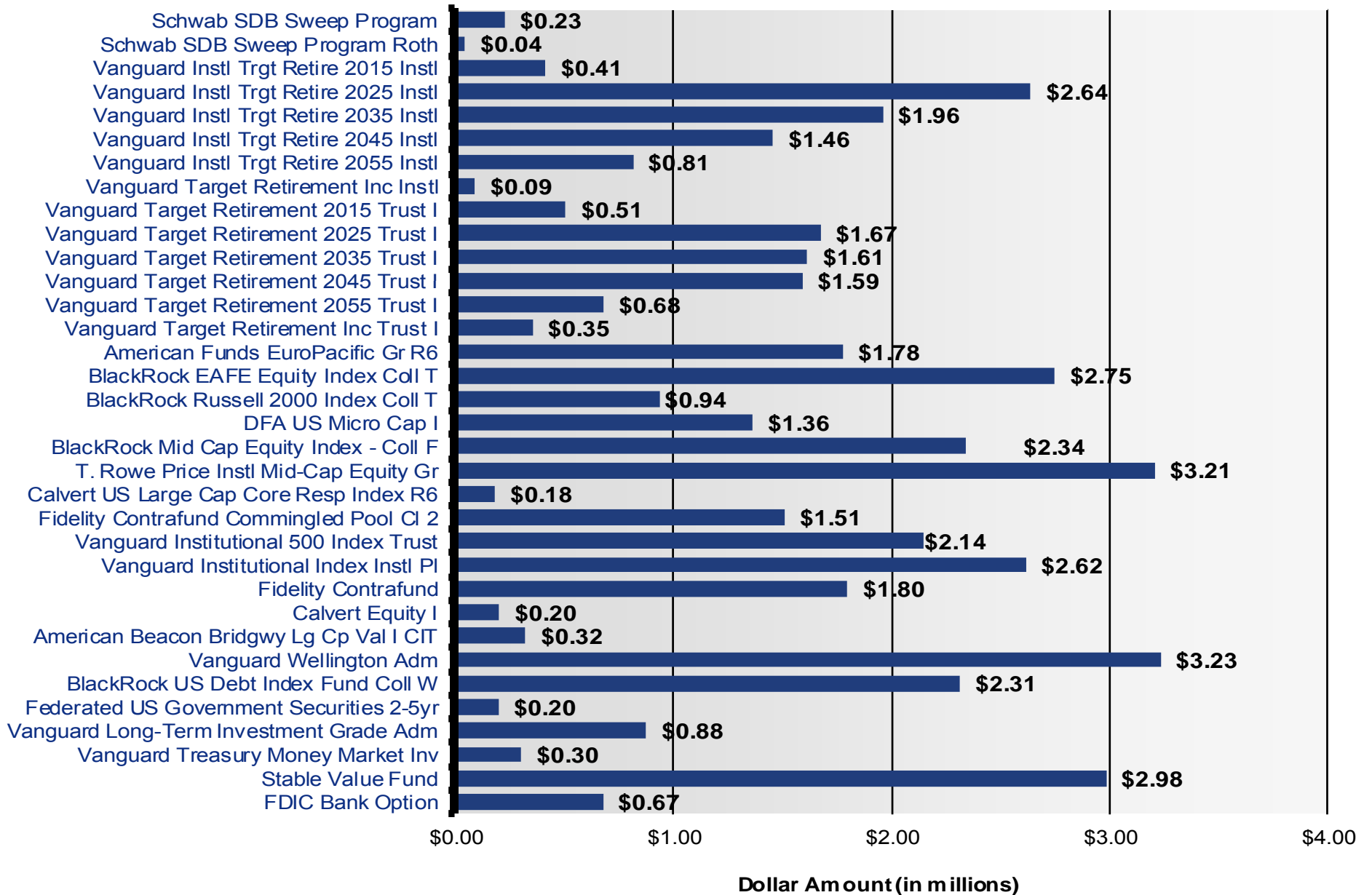
WDC Assets – All Participants

Asset Class/Fund Name	9/30/2018		
	Amount	Pct	Accts
Self-Directed			
Schw ab SDB Sw eep Program	5,626,961	0.1%	549
Schw ab SDB Sw eep Program Roth	299,907	0.0%	47
Schw ab SDB Securities	60,043,963	1.1%	567
Schw ab SDB Securities Roth	1,489,729	0.0%	46
	67,460,560	1.3%	
Fund of Funds			
Vanguard Instl Trgt Retire 2035 Instl	80,965	0.0%	1
Vanguard Target Retirement 2015 Trust I	116,912,684	2.2%	3,043
Vanguard Target Retirement 2025 Trust I	246,564,401	4.7%	6,591
Vanguard Target Retirement 2035 Trust I	167,411,133	3.2%	6,748
Vanguard Target Retirement 2045 Trust I	98,759,203	1.9%	6,192
Vanguard Target Retirement 2055 Trust I	26,392,567	0.5%	3,488
Vanguard Target Retirement Inc Trust I	49,120,491	0.9%	1,816
	705,241,444	13.3%	
International			
American Funds EuroPacific Gr R6	179,846,690	3.4%	19,901
BlackRock EAFE Equity Index Coll T	160,300,982	3.0%	18,789
	340,147,672	6.4%	
Small-Cap			
BlackRock Russell 2000 Index Coll T	87,851,128	1.7%	13,562
DFA US Micro Cap I	265,776,556	5.0%	14,988
	353,627,684	6.7%	
Mid-Cap			
BlackRock Mid Cap Equity Index - Coll F	219,072,191	4.1%	20,625
T. Row e Price Instl Mid-Cap Equity Gr	556,166,496	10.5%	29,869
	775,238,687	14.6%	
Large-Cap			
Calvert US Large Cap Core Resp Index R6	59,882,236	1.1%	3,029
Fidelity Contrafund Commingled Pool Cl 2	773,381,481	14.6%	25,089
Vanguard Institutional 500 Index Trust	553,996,466	10.5%	26,746
Vanguard Institutional Index Instl Pl	0	0.0%	2
American Beacon Bridgwy Lg Cp Val I CIT	18,989,921	0.4%	12,245
Vanguard Wellington Adm	490,128,929	9.3%	24,386
	1,896,379,034	35.8%	
Bond			
BlackRock US Debt Index Fund Coll W	177,138,139	3.3%	16,805
Federated US Government Securities 2-5yr	31,063,208	0.6%	5,962
Vanguard Long-Term Investment Grade Adm	132,159,963	2.5%	16,533
	340,361,311	6.4%	
Money Market			
Vanguard Treasury Money Market Inv	33,151,974	0.6%	6,547
	33,151,974	0.6%	
Fixed			
Stable Value Fund	663,871,012	12.5%	24,606
FDIC Bank Option	118,992,233	2.2%	9,503
	782,863,245	14.8%	
	5,294,471,611	100.0%	

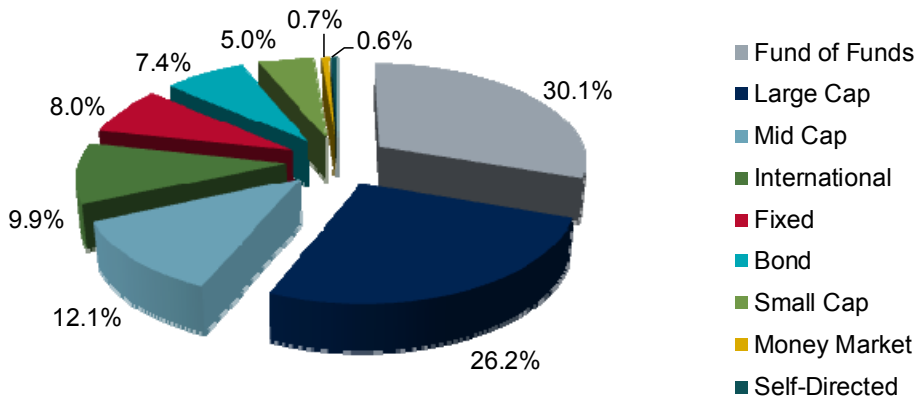
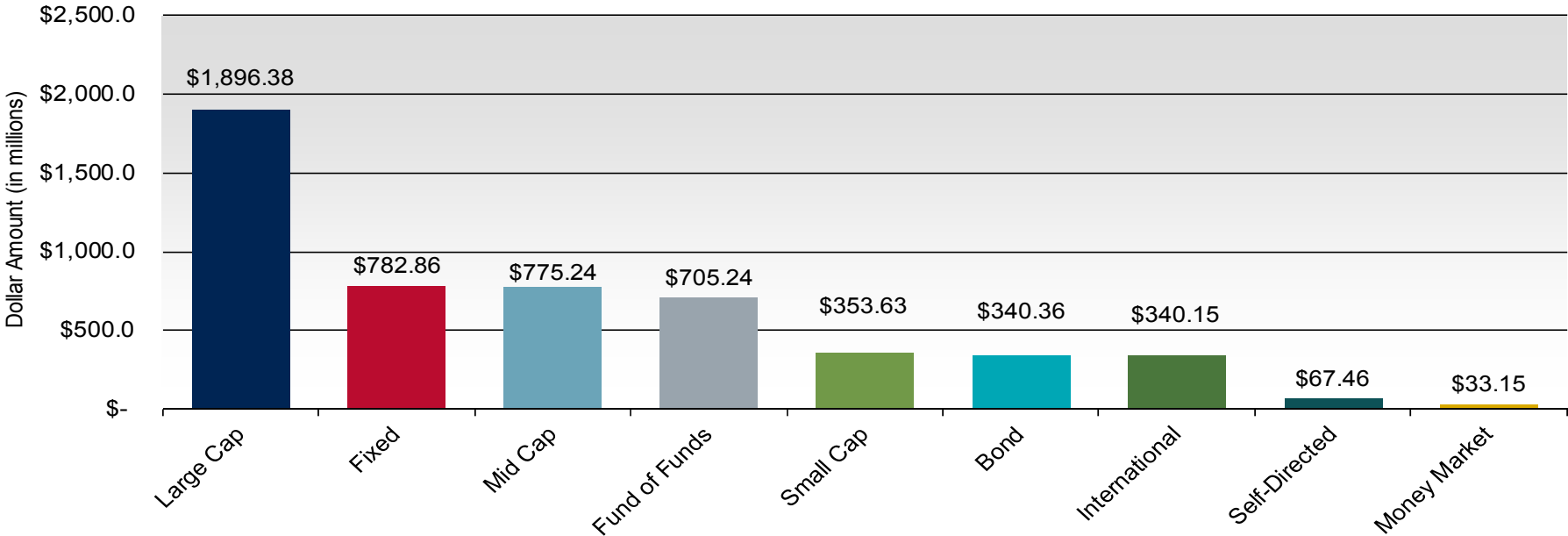
WDC Assets – All Participants



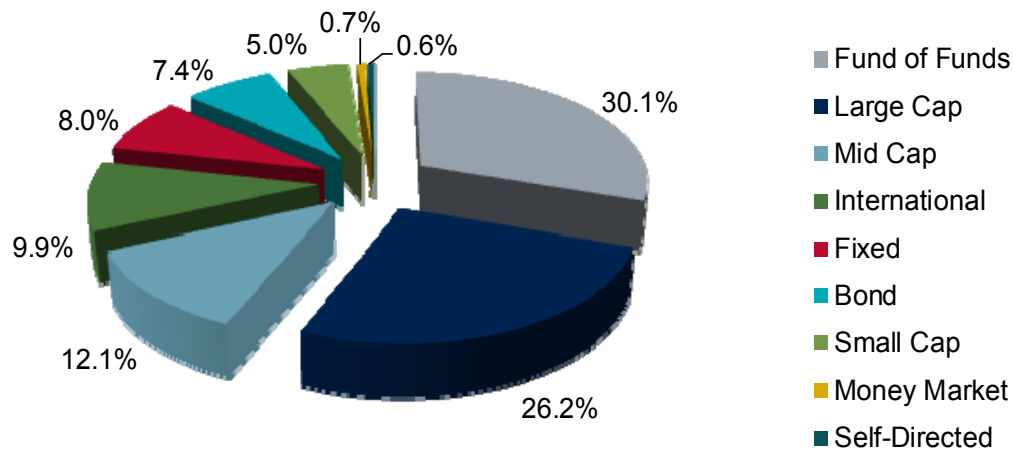
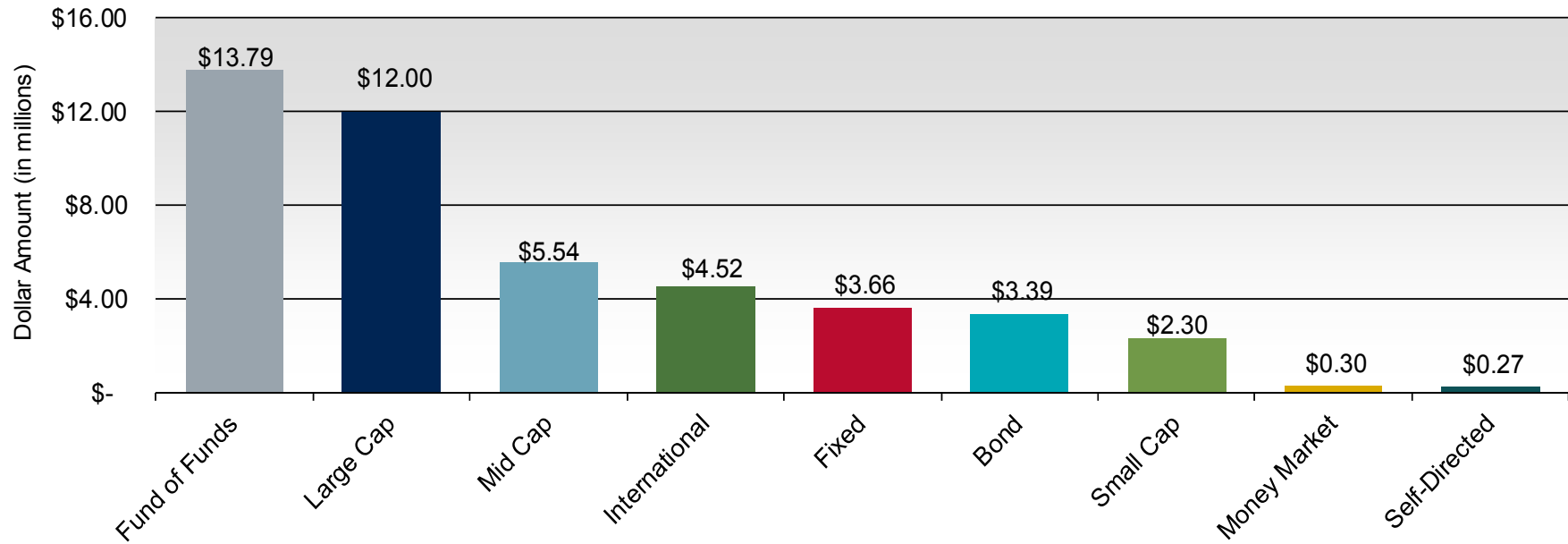
Contributions – All WDC Participants



Assets by Asset Class – All Participants



Contributions by Asset Class – All Participants



Assets – State Participants

Asset Class/Fund Name	9/30/2018		
	Amount	Pct	Accts
Self-Directed			
Schw ab SDB Sw eep Program	3,652,243	0.1%	383
Schw ab SDB Sw eep Program Roth	271,747	0.0%	34
Schw ab SDB Securities	43,329,881	1.2%	390
Schw ab SDB Securities Roth	1,300,726	0.0%	35
	48,554,597	1.4%	
Fund of Funds			
Vanguard Instl Trgt Retire 2035 Instl	80,965	0.0%	1
Vanguard Target Retirement 2015 Trust I	76,854,966	2.2%	1,881
Vanguard Target Retirement 2025 Trust I	146,001,489	4.1%	3,807
Vanguard Target Retirement 2035 Trust I	90,543,636	2.6%	3,717
Vanguard Target Retirement 2045 Trust I	59,906,939	1.7%	3,698
Vanguard Target Retirement 2055 Trust I	16,346,284	0.5%	2,052
Vanguard Target Retirement Inc Trust I	34,287,602	1.0%	1,112
	424,021,880	12.0%	
International			
American Funds EuroPacific Gr R6	119,317,029	3.4%	11,249
BlackRock EAFE Equity Index Coll T	96,008,168	2.7%	10,655
	215,325,198	6.1%	
Small-Cap			
BlackRock Russell 2000 Index Coll T	57,011,194	1.6%	7,905
DFA US Micro Cap I	179,550,586	5.1%	8,630
	236,561,780	6.7%	
Mid-Cap			
BlackRock Mid Cap Equity Index - Coll F	140,410,690	4.0%	11,700
T. Row e Price Instl Mid-Cap Equity Gr	371,215,275	10.5%	17,232
	511,625,965	14.5%	
Large-Cap			
Calvert US Large Cap Core Resp Index R6	43,514,214	1.2%	1,953
Fidelity Contrafund Commingled Pool Cl 2	529,279,197	15.0%	14,671
Vanguard Institutional 500 Index Trust	382,276,996	10.8%	15,581
Vanguard Institutional Index Instl Pl	0	0.0%	1
Fidelity Contrafund	0	0.0%	1
American Beacon Bridgwy Lg Cp Val I CIT	10,195,744	0.3%	6,811
Vanguard Wellington Adm	330,272,230	9.4%	14,078
	1,295,538,381	36.7%	
Bond			
BlackRock US Debt Index Fund Coll W	107,285,288	3.0%	9,369
Federated US Government Securities 2-5yr	21,514,572	0.6%	3,573
Vanguard Long-Term Investment Grade Adm	95,672,832	2.7%	9,700
	224,472,692	6.4%	
Money Market			
Vanguard Treasury Money Market Inv	25,823,579	0.7%	4,172
	25,823,579	0.7%	
Fixed			
Stable Value Fund	458,829,083	13.0%	14,463
FDIC Bank Option	87,157,944	2.5%	5,372
	545,987,027	15.5%	
	3,527,911,099	100.0%	

Assets – Local Participants

Asset Class/Fund Name	9/30/2018		
	Amount	Pct	Accts
Self-Directed			
Schw ab SDB Sw eep Program	1,974,718	0.1%	166
Schw ab SDB Sw eep Program Roth	28,160	0.0%	13
Schw ab SDB Securities	16,714,082	0.9%	177
Schw ab SDB Securities Roth	189,003	0.0%	11
	18,905,963	1.1%	
Fund of Funds			
Vanguard Target Retirement 2015 Trust I	40,057,719	2.3%	1,162
Vanguard Target Retirement 2025 Trust I	100,562,912	5.7%	2,784
Vanguard Target Retirement 2035 Trust I	76,867,497	4.4%	3,031
Vanguard Target Retirement 2045 Trust I	38,852,264	2.2%	2,494
Vanguard Target Retirement 2055 Trust I	10,046,284	0.6%	1,436
Vanguard Target Retirement Inc Trust I	14,832,889	0.8%	704
	281,219,564	15.9%	
International			
American Funds EuroPacific Gr R6	60,529,661	3.4%	8,652
BlackRock EAFE Equity Index Coll T	64,292,813	3.6%	8,134
	124,822,475	7.1%	
Small-Cap			
BlackRock Russell 2000 Index Coll T	30,839,934	1.7%	5,657
DFA US Micro Cap I	86,225,970	4.9%	6,358
	117,065,903	6.6%	
Mid-Cap			
BlackRock Mid Cap Equity Index - Coll F	78,661,501	4.5%	8,925
T. Rowe Price Instl Mid-Cap Equity Gr	184,951,221	10.5%	12,637
	263,612,722	14.9%	
Large-Cap			
Calvert US Large Cap Core Resp Index R6	16,368,022	0.9%	1,076
Fidelity Contrafund Commingled Pool Cl 2	244,102,284	13.8%	10,418
Vanguard Institutional 500 Index Trust	171,719,470	9.7%	11,165
Vanguard Institutional Index Instl Pl	0	0.0%	1
American Beacon Bridgwy Lg Cp Val I CIT	8,794,177	0.5%	5,434
Vanguard Wellington Adm	159,856,700	9.0%	10,308
	600,840,652	34.0%	
Bond			
BlackRock US Debt Index Fund Coll W	69,852,851	4.0%	7,436
Federated US Government Securities 2-5yr	9,548,636	0.5%	2,389
Vanguard Long-Term Investment Grade Adm	36,487,132	2.1%	6,833
	115,888,619	6.6%	
Money Market			
Vanguard Treasury Money Market Inv	7,328,395	0.4%	2,375
	7,328,395	0.4%	
Fixed			
Stable Value Fund	205,041,929	11.6%	10,143
FDIC Bank Option	31,834,289	1.8%	4,131
	236,876,218	13.4%	
	1,766,560,512	100.0%	

WDC Participation Statistics

	State	Local	Total
Participants 07/01/2018	37,001	26,420	63,421
New Enrollments 7/1/2018 - 9/30/2018	572	437	1,009
Withdrawals			
Service Separation			
<i>Full</i>	227	129	356
<i>Partial</i>	263	136	399
Periodic Payments	1,700	858	2,558
Hardship			
<i>Full</i>	0	0	0
<i>Partial</i>	32	16	48
DeMinimis			
<i>Full</i>	0	0	0
<i>Partial</i>	0	0	0
Final Withdrawals			
<i>Rollovers out of the WDC</i>	0	6	6
<i>Final Withdrawals</i>	104	100	204
Participants 9/30/2018	37,251	26,624	63,875

Self-Directed Brokerage

As of 09/30/2018

3Q18

Participants with Self-directed Brokerage	640
Total Participants with a balance in the plan	63,337
Percent of users with Self-directed Brokerage	1.01%

Self-directed Brokerage balance	\$67,437,431.51
Total balance for Self-directed Brokerage Participants	\$148,554,889.74
Percent of brokerage balance for Self-directed Brokerage users	45.40%

Self-directed Brokerage balance	\$67,437,431.51
Total balance in plan	\$5,295,216,873.60
Percent of total plan balance in Self-directed Brokerage	1.27%

Advisory Services

As of 09/30/2018

	3Q18
Participants with Advice	131
Participants with Managed Accounts	13,210
Total Participants With Balance in the Plan	63,337
Percentage using Managed Accounts	20.86%

Average Managed Account Balance	\$39,944.40
Average Age Managed Account Participant	45.16
Managed Account Saving Rate	5.21%
Average Contribution Rate for Deferring	8.06%

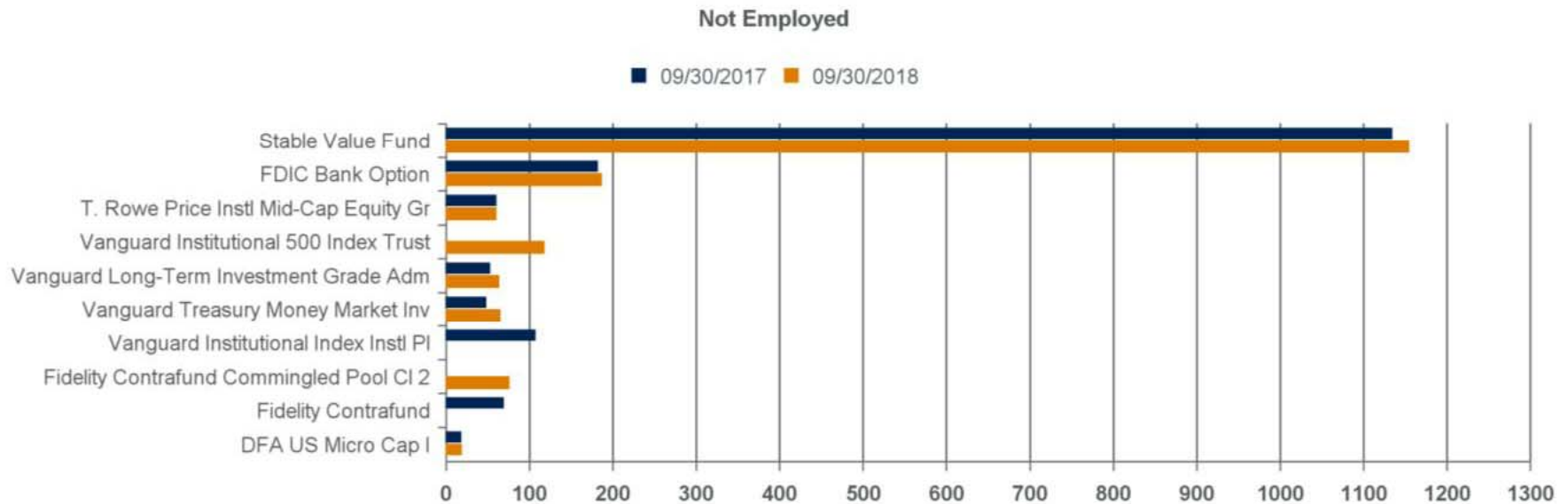
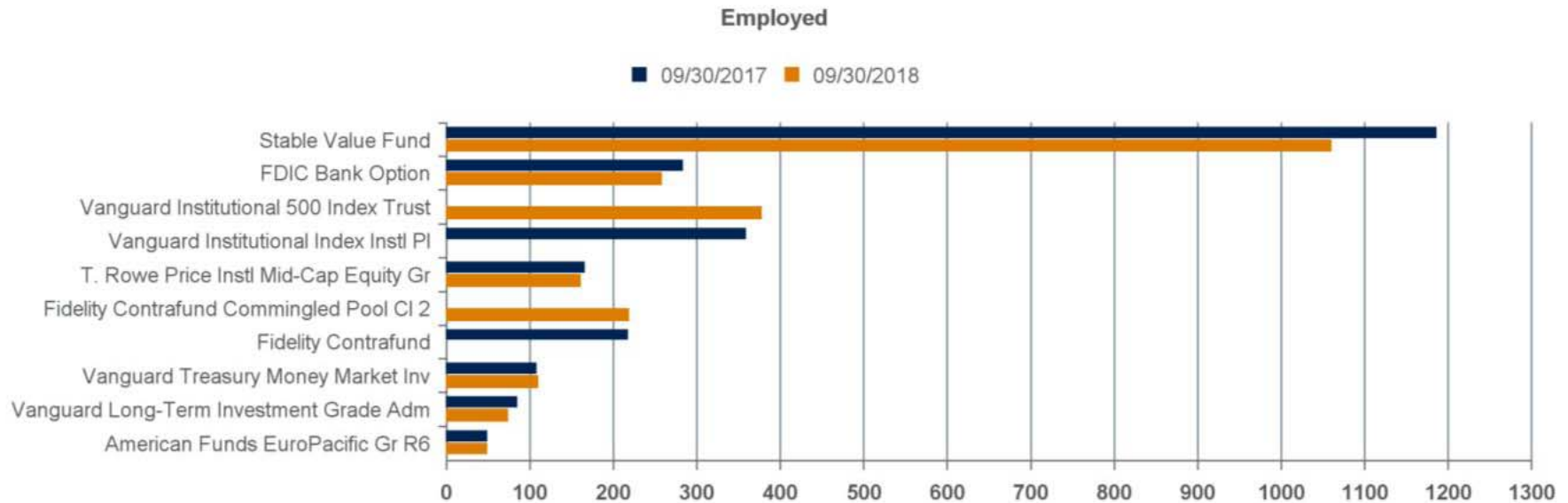
Managed Accounts Balance	\$527,665,559.71
Total Balance in Plan	\$5,295,216,873.60
Percentage of total balance in Managed Accounts	9.96%

If the plan allows for dollar deferrals, we cannot include those people that are contributing with dollar amounts that have an invalid salary (less than the deferral amount) when calculating an average contribution rate. The percentages may not reflect your plan's maximum deferral constraints.



Single Investment Holders - DIY

As of 09/30/2018

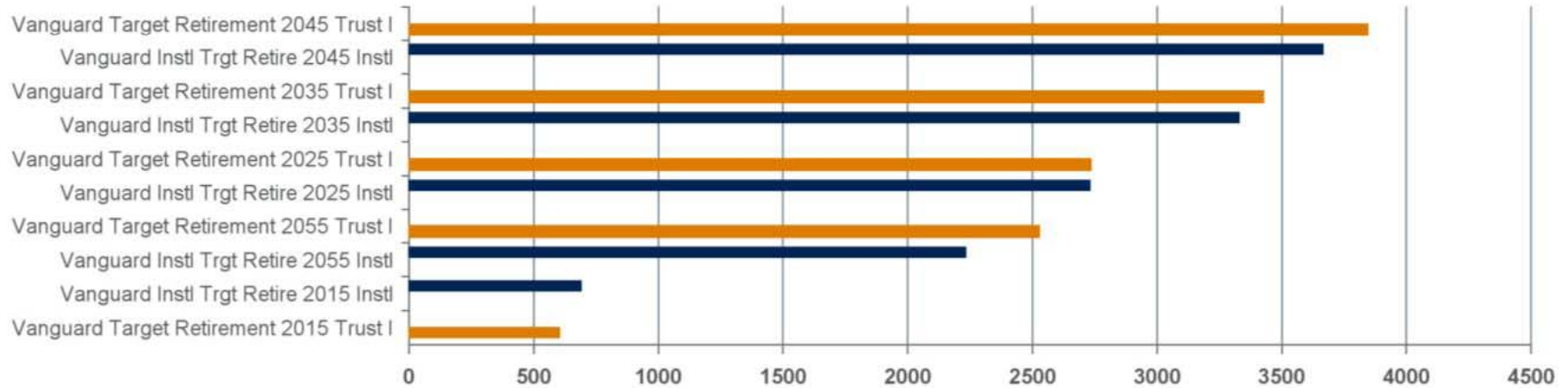


Single Investment Holders - TDF

As of 09/30/2018

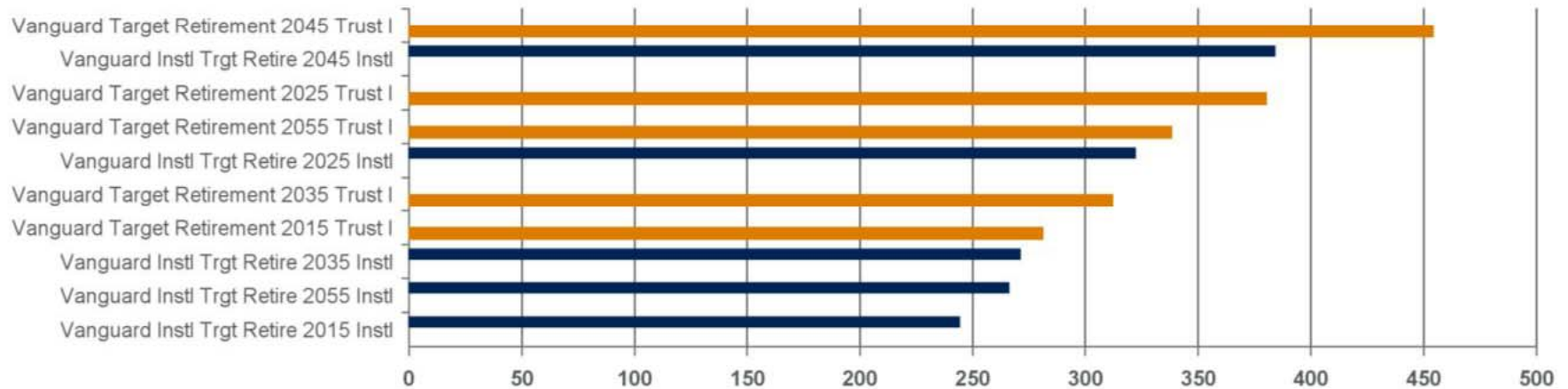
Employed

■ 09/30/2017 ■ 09/30/2018



Not Employed

■ 09/30/2017 ■ 09/30/2018

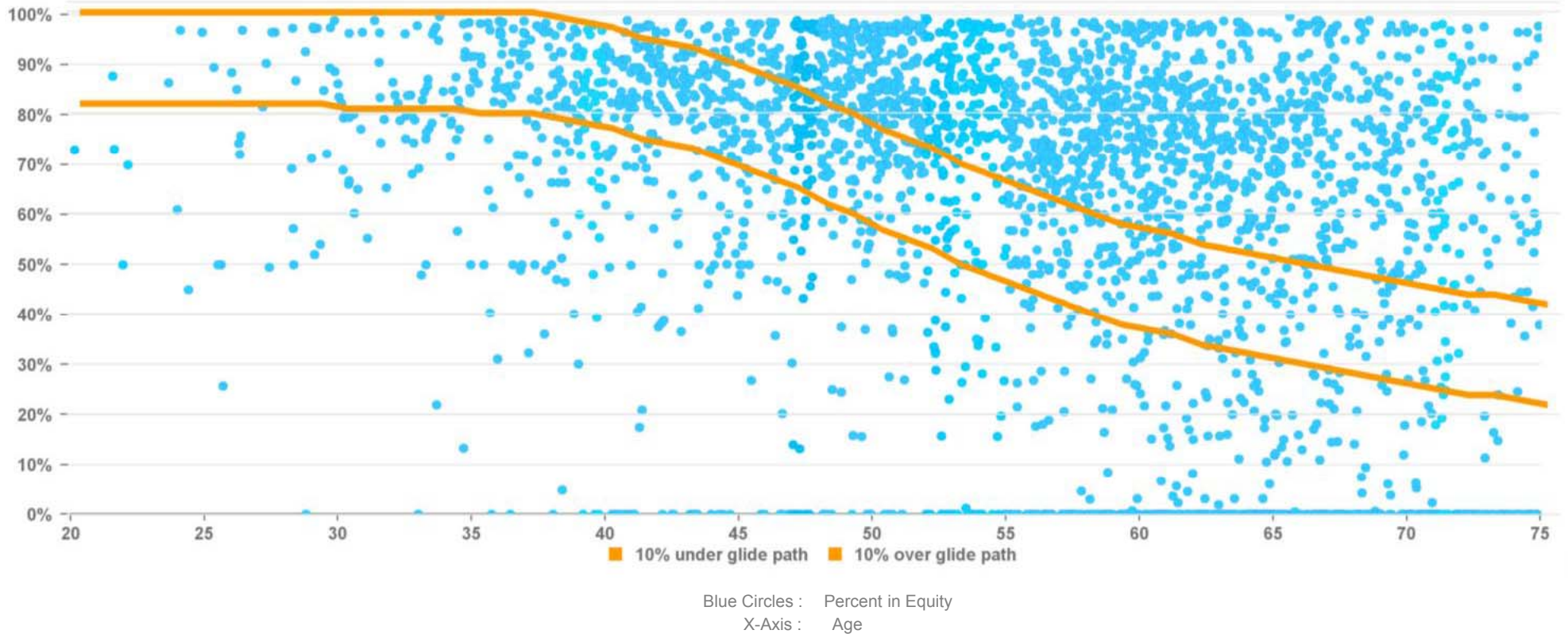


Equity Positions

As of 09/30/2018

Do-it-yourselfers equity positions vs. representative target date glidepath

The representative target date glidepath reflects an asset allocation derived in conjunction with Morningstar Investment Management LLC. The glidepath reflected is for illustrative purposes only.



To illustrate the scatter graph clearly, it has been limited to a maximum of 3,000 randomly Do-It-Yourself investors

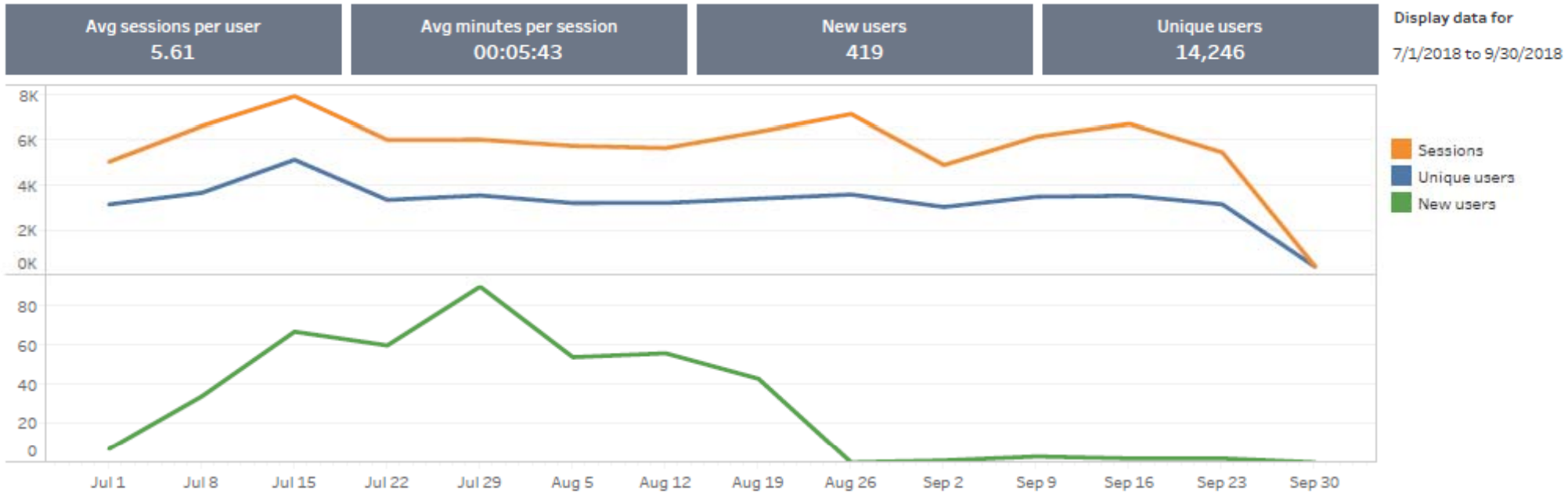
QDRO'S

DRO Distributions – 2018	Q1	Q2	Q3
Full Withdrawals	8	7	15
Partial Withdrawals	7	10	9
Periodic Payments	7	7	7
DRO Distribution Totals	22	24	31

Revenue Sharing

Investment Option	Participants	Amount	Average Reimbursement
Federated US Government Securities 2-5yr	2,790	\$15,675.82	\$5.62
Fidelity Contrafund	12,357	\$312,063.29	\$25.25
Calvert Equity I	980	\$4,713.18	\$4.81

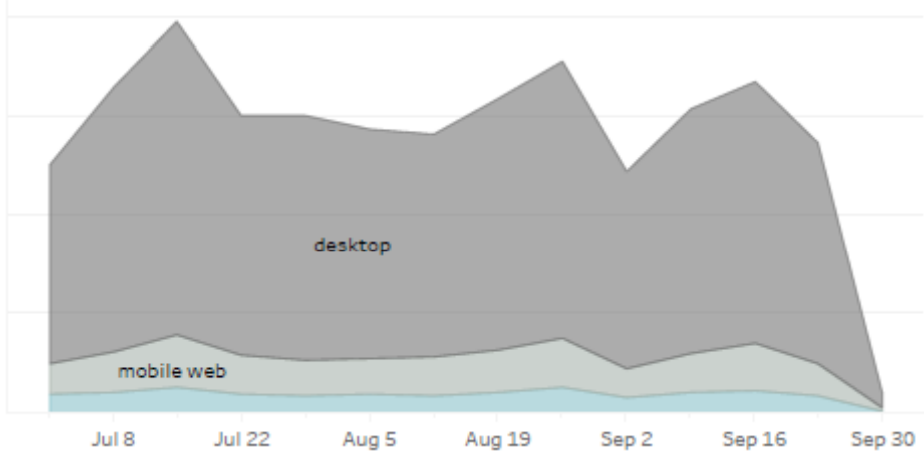
Web Analytics – 3Q2018



Page visits

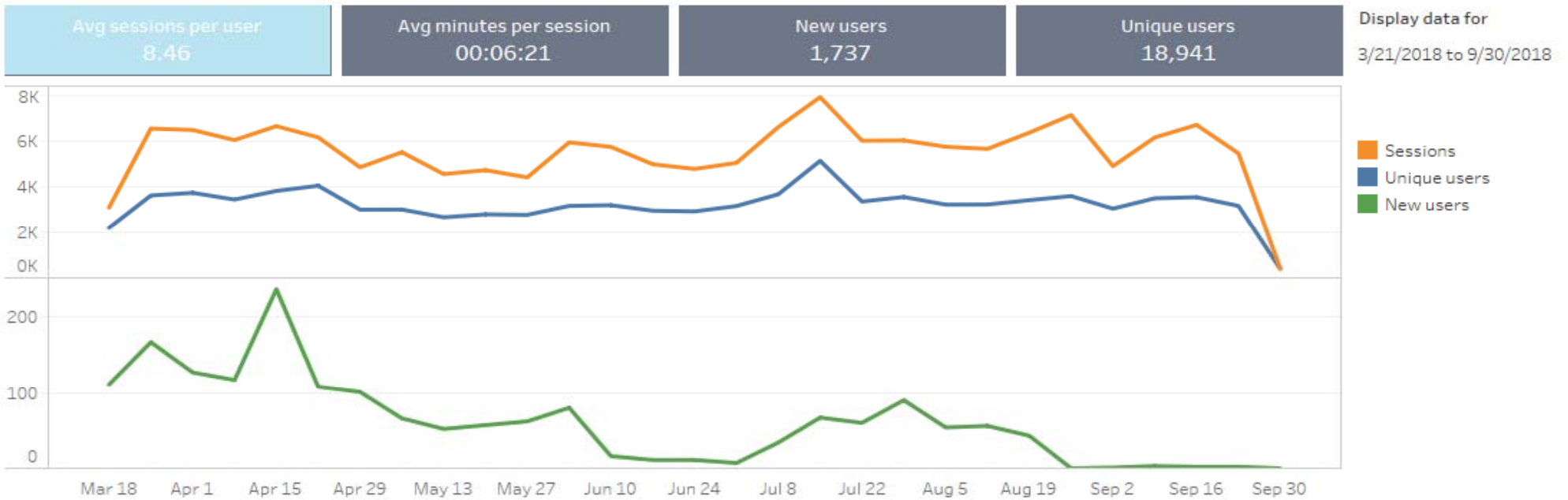
	Views
Login & registration	185,176
Retirement income	117,798
Balances	24,462
How do I compare?	4,207
Profile	3,550
Health care cost estimator	2,451
My contributions	4,513
News & articles	1,967
View/Manage my investments	4,321
FAQS	1,135
Beneficiaries	224

Web sessions by device used



Web Analytics – YTD (since migration to new website)

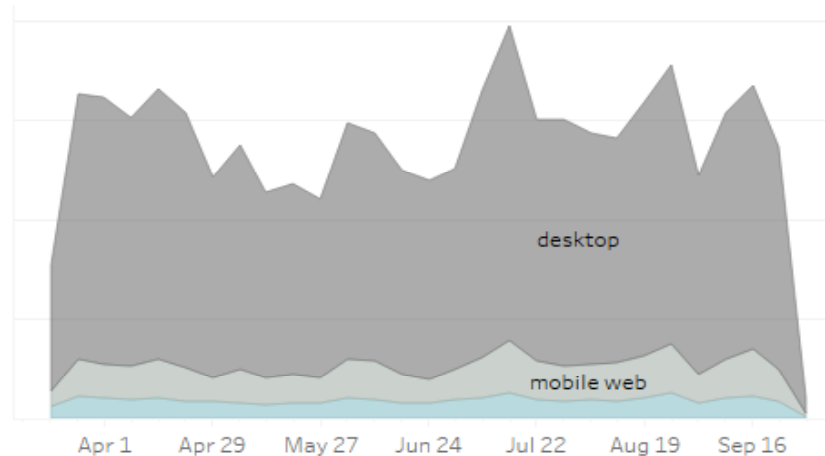
Participant web statistics for Wisconsin Deferred Compensation Program - 98971-01



Page visits

	Views
Login & registration	442,071
Retirement income	336,969
Balances	39,729
How do I compare?	10,282
Profile	6,936
Health care cost estimator	6,346
My contributions	4,513
News & articles	4,430
View/Manage my investments	4,322
FAQS	2,758
Beneficiaries	224

Web sessions by device used

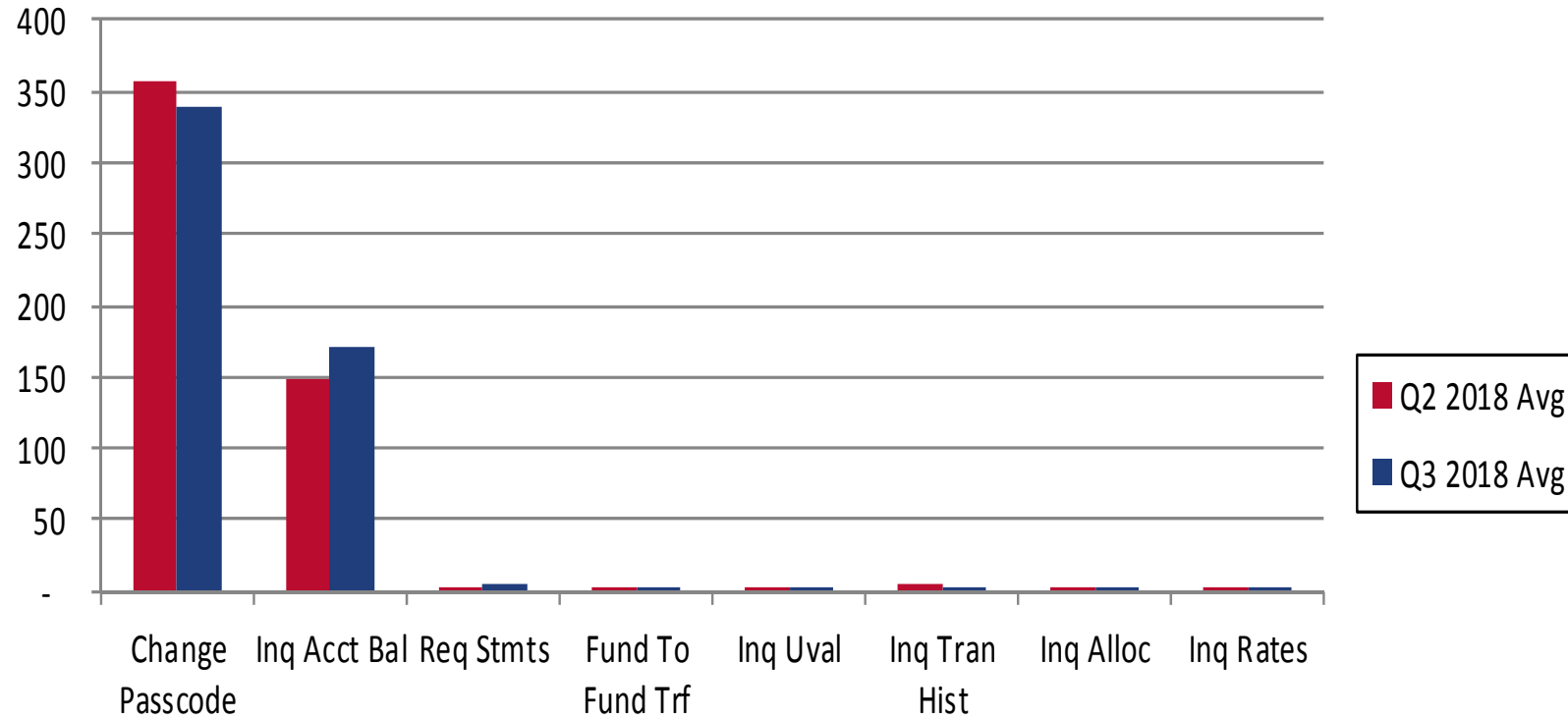


KeyTalk (IVR) Activity

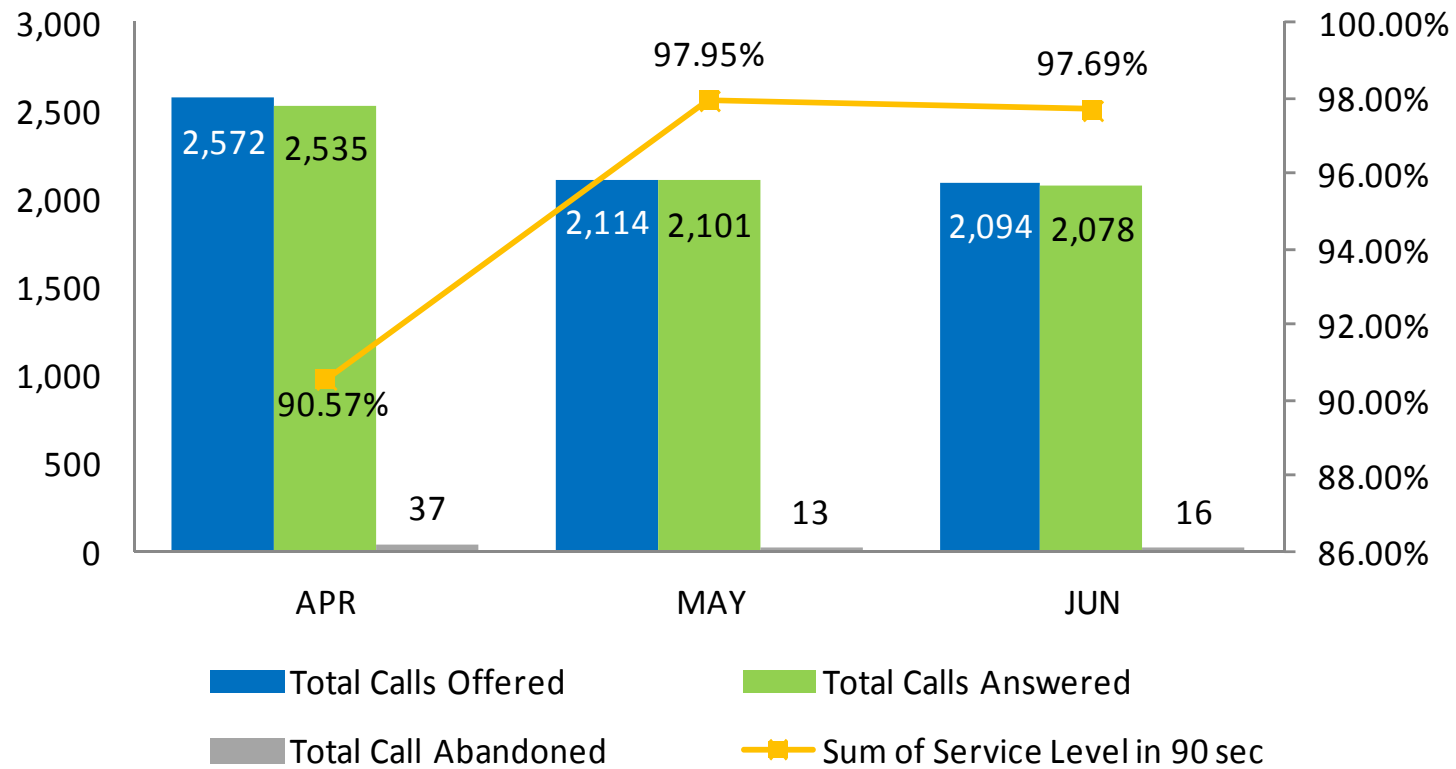
Category	Plan Totals			
	4/2/2018 to 7/1/2018		7/1/2018 to 9/30/2018	
	Avg	Pct	Avg	Pct
Change Passcode	357	68.7%	339	64.2%
Inq Acct Bal	148	28.5%	170	32.2%
Req Stmt	3	0.5%	5	0.9%
Fund To Fund Trf	4	0.8%	4	0.8%
Inq Uval	1	0.1%	4	0.8%
Inq Tran Hist	5	1.0%	3	0.6%
Inq Alloc	1	0.2%	2	0.4%
Inq Rates	1	0.2%	1	0.2%
GRAND TOTAL	519	100.0%	528	100.0%

Avg Unique Callers Per Month	1,784	1,824
Avg Total Calls Per Month	3,558	3,645
Avg Rolled to Customer Service Per Month	1,911	2,000
Pct Transferred to CSR	53.7%	54.9%

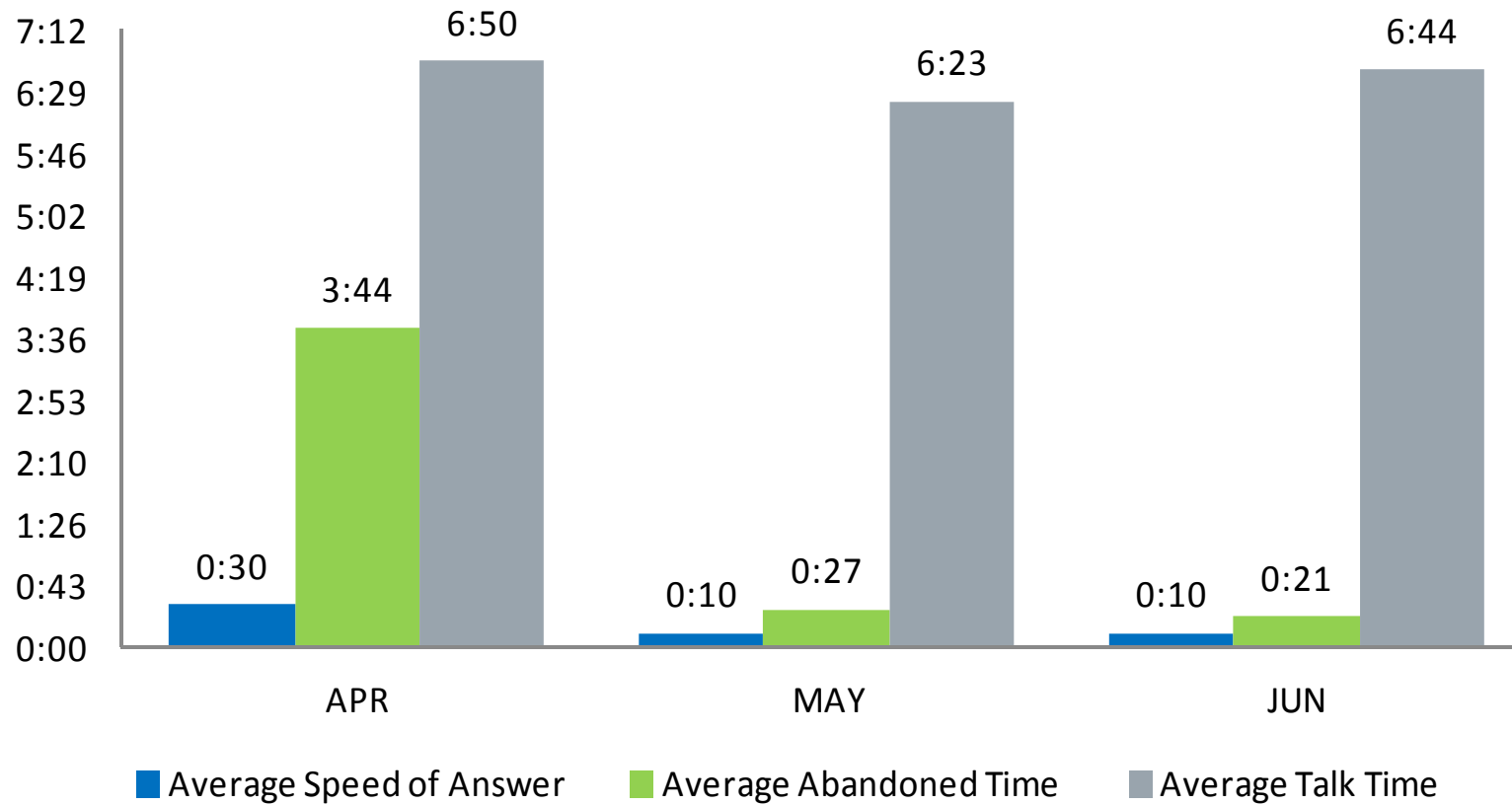
KeyTalk (IVR) Activity - Continued



Call Center and VRU Statistics



Call Center and VRU Statistics- Continued





Legislative and Regulatory Update

The Securities and Exchange Commission (SEC) proposed investment advice rule

- Purpose of SEC proposal
- Regulation best interest

Client relationship summary

- What it may mean for plan sponsors and participants
- Next steps



Purpose of the proposed SEC investment advice rule

The SEC's investment advice proposal is designed to enhance the quality and transparency of investors' relationships with advisors and brokers.

- The proposal does not create a uniform fiduciary standard for brokers and investment advisers, but rather preserves the two-tiered approach due to their different relationship types and models for providing advice.
- The proposal does, however, indicate that there is a need for broker/dealers to improve their standard of conduct, to better inform customers, and to eliminate or mitigate conflicts of interest.
- The SEC seeks to implement its new broker standard through a combination of enhanced disclosures and obligations related to certain financial incentives (such as conflicts associated with compensation and the sale of proprietary products) but does not intend to prohibit a broker-dealer from having conflicts when making a recommendation.



Regulation best interest (RBI)

- Brokers, dealers and associated persons would be held to a “best interest” standard when making a recommendation about securities transactions or an investment strategy involving securities to a retail customer “primarily for personal, family, or household purposes.”

They must act in the best interest of customer at the time the recommendation is made (i.e., no duty to monitor unless expressly agreed to) without putting their own interests first.

The SEC intends for brokers to act in clients' best interest — meaning they can't place the firm's or their individual financial interests first.

The proposal would not apply to unsolicited transactions, or to dually registered — hybrid — RIAs when making recommendations in an investment-adviser capacity.

The SEC does not refer to the standard as a "fiduciary" standard.



Regulation best interest (RBI)

A broker-dealer would discharge this duty by complying with each of three specific obligations:

- Disclosure obligation: disclose to the retail customer the key facts about the relationship, including material conflicts of interest-
- Care obligation: exercise reasonable diligence, care, skill, and prudence, to (1) understand the product; (2) have a reasonable basis to believe that the product is in the retail customer's best interest; and (3) have a reasonable basis to believe that a series of transactions is in the retail customer's best interest.
- Conflict of interest obligation: establish, maintain and enforce policies and procedures reasonably designed to identify and then at a minimum to disclose and mitigate, or eliminate, material conflicts of interest arising from financial incentives.



Client relationship summary (Form CRS)

- Form CRS would require both broker-dealers and investment advisers to provide retail investors with a new disclosure document that would be a "relationship summary."
 - A "retail investor" is defined as a prospective or existing client or customer who is a natural person (an individual), including a trust or similar entity that represents natural persons.
 - Definitions of "retail investor" for Form CRS and "retail customer" for RBI are different.
- CRS Form would state whether the firm is a broker-dealer or an investment adviser or is "dual-hatted" and would:
 - Highlight key differences between broker-dealers and investment advisers, including standards of conduct, fees and conflicts of interest.
 - Alert retail investors about where to find information about their investment professionals, whom to contact about complaints and questions to ask their investment professionals.
 - Be required to be provided to each retail investor at the inception of the customer's relationship with an investment professional.
 - Be updated upon a material change.



What it may mean for plan sponsors and participants

- The DOL proposal would have impacted plan sponsor discussions with participants about distribution options or rollovers into or out of a plan unless the discussion met the “education” exemption.
- The SEC proposal covers only recommendations made by a broker – not a plan sponsor.
- The DOL proposal would have applied to recommendations made to plan sponsors about the plan’s investment lineup.
- The SEC proposal does not apply to any recommendation of any securities transaction or investment strategy given to a plan sponsor because it would not be “primarily for personal, family, or household purposes.”

The DOL proposal would have applied only to ERISA plans and IRAs except for rollovers between plans and IRAs.

- The SEC proposal may apply to brokers interacting with IRA owners and all types of plan participants.



Next steps

- The SEC proposal is only in proposed form and almost certainly will undergo material changes prior to finalization and adoption-
- Public comments due August 7 will be crucial in shaping the agency's investment advice standards.
- A final SEC vote on the proposal may not happen until 2019.
- Commenters will be asking SEC whether IRA owners and/or participants in ERISA qualified plans, governmental qualified plans, eligible 457(b) plans, ERISA 403(b) plans, non-ERISA 403(b) plans, public school 403(b) plans, etc. will be treated as “retail customers” covered by the final SEC rule if and when it is adopted.
- Empower Retirement is following this proposal closely and will keep you apprised of any future developments as the SEC begins reviewing the comments.



Disclosures

Great-West Financial®, Empower Retirement and Great-West Investments™ are the marketing names of Great-West Life & Annuity Insurance Company, Corporate Headquarters: Greenwood Village, CO; Great-West Life & Annuity Insurance Company of New York, Home Office: New York, NY, and their subsidiaries and affiliates, including registered investment advisers Advised Assets Group, LLC and Great-West Capital Management, LLC.

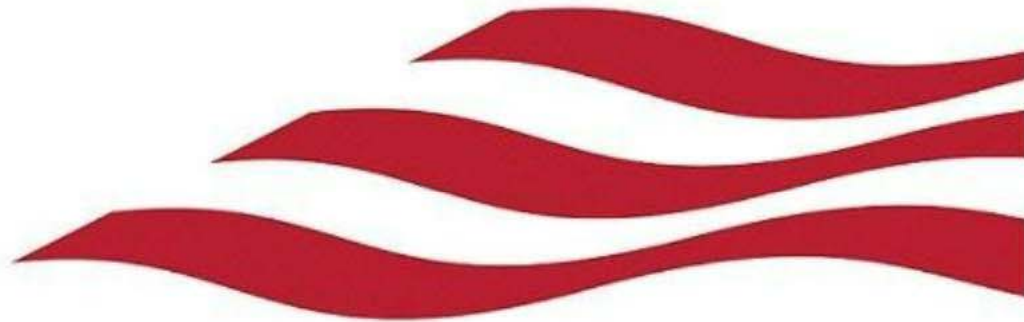
GWFS Equities, Inc. registered representatives may also be investment adviser representatives of GWFS affiliate, Advised Assets Group, LLC. Representatives do not offer or provide investment, fiduciary, financial, legal or tax advice or act in a fiduciary capacity for any client unless explicitly described in writing.

This material has been prepared for informational and educational purposes only. It is not intended to provide, and should not be relied upon for, investment, accounting, legal or tax advice.

The research, views and opinions contained in these materials are intended to be educational, may not be suitable for all investors and are not tax, legal, accounting or investment advice. Readers are advised to seek their own tax, legal, accounting and investment advice from competent professionals. Information contained herein is believed to be accurate at the time of publication; however, it may be impacted by changes in the tax, legal, regulatory or investing environment.

©2018 Great-West Life & Annuity Insurance Company. All rights reserved. ERMKT-PRE-18223-1807 AM547771 0718





EMPOWER

RETIREMENT™