

**HUB**



# New TSI Holdings, Inc. 401K Plan

## EPIC Retirement Services Consulting,

a division of HUB International Northeast Limited

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Date: February 15, 2022



## WELCOME

### NEW TSI HOLDINGS, INC. 401(K) PLAN

EPIC Retirement Services Consulting, a Division of HUB International Northeast is pleased to welcome you to the **New TSI Holdings, Inc. 401(k) Plan**. Your 401(k) Plan is an important component of your future retirement.

- EPIC is a full-service employee benefits and consulting firm and can provide you with unbiased, consultative support regarding the Plan and the investment options offered and can assist you with your retirement readiness strategy.
- When you want to make changes to your deferral amount, investment allocation, or any other Plan transactions, kindly contact Principal. Principal is your Plan administrator.

#### ABOUT YOUR PLAN

- You may begin participating in the Plan the first of the month after you meet the eligibility requirements, three (3) months of service.
- You may contribute up to 100% of pay subject to the annual contribution maximum set by the IRS for 2022, the annual IRS maximum contribution is \$20,500.
- An additional contribution of \$6,500 per year is permitted if you are over the age of 50
- Contributions may be tax deferred or Roth (after tax). IRS annual maximum limits apply to the combined total. Your Plan also offers the in-service Roth conversion feature.
- Loans from your 401(k) plan are permitted at any given time.
- We recommend that you name a beneficiary for your account. Contact Human Resources or Principal for details.

For a full description of the Plan provisions, please refer to your Summary Plan Description which is available from Human Resources or Principal.

# Roth 401(k) vs. Traditional 401(k) pretax contributions

## Comparing your options

	Roth 401(k)	Traditional 401(k) pretax
<b>Income limits</b>	N/A	N/A
<b>Contributions</b>	After tax	Pretax
<b>Contribution limits<sup>1</sup></b>	Elective Deferrals: \$20,500 Catch-Up Contributions Age 50+: \$6,500 Total Contribution Age 50+: \$27,000	Elective Deferrals: \$20,500 Catch-Up Contributions Age 50+: \$6,500 Total Contribution Age 50+: \$27,000
<b>Investment earnings</b>	Tax free <sup>2</sup>	Tax deferred <sup>3</sup>
<b>Distributions</b>	Qualified = tax free	Taxed at withdrawal <sup>3</sup>

<sup>1</sup> In 2022, you can save an annual total of \$20,500 (or \$27,000, if you're age 50 or older) through pretax contributions, Roth contributions, or a combination of both.

<sup>2</sup> A participant must satisfy the five-year holding period and either attain age 59½, die, or become disabled in order to be eligible to receive a tax-free, qualified Roth distribution.

<sup>3</sup> Ordinary income taxes due at withdrawal. Withdrawals before the age of 59½ may be subject to an early distribution penalty of 10%.

## Scenario: age 29 and single

### Jim Adams, age 29

- Salary: \$30,000
- Income-tax rate: 15%
- Filing status: single

### Could Roth 401(k) contributions benefit Jim?

**Yes.** If Jim anticipates that his salary will increase significantly, he may want to take advantage of his current low tax bracket. His long-time horizon until retirement permits time for his earnings to grow and be distributed tax free, provided the distribution is a qualified one.



## Scenario: age 57, with spouse

### Samuel Sampson, 57

- Salary: \$62,000
- Income-tax rate: 25%
- Filing status: married, filing jointly

### Could Roth 401(k) contributions benefit Sam?

**Yes.** Sam is expecting to retire in a lower tax bracket, so continuing to contribute on a pretax basis could benefit him; however, if Sam wishes to lower taxes on his Social Security benefits, he may choose Roth 401(k) contributions because qualified withdrawals are excluded as taxable income.





## Are Roth 401(k) contributions right for you?

### Factors that can help you decide

- ✓ Your current and future tax rate
- ✓ Potential tax-free distributions vs. reducing current taxes
- ✓ Everyone who's eligible can choose to make Roth 401(k) contributions
- ✓ Rollover to a Roth IRA avoids required minimum distributions (RMDs) if made before age 70½ (if born before July 1, 1949) or age 72 (if born after June 30, 1949)
- ✓ You intend to keep money in Plan for at least five years before taking a withdrawal
- ✓ Roth 401(k) contributions can't be transferred to the pretax portion of your 401(k) account



# EPIC/HUB 4<sup>th</sup> Quarter Participant Newsletter

## 2021

**FIRST AND FOREMOST, HAPPY NEW YEAR! WISHING YOU A 2022 FULL OF HEALTH, HAPPINESS AND PROSPERITY!**

The table below summarizes the 2022 IRS 401K Deferral Limits. The Deferral Limits is the amount that you, the employee, can save out of your salary, in total. We want to remind you that the more you save, the more you will have later on for retirement.

### **FINAL IRS DEFERRALS - 401K PLAN LIMITS**

Category	2022 (Effective January 1)	2021 (Prior Year)
401(k) Deferral Limit	\$ 20,500	\$ 19,500
401(k) Catch-Up Limit (age 50+)	\$ 6,500	\$ 6,500
Total Contribution Age 50+	\$ 27,000	\$ 26,000
Compensation Limit	\$305,000	\$290,000
Highly Compensated Employee	\$135,000	\$130,000
Annual Defined Contribution Limit	\$ 61,000	\$ 58,000
Social Security Taxable Wage Base	\$147,000	\$142,800

*This information is not intended to be a substitute for specific individualized tax advice. We suggest that you discuss your specific tax issues with a qualified tax adviser.*

## FINANCIAL MARKETS REVIEW:

Time and again, investors brushed off news that could have derailed stocks in years past. A contested presidential election, an assault on the Capitol, historically high inflation, supply chain disruptions, naysayers who forecasted a correction that never appeared—none of these events stopped stocks from notching all-time highs. Not even the still-raging global Covid-19 pandemic, or its Delta and Omicron variants.

Despite the myriad of challenges faced by the market in 2021, U.S. stocks have had an excellent year. The S&P 500 Index generated a 28.7% return, which was the 6th highest return over the past 31 years. In fact, the S&P 500 notched 70 all-time highs in 2021, a record that's second only to 1995. However, with stretched valuations in parts of the market and the prospect of tighter monetary policy, investors should temper their expectations for returns in 2022.

Other major stock indices also posted strong returns with the Dow Jones Industrial Average and the NASDAQ rising 20.9% and 22.2%, respectively.

After multiple years of strong outperformance of growth stocks, most notably during the pandemic in 2020, value began to recover and was outperforming growth stocks earlier in 2021. However, a combination of declining interest rates, fears about the Delta variant, and disappointing economic data relative to expectations led growth to outperform in the second half of the year. The Russell 1000 Growth Index posted an 11.6% return for the fourth quarter to bring its 2021 total return to 27.6%. While the Russell 1000 Value Index returned 7.8% for the quarter and 25.16% for the year. This was the 5<sup>th</sup> consecutive year that growth outperformed value.

One question that investors ask is “Does value still have room to run?”. Based on valuations, value stocks remain at historically cheap levels relative to growth stocks compared to long-term averages and carry substantially higher dividends. Additionally, value generally tends to outperform growth during periods of above-trend economic activity and rising interest rates such as we project over the next few months. This reflects the fact that the earnings of value-oriented sectors tend to be more sensitive to the pace of economic growth.

The Russell 2000 Index, which is a measure of small-capitalization stocks returned 2.1% for the quarter and ended the year for a gain of 14.8%. Small-capitalization stocks have underperformed the large-capitalization stocks for 5 straight years.





Operating earnings on the S&P 500 which have recovered spectacularly since the pandemic, are now expected to hit a new all-time high in 2021. After declining by 22% in 2020, operating earnings are anticipated to increase by 72% in 2021. This partly reflects the fact that some of the most important sectors of the U.S. equity market, including Technology, Communications Services, Health Care and Consumer Staples, saw few negative impacts from the pandemic and, in many cases, saw stronger revenues. More generally, earnings have been bolstered by powerful consumer demand and higher productivity as businesses have been able to reduce costs in a more virtual environment.

In terms of sector performance 4 of the 11 sectors outperformed for the year. Those being the Energy, Real-Estate, Financials, and Information Technology with returns of 54%, 46%, 35% and 34%, respectively. Among the underperforming sectors were the Industrial, Consumer Staples and Utilities with returns of 21%, 19% and 18%, respectively.

International equity stocks as measured by the MSCI ACWI Ex USA Index didn't fare as well as their US counterparts by returning 1.8% for the quarter and 7.8% for 2021. The shortfall was attributable from exposure to emerging markets. The MSCI Emerging Markets declined 1.3% for the quarter and posted a loss of 2.5% for the year. This was largely due to China posting a loss of 21.7%.

Unlike stocks, the bond market as measured by the Bloomberg US Aggregate Bond Index was essentially unchanged for the quarter but posted a loss of 1.5% for the year. 2021 was only the 4<sup>th</sup> negative annual return for bonds in the last 31 years.

#### **Outlook:**

As we move further into the New Year, the economic growth looks likely to exceed the path estimated from its long-term pre-pandemic trend, indicating a full recovery. At that point, with a shortage of workers and much less fiscal and monetary stimulus, we expect economic growth to slow to its long-term trend of roughly 2% annualized. In short, economic growth in 2022 should come in like a lion and go out like a lamb.

As mentioned above, operating earnings for the S&P 500 have risen significantly, however as we are going into 2022 and beyond, challenges are presented. We are likely to be headed towards slower economic growth, higher wages, higher interest rates, and higher corporate taxes. Consequently, investors should consider valuations very carefully as the potential for further earnings growth looks much more limited.



On the international equity front, the expected synchronized global recovery has been delayed, it has not been derailed, and vaccination progress overseas has made significant progress with many countries now outpacing the U.S.

Looking at the bond market, the challenge is that the combination of very easy monetary policy and a recession that has left 10-year Treasury yields at very low levels. With possible consistent upside surprises on measures of wages, home prices, and consumer prices, long-term rates have held steady at around 1.5%, but may face upward pressure going forward. Of course, there continues to be a place in portfolios for fixed income to provide diversification and protection in the case of an equity market or economic relapse. However, given an unfavorable fundamental backdrop for fixed income generally and tight spreads in credit markets, investors may want to keep durations relatively short and limit their exposure to credit risks within the bond market.

We continue to encourage diversification in your portfolios that match your risk tolerance. As a reminder, your salary deferrals are the leading factor in your retirement readiness. As always, please reach out to us with any questions at [contact@epicretirellc.com](mailto:contact@epicretirellc.com).

## **DON'T FORGET YOUR 401K ANNUAL CHECK-UP**

Each year, it's a good idea to conduct the following review:

1. How much are you deferring into the Plan?
  - Consider increasing your deferral; even a 1% increase will pay off in the long run
2. Who is your beneficiary?
  - Make sure your beneficiary is updated
3. Are your investments in line with your risk tolerance, time horizon and overall savings objectives?
  - Please reach out to EPIC to schedule a one-on-one review of your account. Simply email us at [contact@epicretirellc.com](mailto:contact@epicretirellc.com) to begin this process.
4. Do you have outside 401k/403b or IRA monies that you would like to roll into your Plan?
  - You may roll monies into your Plan. For more information, please contact EPIC to help get you started.
5. Are you on track for sufficient retirement savings?
  - Your Plan Provider offers a Retirement Plan calculator and tools on their website. We encourage you to use these tools.
6. Do you need to discuss any accounts outside of the 401k Plan?
  - Our advisors can assist you with this review. Simply email us at [contact@epicretirellc.com](mailto:contact@epicretirellc.com) to get started.



## HOW TO READ EPIC/HUB'S PERFORMANCE MONITORING TABLE

An overview of "How to Read EPIC/HUB's Performance Monitoring Table" is included for reference. Please note that all returns noted on the Performance Monitoring Table included with this Newsletter are net of fund expenses, unless otherwise indicated.

## FOR QUESTIONS CONTACT EPIC/HUB

You may feel free to contact EPIC/HUB directly. EPIC/HUB consultants are available between 9:00 am – 5:00 pm Eastern Standard Time Monday – Friday. You can call, fax or email:

[contact@epicretirellc.com](mailto:contact@epicretirellc.com)

Telephone: 888-558-EPIC (3742); hit 0

Fax: 212-244-6286

When contacting EPIC/HUB, kindly identify yourself and your employer and if possible, provide a copy of your Retirement Plan statement.

Thank you and be well!

**The EPIC Team**

## 20 Years of the Best and Worst – A Case for Diversification

Everyone wants to be in the best-performing asset class every year. The thing is, few people are savvy enough to consistently choose the best. That's why diversification is key. This chart shows annual returns for eight broad-based asset classes, cash and a diversified portfolio ranked from best to worst. Notice how the "leadership" changes from year to year, and how competitively the diversified portfolio performed over 20 years (see the "average" column).



2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	AVERAGE
REITs 15.50%	Commodities 25.91%	Small/ Mid Cap 45.51%	REITs 30.41%	Commodities 21.36%	REITs 34.35%	Commodities 16.23%	Bonds 5.24%	Large Cap Growth 37.21%	REITs 27.58%	Bonds 7.84%	REITs 20.14%	Small/ Mid Cap 36.80%	REITs 27.15%	Large Cap Growth 5.67%	Small/ Mid Cap 17.59%	Large Cap Growth 30.21%	Cash 1.86%	Large Cap Growth 36.39%	Large Cap Growth 38.49%	REITs 9.71%
Bonds 8.44%	Global Bonds 16.53%	International 38.59%	International 20.25%	International 13.54%	International 26.34%	Large Cap Growth 11.81%	Global Bonds 4.79%	Small/ Mid Cap 34.39%	Small/ Mid Cap 26.71%	REITs 7.28%	Small/ Mid Cap 17.88%	Large Cap Growth 33.48%	Large Cap Value 13.45%	REITs 2.29%	Large Cap Value 17.34%	International 25.03%	Bonds 0.01%	REITs 28.07%	Small/ Mid Cap 19.99%	Small/ Mid Cap 9.44%
Cash 4.09%	Bonds 10.25%	REITs 38.47%	Small/ Mid Cap 18.29%	REITs 8.29%	Large Cap Value 22.25%	International 11.17%	Cash 1.80%	International 31.78%	Commodities 16.83%	Global Bonds 5.64%	Large Cap Value 17.51%	Large Cap Value 32.53%	Large Cap Growth 13.05%	Bonds 0.55%	Commodities 11.77%	Small/ Mid Cap 16.81%	Global Bonds -1.20%	Small/ Mid Cap 27.77%	Diversified Portfolio 10.58%	Large Cap Growth 8.27%
Global Bonds 1.57%	REITs 5.22%	Large Cap Value 30.03%	Large Cap Value 16.49%	Small/ Mid Cap 8.11%	Small/ Mid Cap 16.17%	Global Bonds 9.48%	Diversified Portfolio -27.54%	REITs 27.45%	Large Cap Growth 16.71%	Large Cap Growth 2.64%	International 17.32%	International 22.78%	Small/ Mid Cap 7.07%	Cash 0.03%	REITs 9.28%	Large Cap Value 13.66%	Large Cap Growth -1.51%	Large Cap Value 26.54%	Global Bonds 9.20%	Large Cap Value 6.82%
Small/ Mid Cap 1.22%	Cash 1.70%	Large Cap Growth 29.75%	Diversified Portfolio 14.48%	Diversified Portfolio 7.92%	Diversified Portfolio 15.02%	Bonds 6.97%	Commodities -35.65%	Diversified Portfolio 23.72%	Diversified Portfolio 15.73%	Large Cap Value 0.39%	Large Cap Growth 15.26%	Diversified Portfolio 13.41%	Bonds 5.97%	International -0.81%	Diversified Portfolio 8.72%	Diversified Portfolio 13.21%	REITs -4.10%	International 22.01%	International 7.82%	Diversified Portfolio 6.65%
Diversified Portfolio -4.75%	Diversified Portfolio -2.91%	Diversified Portfolio 27.75%	Global Bonds 9.27%	Large Cap Value 7.05%	Large Cap Growth 9.07%	Cash 4.74%	Small/ Mid Cap -36.79%	Large Cap Value 19.69%	Large Cap Value 15.51%	Cash 0.08%	Diversified Portfolio 12.02%	REITs 3.21%	Diversified Portfolio 5.32%	Small/ Mid Cap -2.90%	Large Cap Growth 7.08%	REITs 9.27%	Diversified Portfolio -5.98%	Diversified Portfolio 20.33%	Bonds 7.51%	Bonds 4.83%
Large Cap Value -5.59%	Large Cap Value -15.52%	Commodities 23.93%	Commodities 9.15%	Large Cap Growth 5.26%	Global Bonds 6.64%	Diversified Portfolio 4.69%	Large Cap Value -36.85%	Commodities 18.91%	International 7.75%	Diversified Portfolio -0.16%	Global Bonds 4.32%	Cash 0.05%	Global Bonds 0.59%	Global Bonds -3.15%	Bonds 2.65%	Global Bonds 7.39%	Large Cap Value -8.27%	Bonds 8.72%	Large Cap Value 2.80%	Global Bonds 4.76%
Commodities -19.51%	International -15.94%	Global Bonds 12.51%	Large Cap Growth 6.30%	Cash 3.00%	Cash 4.76%	Small/ Mid Cap 1.38%	REITs -37.34%	Global Bonds 6.93%	Bonds 6.54%	Small/ Mid Cap -2.51%	Bonds 4.21%	Bonds -2.02%	Cash 0.03%	Diversified Portfolio -3.33%	Global Bonds 2.09%	Bonds 3.54%	Small/ Mid Cap -10.00%	Commodities 7.69%	Cash 0.58%	International 4.50%
Large Cap Growth -20.42%	Small/ Mid Cap -17.80%	Bonds 4.10%	Bonds 4.34%	Bonds 2.43%	Bonds 4.33%	Large Cap Value -0.17%	Large Cap Growth -38.44%	Bonds 5.93%	Global Bonds 5.54%	International -12.14%	Cash 0.07%	Global Bonds -2.60%	International -4.90%	Large Cap Value -3.83%	International 1.00%	Commodities 1.70%	Commodities -11.25%	Global Bonds 6.84%	Commodities -3.12%	Cash 1.43%
International -21.44%	Large Cap Growth -27.88%	Cash 1.07%	Cash 1.24%	Global Bonds -4.49%	Commodities 2.07%	REITs -17.83%	International -43.38%	Cash 0.16%	Cash 0.13%	Commodities -13.32%	Commodities -1.06%	Commodities -9.52%	Commodities -17.01%	Commodities -24.66%	Cash 0.27%	Cash 0.84%	International -13.79%	Cash 2.25%	REITs -5.86%	Commodities -0.52%

MARKET SEGMENT	REPRESENTED BY	*20 YEARS ENDED 12/31/20	STANDARD DEVIATION*	IMPORTANT RISK CONSIDERATIONS
Cash	FTSE 3-month T-bill Index <sup>1</sup>		0.45	<b>International:</b> Investing in foreign and/or emerging market securities involves interest rate, currency exchange rate, economic, and political risks. These risks are magnified in emerging or developing markets as compared with domestic markets. <b>Small/Mid Cap stocks:</b> Investing in small and/or mid-sized companies involves more risk than that customarily associated with investing in more-established companies. <b>Bonds:</b> Bonds, if held to maturity, provide a fixed rate of return and a fixed principal value. Bond funds will fluctuate and, when redeemed, may be worth more or less than their original cost.  <b>The historical performance of each index cited is provided to illustrate market trends; it does not represent the performance of a particular MFS investment product. It is not possible to invest directly in an index. Index performance does not take into account fees and expenses. Past performance is no guarantee of future results. The investments you choose should correspond to your financial needs, goals, and risk tolerance. For assistance in determining your financial situation, consult an investment professional. For more information on any MFS product, including performance, please visit mfs.com.</b>
Bonds	Bloomberg Barclays US Aggregate Bond Index <sup>2</sup>		3.41	
Global bonds	Bloomberg Barclays Global Aggregate Index (Unhedged) <sup>3</sup>		5.48	
Diversified portfolio	Equal allocations of all segments disclosed herein, excluding cash		11.20	
Large Cap Value stocks	Russell 1000® Value Index <sup>4</sup>		15.34	
Commodities	Bloomberg Commodity Index <sup>5</sup>		15.90	
Large Cap Growth stocks	Russell 1000® Growth Index <sup>6</sup>		16.55	
International stocks	MSCI EAFE Index <sup>7</sup>		16.94	
Small/Mid Cap stocks	Russell 2500™ Index <sup>8</sup>		18.75	
REITs	FTSE NAREIT All REITs Total Return Index <sup>9</sup>		20.06	

Note that the diversified portfolio's assets were rebalanced at the end of every quarter to maintain the equal allocations throughout the period. **Standard deviation** reflects a portfolio's total return volatility, which is based on a minimum of 36 monthly returns. The larger the portfolio's standard deviation, the greater the portfolio's volatility. Diversification does not guarantee a profit or protect against a loss.

See next page for important information.



# New TSI Holdings, Inc.

## Principal

Performance Monitoring of 401(K) Plan Menu

*Data as of January 31, 2022*

*(all data sourced to Morningstar unless otherwise noted)*

Ticker	Fund Name	Tot Ret YTD *	Tot Ret 3 Mo	Tot Ret 12 Mo	Tot Ret Annlzd 3 Yr	Tot Ret Annlzd 5 Yr	Tot Ret Annlzd 10 Yr	Net Expense Ratio
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### Money Market Funds

<b>NA</b>	<b>Fixed Income Guaranteed Option</b> <i>(per Principal website)</i>	<b>1.55%</b> <i>(Crediting Rate 12/01/2021 - 05/31/2022)</i>						
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### Bond Funds

<b>VBTLX</b>	<b>Vanguard Total Bond Market Index Adm</b>	US Fund Intermediate Core Bond	<b>-2.16%</b>	<b>-2.23%</b>	<b>-3.03%</b>	<b>3.70%</b>	<b>3.06%</b>	<b>2.54%</b>	<b>0.05</b>
<b>FIWDX</b>	<b>Fidelity Advisor® Strategic Income Z</b>	US Fund Multisector Bond	<b>-1.91%</b>	<b>-1.55%</b>	<b>2.01%</b>	<b>5.65%</b>	<b>4.72%</b>	<b>4.30%</b>	<b>0.61</b>
<b>LHYVX</b>	<b>Lord Abbett High Yield R6</b>	US Fund High Yield Bond	<b>-2.76%</b>	<b>-2.67%</b>	<b>2.67%</b>	<b>6.06%</b>	<b>4.96%</b>	<b>6.54%</b>	<b>0.61</b>
	Cat: Intermediate Core Bond		-2.00%	-2.08%	-2.93%	3.70%	2.99%	2.61%	0.62
	Cat: Multisector Bond		-1.64%	-1.49%	0.69%	4.18%	3.73%	4.01%	1.02
	Cat: High Yield Bond		-2.27%	-1.63%	2.20%	5.29%	4.46%	5.17%	0.98
	Idx: Bloomberg Aggregate Bond TR		-2.15%	-2.12%	-2.97%	3.67%	3.08%	2.59%	NA

### Life Style Funds

<b>VTXVX</b>	<b>Vanguard Target Retirement 2015 Fund</b>	US Fund Target-Date 2015	<b>-2.60%</b>	<b>-2.08%</b>	<b>3.36%</b>	<b>7.94%</b>	<b>6.88%</b>	<b>6.80%</b>	<b>0.12</b>
<b>VTWVX</b>	<b>Vanguard Target Retirement 2020 Fund</b>	US Fund Target-Date 2020	<b>-3.03%</b>	<b>-2.43%</b>	<b>5.26%</b>	<b>9.70%</b>	<b>8.27%</b>	<b>7.96%</b>	<b>0.13</b>
<b>VTTVX</b>	<b>Vanguard Target Retirement 2025 Fund</b>	US Fund Target-Date 2025	<b>-3.49%</b>	<b>-2.79%</b>	<b>6.41%</b>	<b>10.86%</b>	<b>9.20%</b>	<b>8.74%</b>	<b>0.13</b>
<b>VTHRX</b>	<b>Vanguard Target Retirement 2030 Fund</b>	US Fund Target-Date 2030	<b>-3.75%</b>	<b>-2.97%</b>	<b>7.60%</b>	<b>11.80%</b>	<b>9.96%</b>	<b>9.43%</b>	<b>0.13</b>
<b>VTTHX</b>	<b>Vanguard Target Retirement 2035 Fund</b>	US Fund Target-Date 2035	<b>-3.98%</b>	<b>-3.14%</b>	<b>8.85%</b>	<b>12.70%</b>	<b>10.68%</b>	<b>10.10%</b>	<b>0.14</b>
<b>VFORX</b>	<b>Vanguard Target Retirement 2040 Fund</b>	US Fund Target-Date 2040	<b>-4.19%</b>	<b>-3.26%</b>	<b>10.11%</b>	<b>13.62%</b>	<b>11.40%</b>	<b>10.65%</b>	<b>0.14</b>
<b>VTIVX</b>	<b>Vanguard Target Retirement 2045 Fund</b>	US Fund Target-Date 2045	<b>-4.40%</b>	<b>-3.42%</b>	<b>11.36%</b>	<b>14.52%</b>	<b>11.99%</b>	<b>10.96%</b>	<b>0.15</b>
<b>VFIFX</b>	<b>Vanguard Target Retirement 2050 Fund</b>	US Fund Target-Date 2050	<b>-4.46%</b>	<b>-3.45%</b>	<b>11.55%</b>	<b>14.62%</b>	<b>12.05%</b>	<b>10.99%</b>	<b>0.15</b>
<b>VFFVX</b>	<b>Vanguard Target Retirement 2055 Fund</b>	US Fund Target-Date 2055	<b>-4.48%</b>	<b>-3.45%</b>	<b>11.52%</b>	<b>14.59%</b>	<b>12.04%</b>	<b>10.97%</b>	<b>0.15</b>
<b>VTTSX</b>	<b>Vanguard Target Retirement 2060 Fund</b>	US Fund Target-Date 2060	<b>-4.48%</b>	<b>-3.43%</b>	<b>11.54%</b>	<b>14.61%</b>	<b>12.04%</b>	<b>10.99%</b>	<b>0.15</b>
<b>VLXVX</b>	<b>Vanguard Target Retirement 2065 Fund</b>	US Fund Target-Date 2065+	<b>-4.46%</b>	<b>-3.45%</b>	<b>11.59%</b>	<b>14.56%</b>	<b>NA</b>	<b>NA</b>	<b>0.15</b>
<b>VTINX</b>	<b>Vanguard Target Retirement Income Inv</b>	US Fund Target-Date Retirement	<b>-2.56%</b>	<b>-2.07%</b>	<b>2.90%</b>	<b>7.40%</b>	<b>6.12%</b>	<b>5.34%</b>	<b>0.12</b>

Ticker	Fund Name		Tot Ret YTD *	Tot Ret 3 Mo	Tot Ret 12 Mo	Tot Ret Annlzd 3 Yr	Tot Ret Annlzd 5 Yr	Tot Ret Annlzd 10 Yr	Net Expense Ratio
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### Balanced (Bond and Stock) Funds

<b>FNCFX</b>	<b>Franklin Income R6</b>	US Fund Allocation--30% to 50% Equity	<b>0.78%</b>	<b>3.36%</b>	<b>19.42%</b>	<b>10.50%</b>	<b>7.81%</b>	<b>7.69%</b>	<b>0.40</b>
<b>MSFKX</b>	<b>MFS® Total Return R6</b>	US Fund Allocation--50% to 70% Equity	<b>-2.11%</b>	<b>-1.08%</b>	<b>12.68%</b>	<b>12.11%</b>	<b>9.33%</b>	<b>9.25%</b>	<b>0.39</b>
<b>RIDGX</b>	<b>American Funds Income Fund of Amer R6</b>	US Fund Allocation--70% to 85% Equity	<b>-1.31%</b>	<b>2.25%</b>	<b>16.33%</b>	<b>11.87%</b>	<b>9.27%</b>	<b>9.40%</b>	<b>0.25</b>
	Cat: Conservative Allocation		-2.97%	-2.26%	5.44%	8.17%	6.50%	6.02%	0.99
	Cat: Moderate Allocation		-3.65%	-2.58%	10.11%	11.39%	9.26%	8.50%	1.05
	Cat: Aggressive Allocation		-4.54%	-3.38%	11.43%	12.16%	9.79%	9.17%	1.06
	50% S&P 500/50% Bloomberg Aggregate Bond TR		-3.66%	-1.87%	10.16%	12.19%	9.93%	9.01%	NA

### Equity Funds

<b>MEIKX</b>	<b>MFS® Value R6</b>	US Fund Large Value	<b>-3.39%</b>	<b>-0.65%</b>	<b>23.59%</b>	<b>15.03%</b>	<b>11.54%</b>	<b>12.87%</b>	<b>0.45</b>
<b>MITJX</b>	<b>MFS® Massachusetts Investors Tr R6</b>	US Fund Large Blend	<b>-4.91%</b>	<b>-3.23%</b>	<b>22.20%</b>	<b>19.16%</b>	<b>16.00%</b>	<b>14.79%</b>	<b>0.38</b>
<b>CSXRX</b>	<b>Calvert US Large Cap Core Rspnb Idx R6</b>	US Fund Large Blend	<b>-6.83%</b>	<b>-4.51%</b>	<b>17.90%</b>	<b>21.87%</b>	<b>17.39%</b>	<b>15.96%</b>	<b>0.19</b>
<b>VFIAX</b>	<b>Vanguard 500 Index Admiral</b>	US Fund Large Blend	<b>-5.18%</b>	<b>-1.62%</b>	<b>23.25%</b>	<b>20.68%</b>	<b>16.74%</b>	<b>15.39%</b>	<b>0.04</b>
<b>SBLYX</b>	<b>ClearBridge Large Cap Growth I</b>	US Fund Large Growth	<b>-9.22%</b>	<b>-7.96%</b>	<b>13.30%</b>	<b>20.64%</b>	<b>18.36%</b>	<b>17.59%</b>	<b>0.72</b>
	Cat: Large Value		-1.55%	1.70%	24.74%	14.31%	11.13%	11.80%	0.98
	Cat: Large Blend		-5.34%	-2.45%	20.51%	18.55%	14.90%	13.82%	0.88
	Cat: Large Growth		-9.69%	-9.78%	10.00%	21.70%	19.08%	15.78%	1.02
	Idx: S&P 500 TR		-5.17%	-1.61%	23.29%	20.71%	16.78%	15.43%	NA





Ticker	Fund Name		Tot Ret YTD *	Tot Ret 3 Mo	Tot Ret 12 Mo	Tot Ret Annld 3 Yr	Tot Ret Annld 5 Yr	Tot Ret Annld 10 Yr	Net Expense Ratio
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### Aggressive Equity Funds

<b>PCMSX</b>	<b>Principal MidCap Value I R6</b>	US Fund Mid-Cap Value	<b>-3.86%</b>	<b>-0.30%</b>	<b>26.23%</b>	<b>15.94%</b>	<b>11.33%</b>	<b>12.20%</b>	<b>0.64</b>
<b>FMCCX</b>	<b>Fidelity Advisor® Stock Selec Mid Cp I</b>	US Fund Mid-Cap Blend	<b>-7.78%</b>	<b>-6.22%</b>	<b>13.03%</b>	<b>14.36%</b>	<b>12.25%</b>	<b>12.24%</b>	<b>0.90</b>
<b>VIMAX</b>	<b>Vanguard Mid Cap Index Admiral</b>	US Fund Mid-Cap Blend	<b>-7.86%</b>	<b>-6.68%</b>	<b>15.32%</b>	<b>17.14%</b>	<b>13.31%</b>	<b>13.45%</b>	<b>0.05</b>
<b>VSMAX</b>	<b>Vanguard Small Cap Index Adm</b>	US Fund Small Blend	<b>-7.91%</b>	<b>-8.82%</b>	<b>6.09%</b>	<b>13.72%</b>	<b>11.29%</b>	<b>12.46%</b>	<b>0.05</b>
	Cat: Mid-Cap Value		-2.95%	0.41%	24.42%	13.78%	9.60%	11.33%	1.05
	Cat: Mid-Cap Blend		-6.51%	-4.56%	14.70%	14.36%	10.79%	11.72%	1.03
	Cat: Small Blend		-7.38%	-6.26%	11.49%	12.81%	9.49%	11.14%	1.08
	Idx: Russell 2000 Growth TR		-13.40%	-17.27%	-15.04%	11.36%	10.93%	11.70%	NA
	Idx: NASDAQ Composite PR		-8.98%	-8.12%	8.95%	25.05%	20.46%	17.60%	NA

### International Equity Funds

<b>VTIAX</b>	<b>Vanguard Total Intl Stock Index Admiral</b>	US Fund Large Blend	<b>-4.91%</b>	<b>-3.23%</b>	<b>22.20%</b>	<b>19.16%</b>	<b>16.00%</b>	<b>14.79%</b>	<b>0.38</b>
<b>MDIZX</b>	<b>MFS Intl Diversification R6</b>	US Fund Foreign Large Blend	<b>-4.39%</b>	<b>-4.39%</b>	<b>4.18%</b>	<b>12.14%</b>	<b>11.01%</b>	<b>8.48%</b>	<b>0.73</b>
<b>RLLGX</b>	<b>American Funds SMALLCAP World R6</b>	US Fund Foreign Large Blend	<b>-2.84%</b>	<b>-3.35%</b>	<b>5.67%</b>	<b>9.85%</b>	<b>8.43%</b>	<b>6.61%</b>	<b>0.11</b>
	Cat: Foreign Large Blend		-3.73%	-3.83%	6.65%	9.66%	7.90%	6.83%	1.01
	Cat: World Small/Mid Stock		-9.22%	-11.32%	1.59%	15.32%	11.82%	10.04%	1.34
	Idx: MSCI ACWI PR USD		-4.96%	-3.74%	11.58%	13.46%	10.62%	8.52%	NA

### Specialty Funds

<b>RRRZX</b>	<b>DWS RREEF Real Estate Sec R6</b>	US Fund Real Estate	<b>-8.89%</b>	<b>-0.75%</b>	<b>30.90%</b>	<b>13.06%</b>	<b>10.78%</b>	<b>10.41%</b>	<b>0.54</b>
	Cat: Real Estate		-7.31%	-0.88%	28.94%	11.79%	9.10%	9.37%	1.15

Blue Bold - Existing Plan Funds

Black - Market Benchmarks

Cat - Morningstar Category

Idx - Index Average

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## New TSI Holdings, Inc. 401(K) Plan Model Portfolios - 2022

Fund Name	Conservative	Moderate	Aggressive	Morningstar category
Fixed Income Guaranteed Fund	35%	15%	5%	Stable Value
Vanguard Total Bond market Index Adm	7%	5%	5%	US Fund Intermediate Core Bond
Fidelity Advisor Strategic Income Z	15%	13%	5%	US Fund Multisector Bond
Lord Abbett High Yield R6	0%	4%	5%	US Fund High Yield Bond
<b>Total Fixed Income</b>	<b>57%</b>	<b>37%</b>	<b>20%</b>	
Franklin Income R6	4%	2%	0%	US Fund Allocation--30% to 50% Equity
MFS Total Return R6	15%	3%	0%	US Fund Allocation--50% to 70% Equity
American Funds Income Fund of America R6	4%	3%	0%	US Fund Allocation--70% to 85% Equity
<b>Total Balanced</b>	<b>23%</b>	<b>8%</b>	<b>0%</b>	
MFS Value R6	10%	10%	10%	US Fund Large Value
Vanguard 500 Index Adm	5%	4%	5%	US Fund Large Blend
Calvert US Large Cap Core Responsible Index R6	0%	0%	0%	US Fund Large Blend
MFS Massachusetts Investors Trust R6	0%	4%	5%	US Fund Large Blend
Clearbridge Large Cap Growth I	0%	9%	10%	US Fund Large Growth
Principal Mid Cap Value I R6	0%	3%	6%	US Fund Mid-Cap Value
Vanguard Mid Cap Index Adm	0%	3%	5%	US Fund Mid-Cap Blend
Fidelity Advisor Stock Selector Mid Cap I	0%	3%	6%	US Fund Mid-Cap Blend
Vanguard Small Cap Index Adm	0%	8%	13%	US Fund Small Blend
<b>Total US Stocks</b>	<b>15%</b>	<b>44%</b>	<b>60%</b>	



## New TSI Holdings, Inc. 401(K) Plan Model Portfolios - 2022

Fund Name	Conservative	Moderate	Aggressive	Morningstar category
MFS International Diversification R6	0%	3%	6%	US Fund Foreign Large Blend
Vanguard Total International Stock Index Adm	0%	3%	6%	US Fund Foreign Large Blend
American Funds SMALLCAP World R6	0%	0%	3%	US Fund World Small/Mid Stock
<b>Total International Stocks</b>	<b>0%</b>	<b>6%</b>	<b>15%</b>	
DWS RREEReal Estate Securities R6	5%	5%	5%	US Fund Real Estate
Total:	100%	100%	100%	
<b>Total Fixed Income</b>	<b>65%</b>	<b>40%</b>	<b>20%</b>	
Total US Stocks	28%	48%	60%	
Total International Stocks	2%	7%	15%	
Total Real Estate	5%	5%	5%	
<b>Total Stocks</b>	<b>35%</b>	<b>60%</b>	<b>80%</b>	
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	

# Keeping Calm and Invested During Declines Led to Better Outcomes

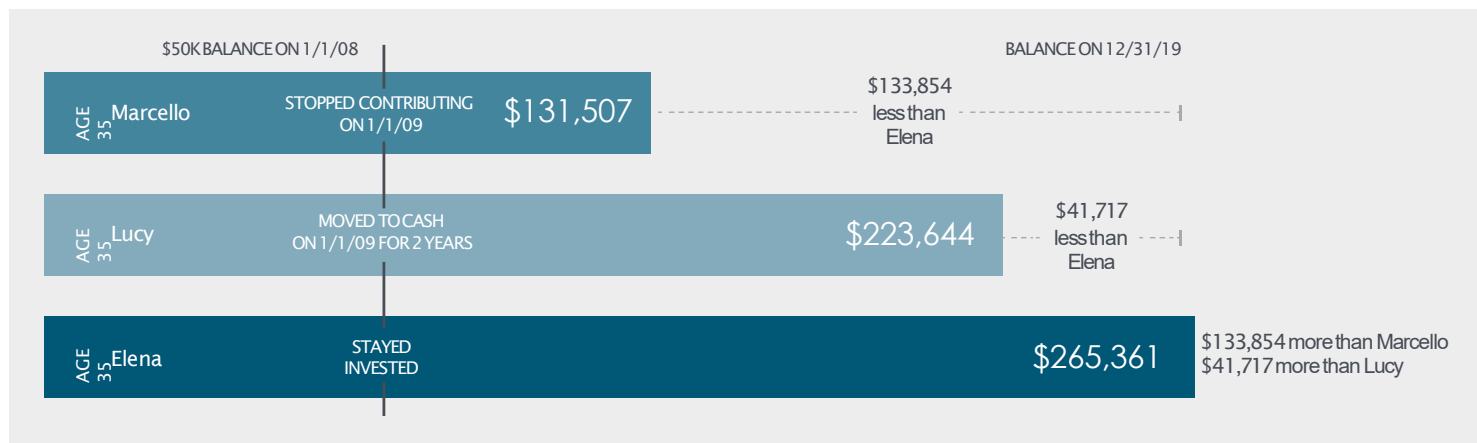
## Case Study

Age 35

Bear markets can be unsettling or even frightening. While many participants may be tempted to stop contributing to their retirement plan or to move their assets to cash, those decisions could have serious long-term implications for their retirement savings. History has shown that participants who stay invested fared better over time than participants who moved to the sidelines during downturns. Although past performance is no guarantee of future results, the global financial crisis of 2008 and 2009 (GFC) tells a compelling story. See how the actions of three hypothetical participants during the GFC affected their retirement account balances over a 12-year period.

## Staying invested led to higher retirement savings

Hypothetical example based on results before, during and after global financial crisis (1/1/08–12/31/20)



### Key assumptions:

- Age (1/1/2008): 35
- 2008 Salary: \$50,000
- Balance as of 1/1/2008: \$50,000
- Salary increase per year: 2%
- Employee contribution: 6% of salary
- Employer match: 4.5% of salary
- Asset allocation:
  - 50% US equity
  - 30% non-US equity
  - 20% US aggregate fixed income

By staying invested, contributing regularly and maintaining an asset allocation based on her needs, Elena benefited from the market's rebound after the GFC and the compounding of new contributions and gains, leading to more retirement savings.

Source: SPAR, FactSet Research Systems Inc., MFS analysis.

Hypothetical examples are for illustrative purposes only and are not intended to represent the future performance of any MFS' product.

Asset Allocation is an investment strategy that aims to balance risk and reward by apportioning a portfolio's assets according to an individual's goals, risk tolerance and investment horizon. Diversification is a risk management strategy that mixes a wide variety of investments in a portfolio. Rebalancing is the process of realigning the weightings of a portfolio of assets (ADR).

For purposes of this comparison, return calculations were based on monthly returns from January 1, 2008 through December 31, 2020 for the following indices—the S&P 500 Stock Index measures the broad US stock market. The Bloomberg Barclays US Aggregate Bond Index measures the US bond market. The MSCI EAFE Index (net) measures the non-US stock market. Index performance does not reflect the deduction of any investment-related fees and expenses. It is not possible to invest directly in an index. Asset allocations rebalanced monthly. Pay increases effective 1/1 of the following year. Contributions and match made at month-end. The use of a systematic investing program does not guarantee a profit or protect against a loss in declining markets. You should consider your financial ability to continue to invest through periods of low prices. Past performance is no guarantee of future results.

Keep in mind that no investment strategy, including ADR can guarantee a profit or protect against a loss. Also, all investments carry a certain amount of risk, including the possible loss of the principal amount invested.

# Keeping Calm and Invested During Declines Led to Better Outcomes

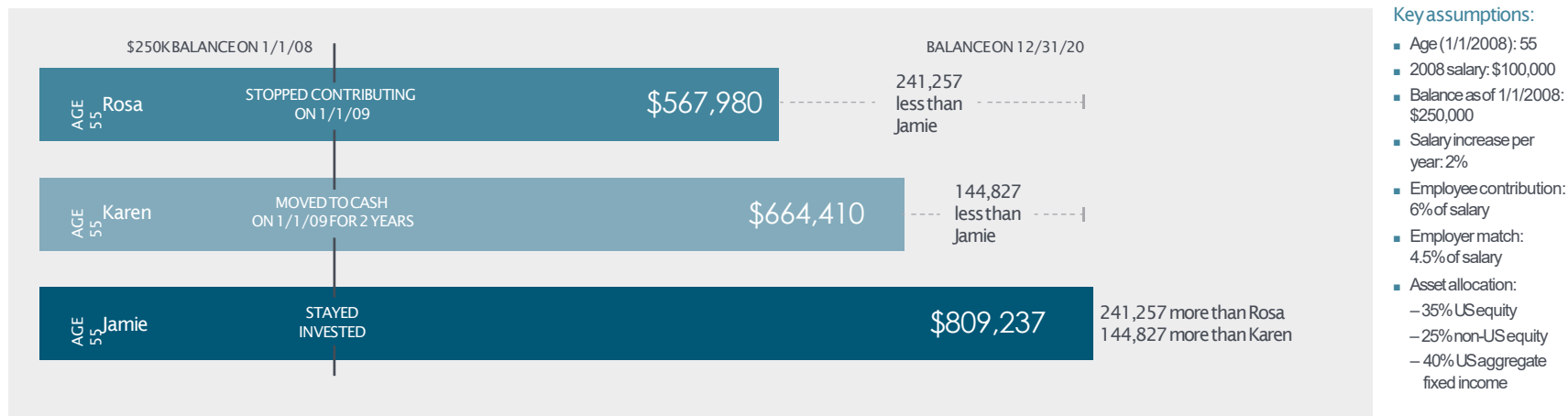
## Case Study

Age 55

Bear markets can be unsettling or even frightening. While some participants may be tempted to stop contributing to their retirement plan or to move their assets to cash, those decisions could have serious long-term implications for their income in retirement. History has shown that participants who stay invested and keep saving fare better overtime than participants who move to the sidelines during downturns. Although past performance is no guarantee of future results, the global financial crisis of 2008 and 2009 (GFC) tells a compelling story. See how the actions of three hypothetical participants during the GFC affected their income in retirement.

## Staying invested led to more income in retirement

Hypothetical example based on results before, during and after global financial crisis (1/1/08 – 12/31/20)



**By staying invested, contributing regularly and maintaining an asset allocation based on his needs, Jamie benefited from the market's rebound after the GFC and the compounding of new contributions and gains, leading to more retirement savings.**

Source: SPAR, FactSet Research Systems Inc., MFS analysis.

Hypothetical examples are for illustrative purposes only and are not intended to represent the future performance of any MFS' product.

Asset Allocation is an investment strategy that aims to balance risk and reward by apportioning a portfolio's assets according to an individual's goals, risk tolerance and investment horizon. Diversification is a risk management strategy that mixes a wide variety of investments in a portfolio. Rebalancing is the process of realigning the weightings of a portfolio of assets (ADR).

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Keep in mind that no investment strategy, including ADR can guarantee a profit or protect against a loss. Also, all investments carry a certain amount of risk, including the possible loss of the principal amount invested.

# HUB



# Thank you!

## CONTACT INFORMATION

**Principal** (your Plan Administrator)

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**EPIC Retirement Services Consulting, a Division of HUB International Northeast**  
(your Plan Advisor)

You may feel free to contact EPIC directly by phone or email.

EPIC consultants are available between  
9:00 am – 5:00 pm Eastern Time, Monday-Friday.

Telephone: 888-558-EPIC (3742) • Fax: 212-244-6286 • Email: [contact@epicretirellc.com](mailto:contact@epicretirellc.com)

When contacting EPIC, kindly identify yourself as a New TSI associate and, if possible, provide a copy of your 401(k) statement. EPIC does not have direct access to participant accounts. Be sure to visit the EPIC website – [www.epicretirellc.com](http://www.epicretirellc.com).

***We look forward to speaking with you soon!***