



Morningstar[®] Retirement ManagerSM Frequently Asked Questions

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Morningstar® Retirement ManagerSM

As an employer and plan sponsor, you are taxed with many responsibilities. Among them; providing sufficient diversity of investment alternatives and adequate information on 401(k) investing to participants. Everyone wants to maximize the return on their money but the potential to accomplish high returns normally hinges on investment knowledge usually lacking in the average 401(k) participant.

You may receive questions from your employees about how to manage their retirement accounts. Answering these questions can put your company at risk, but the good news is you can point your participants towards Morningstar Retirement Manager as a way for them to help get their questions answered.

1. Who is Morningstar Associates?

Morningstar Associates is a leading provider of retirement solutions for employers and their employees.

Its parent company, Morningstar, Inc., was founded over 25 years ago to help individual investors make more informed decisions and is known to be a credible and trustworthy provider of investment information. Morningstar Associates builds on this mission by providing independent and objective investment advice to employees for their retirement accounts. Morningstar Associates does not sell investments or receive commissions for the products and services they sell.¹

2. What is the relationship between your company, American National Insurance Co., and Morningstar Associates?

Your company, American National Insurance Co., and Morningstar Associates are three separate companies.

Your company sponsors the retirement plan as your employer. You determine the plan rules like the contribution match and limits. You've hired American National Insurance Co. as the record keeper to administer the plan. American National Insurance Co. provides the investment options that you can invest in. Since American National Insurance provides the funds in your employees' retirement account, they cannot provide investment recommendations as that could result in a conflict of interest.

That's where Morningstar Associates comes in. Your company has hired Morningstar Associates as an independent third party investment expert and through their service, Morningstar Retirement Manager, employees can receive investment recommendations. Through your company's relationship with American National, employees have access to Morningstar Retirement Manager.

3. What is Morningstar Retirement Manager?

Morningstar Retirement Manager is a retirement planning service that provides you with a personalized retirement strategy to help you reach your retirement goals. You'll receive recommendations for your:

- Contribution rate
- Asset mix (based on the level of risk you're willing to take on)
- Investment selection

4. Why should I use Morningstar Retirement Manager?

Morningstar Retirement Manager helps make it easier for you to manage your retirement account because it provides you with answers to common retirement planning questions such as:

- How much do I need to retire?
- Will I have enough money to retire?
- How much should I save?
- How much risk should I take on?
- What investments should I select?

¹ If you elect to enroll in the professional management service, Morningstar Associates is compensated on a percentage of your account balance – .5% annually.

5. Who uses the service?

Your company makes the service available to your eligible employees as part of your overall benefits package. Anyone eligible for participation in the 401(K) program can use the service. As of March 31, 2011, we manage more than 95,000 participants' retirement accounts and manage more than \$2 billion in retirement assets

6. How does it work?

You can choose between one of two solutions within Morningstar Retirement Manager:

	Managed by Morningstar Professional investment management and ongoing oversight for your retirement account	Managed by You Resources, research, and educational support including point-in-time recommendations
This service may be right for you if . . .	You don't have the time, interest, or knowledge to manage your retirement account	You are looking for a second opinion about your investments and enjoy making your own investment choices
Personalized recommendations	●	●
Access to personal finance articles and interactive calculators	●	●
In-depth information about the funds available to you within your employer sponsored retirement account	●	●
Quarterly account reviews from the professionals at Morningstar Associates	●	
Updates made to your account based on your personal situation	●	
Quarterly progress reports online	●	
Annual progress reports mailed	●	

7. What sort of impact does the service have?

Morningstar Associates studied the participants who have enrolled in the Managed by Morningstar service. While no investment advisor can guarantee results, they have found that people enrolled in the service have increased their projected retirement income by more than 19% - more than \$5,000 a year.²

8. How much does it cost?

As the Plan Sponsor, there is NO FEE to you to allow this service as part of your benefits program. As part of your benefits program, employees can use this service at a discount. If they select Managed by You, there is no additional fee. For Managed by Morningstar, employees will pay 0.50% of their account balance – less than 1% and can cancel free of charge at any time.

9. How much time does it take?

Your employees can receive personalized recommendations in less than five minutes.

10. What happens if I cancel the Managed by Morningstar program?

There is no penalty for cancelling so you can use the service as long as you like and cancel at any time. Your employees will only be charged for the period of time that they are enrolled.

² Morningstar Associates proprietary data. Based on an analysis of participants enrolled in the managed accounts service for whom we have appropriate data. Actual participant experience may differ substantially from the results shown.