Perspectives

A Greenleaf Trust Newsletter

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Michael F. Odar, CFA®
President
Chief Executive Officer

Recognizing Growth and Impact

One of the things that makes Greenleaf Trust unique is our talented team. They are deeply committed to the work they do for our clients and worth meaningful recognition for their achievements. At the end of the year, we announced the following 29 promotions. These were teammates from throughout the organization that successfully executed customized purposeful growth plans with their coaches. Promotions are always based on merit and impact at Greenleaf Trust, not time in role. Needless to say, I am extremely proud to recognize these teammates and share their new titles with you.

Salena Al-Saadi	Assistant Vice President, Senior CRM Engineer
Peggy Anderson	Executive Vice President, Director of Operations
Nicole Asher	Senior Vice President, Senior Wealth Management Advisor
Karen Baldwin	Chief Human Resources Officer
Shannon Barber	Family Office Coordinator – Grand Rapids
Jacob Barker	Assistant Vice President, Senior Manager Selection Analyst
T'Ausia Bronson	Senior Human Resources Coordinator
Theresa Burgos	Assistant Director of Personal Trust
Mario Campbell II	Trust Operations Analyst
James Curry	Senior Vice President, Director of Wealth Management
Asa Davis	Lead Business Analyst – Retirement Plan Division
Lyndsay Deery	Business Resiliency Analyst
Rosie Hall	Senior Relationship Manager
Michael Holmes	Senior Trust Relationship Officer
Regina Jaeger	Northern Michigan Market Team Lead – Trust Relationship Officer
Erin Kiessling	Senior Trust Operations Analyst
Oliver Krings	Chief Information Officer, Chief Information Security Officer
Davis McFarlane	Senior Family Office Advisor

Recognizing Growth and Impact, continued

Christina Mena	Team Service Coordinator II
Victor Perez	Retirement Processing Operations Specialist
Jen Reisterer-Brand	Senior Retirement Processing Operations Analyst – Team Lead
Thanya Rhoades	Senior Recordkeeping Analyst
Andrew Riker	Senior Vice President, Senior Wealth Management Advisor
Christina Sharp	Senior Relationship Manager
Kristen Tidd	Vice President, Senior Trust Relationship Officer – Team Lead
Lauree VanderVeen	Northern Michigan Market Team Lead – Trust Relationship Officer
Kim Van Duine	Vice President, Director of Business Information Services
Megan VanOosten	Trust Operations Analyst
Eddie Warr	Senior Wealth Management Associate

I am also proud to recognize this year's winner of the President's Award. Each year since 2014, I present the President's Award to the teammate that has made the greatest impact to the organization during the year. I am the only vote. This year that award was given to Salena Al-Saadi, Assistant Vice President, Senior CRM Engineer. In 2023, Salena helped to lead, develop, and implement an extensive workflow platform that facilitates the onboarding of new clients and administration of existing client relationships. During the process, she took the initiative to learn new skills like writing programming code, mentored others, and drove innovative solutions on other projects. Congratulations, Salena!

"Promotions are always based on merit and impact at Greenleaf Trust, not time in role."

Finally, I created the Executive Council in 2014 to help me strategically lead our company. It was important to have a trusted team around me that embodied our core values, were exceptional proven leaders, always considered what was best for our company in their decision making, put others first, thought strategically and diversely, and drove impact.

With continuous improvement as a core value, we recognize what got us here will not necessarily get us to where we want to go. This applies to the leadership of our company.

That's why I am excited to announce that in 2024 I will be adding Karen Baldwin (Chief Human Resources Officer) and Steve McKiddy (Chief Financial Officer) as members of the Executive Council. Karen and Steve are valuable members of our leadership team who teammates respect and rely on. Together with myself, Dan Rinzema (Chief Client Officer), Tom Drews (Chief Operating Officer), and Jim Gray (Chief Strategy Officer) we will work as a team and with the entire team to lead the strategic growth of our company.

Happy holidays! I hope yours were filled with joy.

2023 Review and 2024 Outlook

Nicholas A. Juhle, CFA®
Chief Investment Officer

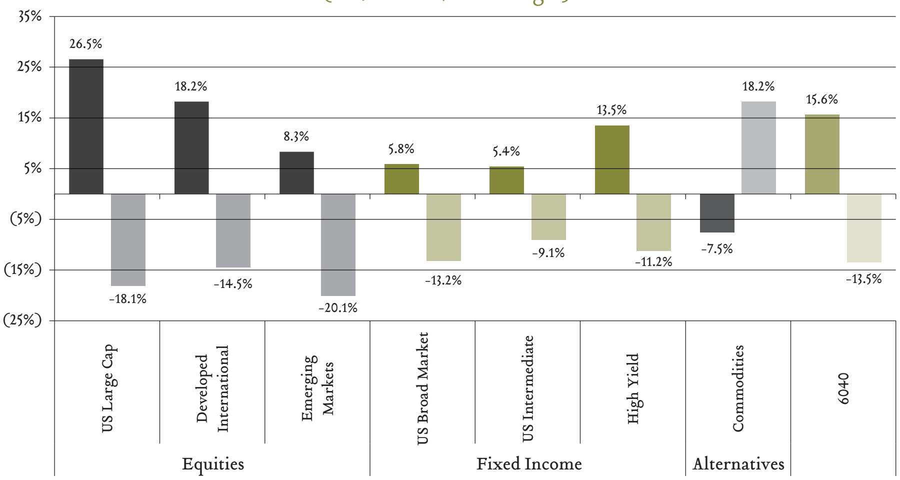
Happy New Year! While 2023 did not lack for drama, it was also a positive year for the economy and markets. After a painful 2022, last year was a welcome period of recovery that exceeded expectations. Think about it: inflation decelerated, the labor market held up, consumers continued to spend, we didn't have a recession, and market performance was strong.

That's a whole lot better than most were anticipating at the start of the year and downright remarkable considering some of the risks that emerged throughout the year. In this article, we will look back on the events that shaped 2023 and provide some context for what 2024 may offer.

Market Strength

In 2023, global equities gained 22.9%. Domestic large caps added 26.5%, while developed international and emerging market stocks rose 18.2% and 8.3%, respectively. At the same time, fixed income categories returned 5.4% to 13.5% as interest rate expectations moderated. Even a balanced portfolio composed of 60% stocks and 40% bonds gained nearly 16% last year. All of these outcomes were in stark contrast to 2022.

Asset Class Performance
(2023 – Dark | 2022 – Light)



> "[In 2023] inflation decelerated, the labor market held up, consumers continued to spend, we didn't have a recession, and market performance was strong."

Risky Business

In 2022, economists dramatically ratcheted up their expectations for a recession in 2023, assigning a 65% probability by the time the year began. Forecasters were considering a range of risks including intensifying geopolitical tensions, a potential US debt default, and tightening monetary policy among others. As 2023 unfolded, several other challenges and risks emerged including regional bank failures in the first half of the year, rising oil and gas prices, the UAW strike, resuming student loan payments, and the

2023 Review and 2024 Outlook, continued

possibility of a government shutdown in the second half of the year. Unlike in 2022, when it seemed like every risk was breaking bad, the economic threats that arose in 2023 seemed to break favorably one by one. As a result, the gloomy initial predictions were proven wrong, and the US economy not only avoided a recession but achieved healthy real GDP growth in the range of 2.4-2.7%.

Inflation Remediation

In December 2022, consumer prices, as measured by the Consumer Price Index (CPI), were rising at an annual rate of 6.5%. This was a notable improvement from the peak pace of 9.1% six months earlier, but still much faster than the Fed (not to mention the American consumer) was comfortable with. Amid rapidly tightening monetary policy, inflation decelerated further throughout 2023 to 3.1% by November. Looking to 2024, forecasts indicate that inflation will inch closer to but not achieve the Fed's 2% target, as the lagged effects of today's restrictive policy impact the economy and labor market.

> "In December 2022, consumer prices... were rising at an annual rate of 6.5%... Amid rapidly tightening monetary policy, inflation decelerated further throughout 2023 to 3.1% by November."

Gainfully Employed

Labor market resiliency was another surprise in 2023. Considering odds on expectations for a recession, one might have also expected a sharp rise in unemployment. The labor market did indeed moderate in 2023, but instead of laying off workers, employers took an initial step of reducing open positions – bringing the labor market closer to equilibrium. In 2023, US employers added an average of 232K jobs per month, moderating from the 2022 average of 399K per month. The overall unemployment rate occupied a narrow, and historically low, range of 3.4% to 3.9%, finishing the year at 3.7%. The ratio of job openings to unemployed workers declined to 1.5:1 from a peak of 2:1. In 2024, unemployment is expected to trend modestly higher as economic growth decelerates from 2023 levels.

Monetary Policy

Inflation decelerated significantly, and the labor market has softened without falling off of a cliff. While the monetary policymaking environment remains tenuous, these developments have been positive for the Fed. After raising interest rates by 4.25% in 2022, from 0.00%-0.25% to 4.25%-4.50%, policymakers continued to tighten in 2023, albeit at a more moderate pace. The FOMC implemented four additional rate hikes last year to bring policy rates to a peak range 5.25%-5.50% at the July meeting before pausing.

As of September, Fed officials anticipated one more hike in 2023 with cuts in 2024 bringing the policy range down to 5.25%-5.50% by year end. However, policymakers updated their forecasts at the December meeting, acknowledging that current policy rates were likely at or near peak levels, with cuts in 2024 bringing the range down to 4.50%-4.75% by year end. Financial markets rejoiced over the prospect for an accommodative shift in the year ahead, though economic data will continue to drive FOMC decision-making.

Flip a Coin

As of this writing, economists assign a 50% probability of a US recession in 2024. This implies that the likelihood of a recession in 2023 was judged to be higher than the odds of one emerging in 2024 and, as we've seen, that prediction did not materialize last year. Nevertheless, these odds remain historically elevated. Supposing these odds accurately capture the likelihood of a recession, several factors could influence the outcome.

First and foremost is the consumer. Today, consumers are gainfully employed and spending money on cars, online retail, and restaurants at rates that exceed the pre-COVID-19 trend. Household debt service ratios remain low and while credit card delinquencies have risen among younger borrowers, they remain below historical levels of concern. Consumer strength is tied to wages and the labor market, so anything that could cause a rapid deterioration therein poses a risk.

Monitoring the housing market will also be important, as it has proven unexpectedly resilient despite mortgage rates doubling in the last two years. The commercial real estate sector could also face challenges, particularly in the office segment.

Additionally, we will be looking for evidence of any deterioration in corporate earnings. While an earnings decline is a common recessionary dynamic, current forecasts call for double digit earnings growth in the year ahead.

While risks are elevated, we continue to believe the prospect of a recession-free 2024 is in the cards absent a significant misstep by the Fed or other exogenous economic shock. Even if we do experience a recession in 2024, clients are strongly encouraged not to make dramatic portfolio changes that are out of line with long-term investment objectives.

"As of this writing, economists assign a 50% probability of a US recession in 2024."

Election Year

I would be remiss not to mention the presidential election as part of the 2024 narrative. As a human being, I have political views, but in my role as Greenleaf's Chief Investment Officer, I do not. Historically, presidential elections have had very little impact on the markets, which are predominantly driven by fundamentals such as corporate earnings, interest rates and other economic factors.

Further, making rash investment decisions based on campaign promises

2023 Review and 2024 Outlook, continued

and policy proposals is not advisable. Even the leader of the free world is subject to checks and balances and the broader legislative process requiring congressional support and compromise, typically mitigating any dramatic effect of political changes on the market. The 2024 election will be dubbed "the most important" of our lifetime, just as its predecessors were. My advice is to vote with your ballot and not with your portfolio.

Looking Forward - Capital Market Assumptions

Over the long-term, the outlook for investment returns remains compelling. We share our updated capital market assumptions below. These forecasts represent the midpoint of our expectations for average annualized returns for each asset class over the next ten years.

Our long-term forecast for US large cap equities stands at 6.5% per year and our long-term forecast for core bonds stands at 4.25% per year. Further, we expect a balanced portfolio constructed with 60% global equities and 40% fixed income to return about 6.0% annually over the next ten years.

Over the next decade, there will be years where returns exceed our expectations and years where returns trail our expectations. We believe short-term market-timing strategies are unlikely to improve long-term outcomes.

"… there will be years where returns exceed our expectations and years where returns trail our expectations. We believe short-term market-timing strategies are unlikely to improve long-term outcomes."

Asset Class	Historical Return (Dec 1993–Dec 2023)	10 Year Expected Return (Dec 2023)	10 Year Expected Risk (Standard Deviation)
US Large Cap	10.14%	6.50%	16.00%
US Mid Cap	11.15%	8.00%	18.00%
US Small Cap	10.21%	8.00%	20.00%
Developed International Equities	5.69%	7.50%	17.50%
Emerging International Equities	4.64%	8.50%	21.00%
Core Fixed Income	4.12%	4.25%	5.00%
Non-Core Fixed Income	7.02%	6.50%	11.00%
Diversified Alternatives	4.64%	5.50%	8.00%
Cash	2.37%	3.50%	0.50%
Inflation	2.52%	2.25%	1.50%

Despite an ever-changing landscape, our disciplined approach and long-term orientation serve us well as we endeavor to create comprehensive investment solutions that help our clients reach their financial goals. Investment decisions are made in alignment with our documented investment philosophy and always with the intention of serving our clients' best interests. Happy New Year and thank you from everyone on the investment research team for allowing us to serve on your behalf.

When Divorce and Grantor Trusts Collide

George F. Bearup, J.D.
Senior Legal Trust Advisor

Currently, many married couples are encouraged to establish a trust for their spouse as part of their sophisticated estate plans. They are prompted to utilize their federal transfer tax exemption while it is large, since come 2026, if Congress does not act in the interim, their individual exemptions are set to drop from close to $14 million to about $6 million. Thus, the adage to 'use it before you lose it' comes to mind to avoid federal transfer taxes.

As a result, many married individuals are starting to heed that advice and consider the adoption of estate planning trusts for their spouse. Some of these trusts are: (i) spousal lifetime access trusts (SLATs); (ii) grantor retained annuity trusts (GRATs); (iii) irrevocable life insurance trusts (ILITs); and (iv) qualified personal residence trusts (QPRTs). All these irrevocable trusts are candidates that use one spouse's available federal transfer tax exemption amount. Funding these trusts entails use of the trust creator's currently large federal transfer tax exemption, so no gift tax is actually paid, but the trust shifts wealth from the creator's taxable estate. While these trusts work well to save federal gift and estate taxes, often overlooked is the effect of a future divorce when the irrevocable trust is established for one's spouse.

"Currently, many married couples are encouraged to establish a trust for their spouse as part of their sophisticated estate plans."

PROPERTY DIVISIONS: The first problem encountered is that the irrevocable trust might be ignored by a divorce court when the marital estate is divided. With an irrevocable trust, technically speaking, neither spouse 'owns' the trust's assets — the trustee does, but not the spouse. While some divorce courts will identify that distinction and treat the trust and its assets as a separate and thus not considered in the court's division of the marital estate, other divorce courts, exercising their equitable powers, will simply ignore the fact that an irrevocable trust owns the assets and will nonetheless include the assets in the divisible marital estate, especially if the trust was funded with assets that were acquired during the course of the spouse's marriage, or when the trust's income or assets are regularly used to sustain the couple's lifestyle. Consequently, these estate planning trusts that are established by one spouse for the other's benefit while married and are intended to be used, in part, for their creditor protection features, may not be respected when the trust's creator and the trust's beneficiary are later in a divorce. A post-nuptial agreement between the spouses as to how the trust will be addressed in a future divorce might guide the divorce judge, but post-nuptial

When Divorce and Grantor Trusts Collide, continued

agreements in Michigan are much harder to enforce in Michigan than one would imagine.

GRANTOR TRUST: Perhaps as an even bigger surprise to the trust's creator are the income tax consequences that are associated with many of these estate planning trusts that are created for the creator's spouse. Under the Tax Code the trust's creator is treated as the owner of any portion of the trust if the trust's income may be distributed to the creator's spouse [IRC 677(a)(1)]. And under the so-called spousal unity rule the trust's creator is treated as holding any interest in the trust that is held by an individual who was the creator's spouse at the time the trust was created. [IRC 672(e)(1)].

Consequently, if the trust's creator was married at the time that their spouse's interest in the trust was created, the creator is taxed on the trust's income, even though none of the income is available to the creator to pay that income tax liability. This is not much of a problem while the couple is happily married. It becomes a nightmare if the couple are divorced. The trust creator's grantor trust income tax obligation is determined at the time their spouse's interest in the trust was initially created, and that liability to pay the trust's income tax continues to apply even if there is a subsequent divorce between the trust's creator and his or her spouse. In short, after a divorce, the trust's income will continue to be payable to the former spouse, tax-free, in the absence of any tax relief provided by the Tax Code. Divorce is an unpleasant experience to begin with. It is doubly unpleasant if the trust's creator continues to pay the income tax liability on the trust's income distributions to their ex-spouse.

"How the trust instrument is written can prevent… a former spouse receiving tax-free income from the trust at the expense of the trust's creator."

FORMER TAX RELIEF: Prior to the 2017 Tax Act, there was relief for the trust's creator. Under the prior Tax Code, the trust ceased to be taxed as a grantor trust to its creator after a divorce [IRC 682]. Unfortunately, that Tax Code section was repealed with the enactment of the 2017 Tax Act, starting in 2019. Moreover, the repeal of section 682 is keyed to the date of the divorce or separation agreement, not the date of the trust instrument. As a result of the repeal of IRC 682, the trust's creator will continue to be liable to pay the tax on the grantor trust's income, even those trusts that were created years before the divorce. Consequently, an ILIT, a GRAT, a QPRT, or a SLAT created during a happy marriage that name a spouse as a beneficiary are all grantor trusts that will cause this income tax burden faced by the trust's creator post-divorce — income tax liability but no access to the income with which to pay the tax.

SOLUTIONS: It is often difficult to work around these grantor trust rules if there is a future divorce. How the trust instrument is written can prevent the trust from either being classified as a grantor trust or from a former spouse receiving tax-free income from the trust at the expense of the trust's creator. Some of these strategies include the following:

Adverse Party Consent: For the trust created for a spouse to not be classified as a grantor trust, any distribution to the spouse-beneficiary must be subject to the consent of another trust beneficiary who possesses an adverse interest in the trust to the spouse. If the trust is not a grantor trust to begin with, then its creator will not be taxed on the trust's income after the divorce. An example would be where the trust document requires a child of the couple who is named as the remainder beneficiary of the same trust to provide their consent before distribution from the trust to their parent can be made.

Marriage Contingency: Another approach to address the problem of the trust's creator paying the income tax liability on income distributed to their former spouse is to name the spouse as trust beneficiary, but then make any distribution to the spouse contingent on remaining married to the trust creator. This might work for a SLAT, a GRAT, or a QPRT.

"Another approach to address the problem… is to name the spouse as trust beneficiary, but then make any distribution to the spouse contingent on remaining married to the trust creator."

Floating Spouse: Another way to avoid the frustration of the trust's creator paying the income tax liability for income that is distributed to their former spouse is for the trust instrument to avoid expressly naming the spouse as the trust's beneficiary and instead use an adjustable definition of the income beneficiary, called the floating-spouse concept. The trust instrument would thus describe the trust beneficiary using a word formula, but not by name. An example would be rather than say 'all income shall be paid to my wife, Mary Smith for her lifetime', the trust instrument instead provides that the trustee 'may pay trust income to the person to whom I am married at the time of the distribution.' If there is a divorce, and the trust's creator is no longer married, then no distribution is made to the ex-spouse.

Trust Director: It might be possible to name a trust director, (also sometimes called a trust protector) to hold the power to amend the trust to remove trust beneficiaries, including the trust creator's spouse if there is a divorce.

Terminate the Trust: While this sounds a bit more draconian, the trustee might be given the power to terminate and distribute the trust's assets to the current beneficiaries, which would presumably

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include the ex-spouse. While terminating the trust defeats the purposes for the trust, the trust then ceases to exist as a grantor trust and thus its creator no longer has any income tax liability.

Trust Decanting: If it is a discretionary distribution trust for the spouse, the trustee might decant the trust's assets to a new trust created by the trustee where the former spouse is removed as a beneficiary, or his or her interests in the new trust are dramatically altered. If the decanting of the trust assets in response to a divorce is contemplated, it would be wise for the trust instrument to contain its own decanting power conferred on the trustee and not rely upon Michigan's two decanting statutes, both of which require notice to be provided to the trust beneficiary.

Divorce Settlement Agreement: If the trust is expected to continue beyond the divorce, it may be possible to include in the divorce settlement agreement that the beneficiary spouse who continues to be entitled to receive distributions from the grantor trust agrees to timely reimburse the creator for his or her income tax liability resulting from the trust. Of course, this is just one more entanglement between former spouses that most divorcing couples try to completely avoid if possible.

FINAL THOUGHTS: While married couples are currently encouraged to adopt irrevocable trusts with the thought of using their large available federal transfer tax exemption while it remains available, i.e., the 'use it before you lose it' philosophy, thought also needs to be given to the potential divorce and income tax repercussions associated with these sophisticated estate planning trusts, as most of these trusts will be classified as grantor trusts.

"While married couples are currently encouraged to adopt irrevocable trusts... thought also needs to be given to the potential divorce and income tax repercussions..."

Survey Says...

Dan J. Rinzema, CFA®, CFP®, CTFA
Chief Client Officer

Continuous improvement is one of Greenleaf Trust's core values — it is a pillar of our culture and has become part of our DNA. Every tangible improvement we have made on behalf of our clients stems from a disciplined review of our practices. As we look for opportunities to serve our clients better, we begin by listening to those that matter most — our clients.

Our annual personal trust and wealth management client satisfaction survey is designed to gauge Greenleaf Trust's collective efforts from our clients' perspective. We not only want to know if we are delivering on our promises, but we also crave candid feedback on ways in which we can better serve our clients. Analyzing the results helps us more closely align the voice of our client with our daily impact and better understand how our clients feel about Greenleaf Trust's personalized service and customized solutions. The aim is to listen to client comments and suggestions so that we can enhance the services provided on their behalf. Simply put: when our clients speak, we listen.

"Our annual personal trust and wealth management client satisfaction survey is designed to gauge Greenleaf Trust's collective efforts from our clients' perspective."

As an example, looking back at recent years' survey results, it was revealed a few years back that the format of our investment performance reporting could be improved to better meet the individual needs of our clients as only 84% of respondents found the report meaningful. Given this feedback, we made it our goal to provide more customized, relevant and meaningful performance reporting. We heard what our clients wanted and responded with updated performance reports tailored to their specific needs. As a result, satisfaction with our quarterly investment performance report format jumped to 97% the following year and sits at almost 99% as of our 2023 survey. Similarly, it was revealed that many clients wanted consolidation of monthly statement packaging several years ago. We listened and responded quickly by consolidating statement packaging starting the following January and the corresponding statement satisfaction score registered at 98%. Similarly, themes from write in comments five years ago centered around our investment platform and online client portal. We took these comments to heart and not only enhanced our investment offering with close to 99% of clients now reporting that we are successful in meeting their investment needs, but we also rolled out our revolutionary online portal called mywealth by Greenleaf Trust, which allows our clients to view their holistic wealth through a safe and secure personal financial website that brings their entire financial picture together in one place like never before. The last few years of surveys revealed a desire for an increased frequency of economic and financial market updates from our in-house research team. We recognized this as a shortcoming and put a plan in place to improve. This included additional investment seminars and the introduction of a weekly "Market

Survey Says…, continued

Snapshot" intended to provide a weekly recap of market movements as well as provide an overview of events to pay attention to in the week ahead.

When sending the 2023 survey, we again asked for candid responses. Our clients answered in kind with survey participation more than three times the industry average. Thank you to those that took the time to respond — we truly value your feedback. The following is a summary of what we heard you, our clients, say:

2023 CLIENT SATISFACTION SURVEY RESULTS:
PERSONAL TRUST & WEALTH MANAGEMENT

100% find their Client Centric Team members to be easily accessible

99% feel their questions and concerns are answered in a prompt and satisfactory manner

98.4% are satisfied with the frequency of contact

99.7% feel as though they are treated as a very important client

99.7% believe we listen to and understand their unique goals and objectives

99.7% believe their accounts are tailored to meet their unique financial goals and objectives

99% believe we are successful in meeting their investment needs

Satisfaction scores with our account statements, performance reports, and newsletters uniformly exceeded 97%.

"… to achieve our standing goal of 100% client satisfaction on all fronts, we will intently focus on the specific suggestions and comments received."

While we are pleased with the generally high marks received, we recognize there is always room for improvement. So, in order to enhance the value of our relationship with our clients and to achieve our standing goal of 100% client satisfaction on all fronts, we will intently focus on the specific suggestions and comments received. An initiative already under way as a result of the recent survey includes a plan to enhance the client vault within our mywealth by Greenleaf Trust online client portal to automatically upload and store monthly statements, quarterly performance reports and digital copies of annual tax documents.

Again, thank you to all of our clients that took the time to respond to our recent client satisfaction survey. The overall response rate was gratifyingly high and the comments overwhelmingly positive. My colleagues and I are always receptive to your suggestions, and we hope you will never hesitate to share your candid opinions with us — when you speak, we listen. Thank you for allowing Greenleaf Trust the continued privilege of serving on your behalf.

New Year, Same Deadlines for Defined Contribution Retirement Plans

Christie Dando
Client Service Specialist – Conversion

Partnering with Greenleaf Trust means we prepare and provide most forms, filings, and notices for your retirement plan as part of our services. While our team takes care of these increasingly complex filings and notices, per the Internal Revenue Service, as the Plan Sponsor, it is your responsibility to understand what is happening with your business's retirement plan. I am going to share some of the most important deadlines you should be aware of for 2024 and beyond.

The following table is not an exhaustive list, as our retirement plans are customized to each plan sponsor's requests, but is representative of the most common filings, forms, and notices. Looking at it can be a bit daunting. "What is that filing? What is that notice?" The wonderful news is your team in the Greenleaf Trust Retirement Plan Division is here to help you navigate them. In addition to staying on top of preparing and disseminating the various documents, we are willing to go deeper if you have the desire to understand why each one is required and what it entails.

"While our team takes care of these increasingly complex filings and notices… it is your responsibility to understand what is happening with your business's retirement plan."

Deadlines for Calendar Year Plan	Action/Form Name	Form #	Due Date	Responsible Party	GLT prepares	Delivered to
Each pay period	Salary Deferral Remittance		As soon as administratively possible, late payments can trigger reporting to the IRS.	Employer		GLT
Annually	Notice of Internet Availability		Once each plan year, no more than 14 months after the prior year's notice was given	Plan Sponsor	X	Participants
January 31	Distribution Reporting	1099-R	by January 31 of each calendar year	Payor	X	Recipient
January 31	Annual Return of Withheld Federal Income Tax	945	January 31	Payor	X	IRS
March 15	Request for Automatic Extension-Corporate Tax Returns (to 9/15)	7004	File on or before 2.5 months after fiscal year end	Corporate Employer		IRS
March 31	Distribution Reporting to the IRS	1099-R	March 31 if filed electronically	Payor	X	IRS

New Year, Same Deadlines for Defined Contribution Retirement Plans, continued

Deadlines for Calendar Year Plan	Action/Form Name	Form #	Due Date	Responsible Party	GLT prep-ares	Deliv-ered to
April 1	Required Minimum Distribution beginning date (age 73 or retiring participants over 73)		By April 1 of each calendar year	Plan Sponsor / Trustee	X	Partici-pants
April 15	Corrective distribution of 402(g) (Ex-cess deferrals)		By April 15 of each calendar year	Plan Sponsor/ Trustee	X	Partici-pants
July 31	Annual Report of Plan (with sched-ules)	5500 series	Last day of the 7th month beginning after end of plan year (or as extended)	Plan Sponsor	X	DOL/IRS
July 31	Request for Automatic Extensions - 5500 series (2.5 months)	5558	Last day of the 7th month beginning after end of plan year	Plan Sponsor	X	DOL/IRS
September 15	Extended deadline for filing corporate tax returns (and contribu-tion deadline for deduct-ibility)	1120	Six months after original filing date	Corporate Employer		IRS
September 30	Summary Annual Report		Last day of the 9th month beginning after end of plan year (or as extended)	Plan Sponsor	X	Par-ticipants, Benefi-ciaries
October 15	Extended deadline for filing Plan's Annual Report	5500	2.5 months after original filing deadline	Plan Sponsor	X	DOL/IRS
October 15	Extended deadline for Annual Registration Statement identifying separated participants with deferred vested benefits	8955-SSA	2.5 months after original filing deadline	Plan Sponsor	X	DOL/IRS
December 1	Safe Harbor Notice		30-90 days prior to start of plan year using Safe Harbor design	Plan Sponsor	X	Partici-pants
December 1	Qualified Default Investment Alternative Notice		at least 30 days before the end of the plan year	Plan Sponsor	X	Partici-pants
December 1	Participant Fee Disclosure 404(a)(s) Notice		at least 30 days before the beginning of the plan year	Plan Sponsor	X	Partici-pants
December 1	Automatic Enrollment Notice		at least 30 days before the beginning of the plan year	Plan Sponsor	X	Partici-pants

"In addition to staying on top of preparing and disseminating the various documents, we are willing to go deeper if you have the desire to understand why each one is required and what it entails."

Deadlines for Calendar Year Plan	Action/Form Name	Form #	Due Date	Responsible Party	GLT prep-ares	Deliv-ered to
December 15	Extended deadline for Summary Annual Report		Two months after the extended deadline for filing Form 5500	Plan Sponsor	X	Par-ticipants, Benefi-ciaries
December 31	Prospective Amendment to add or remove Safe Harbor status		No later than December 31 of current year	Plan Sponsor	X	Plan files
December 31	Prospective Amendment to add Automatic Enrollment to plan		No later than December 31 of current year	Plan Sponsor	X	Plan files
December 31	Required Minimum Distribution beginning date (over age 73) under IRC Section 401(a)(9)		By December 31 of each calendar year	Plan Sponsor/ Trustee	X	Partici-pants

“Our relationship managers, participant services team, and record keeping team are here to answer questions…”

Our relationship managers, participant services team, and record keeping team are here to answer questions, talk through plan design details, and ensure your participants are educated and informed to use the plan to meet their personal retirement goals.

Stock Market Pulse

Index	12/29/2023	Total Return Since 12/31/2022
S&P 1500	1,084.46	25.43%
Dow Jones Industrials	37,689.54	16.18%
NASDAQ	15,011.35	44.70%
S&P 500	4,769.83	26.26%
S&P 400	2,781.54	16.39%
S&P 600	1,318.26	15.94%
NYSE Composite	16,852.89	13.92%
Dow Jones Utilities	881.67	-5.29%
Barclays Aggregate Bond	2,162.00	5.53%

P/E Multiples	12/29/2023
S&P 1500	22.3x
Dow Jones Industrials	22.2x
NASDAQ	39.4x
S&P 500	22.9x
S&P 400	17.9x
S&P 600	16.3x

Key Rates

Fed Funds Rate	5.25% to 5.50%
T Bill 90 Days	5.26%
T Bond 30 Yr	4.03%
Prime Rate	8.50%

Current Valuations

Index	Aggregate	P/E	Div. Yield
S&P 1500	1,084.46	22.3x	1.51%
S&P 500	4,769.83	22.9x	1.49%
Dow Jones Industrials	37,689.54	22.2x	1.95%
Dow Jones Utilities	881.67	18.1x	3.98%

Spread Between 30 Year Government Yields and Market Dividend Yields: 2.52%

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