

75 YEARS PENTEGR

Our Difference. Your Advantage.

75 YEARS
PENTEGRA

Pentegra. 75 Years of Success

Pentegra is a leading provider of retirement plan, fiduciary outsourcing and institutional investment solutions to clients nationwide. Today, with more than \$13 billion in assets under management, we invite you to be part of our story and share our **more than 75 years of expertise.**

1940's

The 1940's were dominated by World War II, and after a long period of economic recession throughout the world that began with the Wall Street Crash in 1929 and lasted throughout the 1930's, the world would be a different place after World War II ended. The dropping of the first nuclear bomb dramatically changed the dynamic between those countries that had nuclear technology and countries that did not, and the United Nations was established as a global entity to help manage future world conflicts.

Pop Culture

- Popular films included For Whom the Bell Tolls and Lassie Come Home
- The Pentagon, considered to be the world's largest office building, was completed
- The Mount Rushmore sculpture was completed
- In The Mood by the Glenn Miller Orchestra set the musical tone for the decade
- Oklahoma opened on Broadway
- NASCAR® held its first modified stock car race in Daytona Beach, Florida
- Bugs Bunny, Cheerios cereal, M&Ms, Polaroid cameras, and the Jeep made their debut

Cost of Living

Bottle of
Coca Cola
5 cents



Average cost
of a loaf
of bread
10 cents

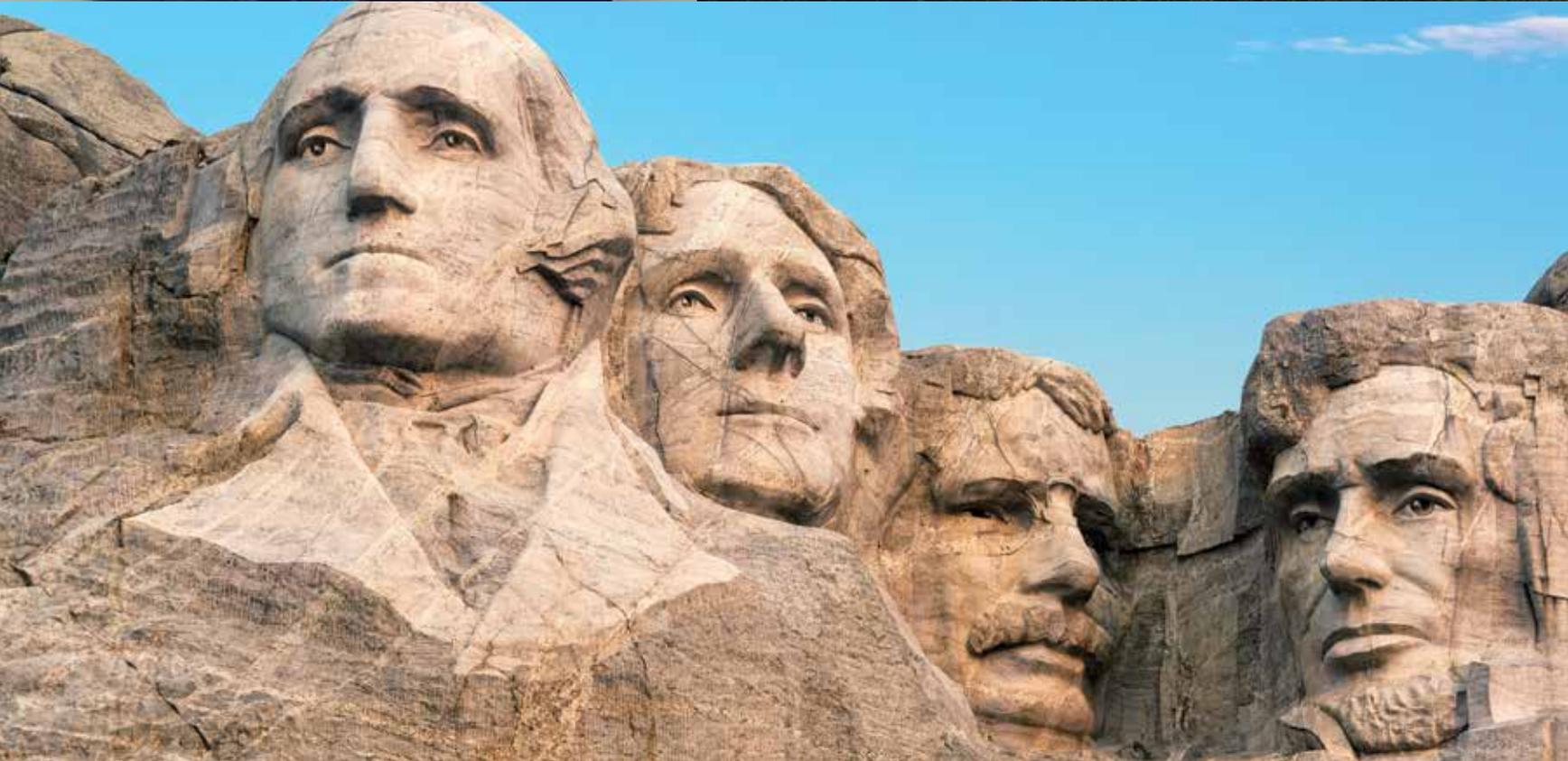
Average wages
\$1,725.00

Average
cost of a
new home
\$3,600.00

Average cost
of a gallon
of gas
21 cents

Average price
of a new car
\$900.00





1940's

The Retirement Industry

Private pension plans grew, with 4.1 million private-sector workers covered by a pension plan. Pension plans received a boost during World War II, when the government imposed wage freezes. This encouraged many companies to offer pension, health and welfare benefits as an alternate way to attract a limited workforce. War-related increases in personal and corporate taxes also spurred businesses to offer more generous pensions as a means of averting these taxes.

At Pentegra

Pentegra was created as a not-for-profit, tax-exempt defined benefit pension trust on December 1, 1943 by the then eight Federal Home Loan Banks. The Trust was established to manage and oversee a defined benefit pension plan for employees of the Federal Home Loan Bank System. The Trust was administered by a professional staff and governed under the direction of a Board of Trustees who were presidents of the Federal Home Loan Banks. By 1944, six of the 189 participants were on military leave.





Client driven culture

We were founded by our clients, are owned by our clients, and governed by our clients—simply, we exist for our clients. When we say we are “client driven,” it is not an empty marketing tagline, it’s our DNA. Our solutions begin and end with each client’s real life needs, objectives and goals. Today, we have more than 100 clients who have been with us for over 30 years and maintain a 98% client retention rate.

1950's

The 1950's were a time of unprecedented economic growth and prosperity, as the U.S. emerged as the world's leading industrial power. The baby boom reached its peak with 50 million babies born. Americans in the postwar era had more discretionary income than ever before. Consumerism took off, creating jobs, wealth and a cycle of economic boom. The Cold War helped frame foreign policy, as fears of the communist threat across the globe shaped a view of the world as one polarized between American democracy and Soviet communism.

Pop Culture

- Rock and roll music came of age as Elvis Presley topped the charts
- Television provided the country with news and entertainment, broadcasting in black and white and by the end of the decade, in color as we watched The Lone Ranger, Leave it to Beaver, I Love Lucy and Father Knows Best
- The economy was booming and so was Broadway, with classics including West Side Story, Damn Yankees, Guys and Dolls, My Fair Lady and The King and I
- The first modern credit card was introduced
- Ray Kroc founded McDonald's
- Alaska and Hawaii became the 49th and 50th states, respectively, in 1959

Cost of Living

Bottle of
Coca Cola
5 cents



Average cost
of a loaf
of bread
10 cents

Average wages
\$3,301.44

Average
cost of a
new home
\$8,450.00

Average price
of a new car
\$1,510.00

Average cost
of a gallon
of gas
29 cents





1950's

The Retirement Industry

By 1950, 9.8 million private-sector workers were covered by a pension plan. The IRS ruled that a pension plan is “a plan established and maintained by an employer primarily to provide systematically for the payment of definitely determinable benefits to employees over a period of years, usually for life, after retirement.”

Social Security was amended to allow women to elect early, reduced benefits at age 62, with full retirement benefits available to those who retired at age 65.

At Pentegra

In **1956**, the defined benefit pension trust became known as the Savings Association Retirement Fund, reflecting that, by then, it also served the savings industry. Expanding its original mission, the company grew to serve the needs of all thrift and savings institutions and the organizations serving them. Community-based savings and loan associations, thrift and savings banks across the nation joined the program, enjoying the benefits of participating in our multiple employer plan, including outsourced fiduciary responsibility, lower costs, economies of scale and reduced retirement plan administrative burdens. The program offered financial institutions one of the most competitively priced benefit programs available in the industry, from an organization with a history of growth, experience and demonstrated success in serving hundreds of organizations, large and small, nationwide.

75





Unparalleled governance

We foster a culture of integrity. At Pentegra, we do not answer to shareholders, we answer to our clients.

Our Boards of Directors are made up of our clients, Presidents and CEOs, who use our services and place their own futures in our hands. Our Boards serve with excellence and the highest ethical standards and set the very same ones for our organization.

1960's

The 1960's were a decade once again dominated by war and change as the effects of the Vietnam War reverberated throughout the world. The 1960's were also the start of the movement of people impacting politics through the power of peaceful demonstration. Students became a driving force for change, challenging the status quo and making their mark as a generation as the Civil Rights movement changed the nation.

Pop Culture

- Rolling Stone magazine published its first issue, as music reflected changing social norms
- The British Invasion made its mark as the Beatles and the Rolling Stones emerged as two of the most popular bands of the decade
- The youth movement converged during The Summer of Love and Woodstock
- Minimalism and Pop Art rejected establishment expectations about art, as both movements blurred the line between fine art and ordinary life objects
- Flipper, The Ed Sullivan Show and Star Trek were on TV
- The United States began to use Zip Codes
- The space race reached new heights as Neil Armstrong and Buzz Aldrin became the first men to land on the moon, declaring, "That's one small step for man, one giant leap for mankind"

Cost of Living

Bottle of
Coca Cola
13 cents



Average cost
of a loaf
of bread
22 cents

Average wages
\$4,658.72

Average
cost of a
new home
\$12,700.00

Average price
of a new car
\$2,600.00

Average cost
of a gallon
of gas
31 cents





1960's

The Retirement Industry

By 1960, 18.7 million private-sector workers were covered by a pension plan. Social Security was amended to allow men to elect early, reduced benefits at age 62, with full retirement benefits available to those who retired at age 65.

In 1967, the Age Discrimination in Employment Act (ADEA) was enacted, prohibiting discrimination on the basis of age in employment for individuals age 40 and older and under the age of 65.

At Pentegra

The Savings Association Retirement Fund continued to grow and attract new members as community-based savings and loan associations, thrift and savings banks nationwide joined the program, eager to take advantage of the program's economies of scale and fiduciary protections.

Providing secure retirement benefits for retirees continued to be the primary mission of our organization, providing our clients and their employees with the peace of mind that comes from the strength of the trust that stands behind every benefit payment. By the end of the decade, many clients reached "full funding" resulting in large part from favorable investment returns.

1969

75





Deep Expertise and Bench Strength

Our team is comprised of highly-skilled professionals—ERISA attorneys, Enrolled Actuaries, Certified Plan Consultants and specialists in investments, education and compliance. The advantage—access to multiple experts guided by a relationship management team that eases the way for you.

1970's

The 1970's saw massive inflation worldwide, as the post-World War II economic boom began to wane as a result of increased international competition, the expense of the Vietnam War and the decline of manufacturing jobs. A new, more uncertain era had begun. The country was plagued with economic 'stagflation' characterized by a combination of wage stagnation and inflation, exacerbated by the oil embargo and crisis in the Middle East. The Pentagon Papers and Watergate undermined the public's trust in government and the modern women's movement was born.

Pop Culture

- Walt Disney World Resort opened in Orlando, Florida
- The first U.S. cable subscription service, HBO, was introduced
- The Brady Bunch, Sesame Street and Saturday Night Live aired on TV
- Billy Jean King beat Bobby Riggs in the Battle of the Sexes tennis match
- The movie Jaws opened in theaters, becoming one of the first blockbuster films
- Steve Jobs and Steve Wozniak created the Apple Computer Company
- NASA introduced the first space shuttle, the Enterprise
- The 26th amendment was ratified, lowering the voting age from 21 to 18 years

Cost of Living

Bottle of
Coca Cola
15 cents



Average cost
of a loaf
of bread
25 cents

Average wages
\$8,630.92

Average
cost of a
new home
\$23,450.00

Average cost
of a gallon
of gas
57 cents

Average price
of a new car
\$3,450.00



Sorry...
**NO GAS
TODAY**



1970's

The Retirement Industry

By 1970, 26.3 million private-sector workers were covered by a pension plan. In 1974, the Employee Retirement Income Security Act of 1974 (ERISA) was enacted. The most comprehensive employee benefits legislation ever passed, ERISA provided protections for millions of workers participating in a range of benefit programs. Since its enactment, many other laws have amended ERISA and expanded its scope to provide even greater protections for employees as well as corresponding responsibilities for employers.

In 1978, Congress passed the Revenue Act of 1978, which included a provision that allowed employees to avoid being taxed on a portion of income that they received as deferred compensation, rather than direct pay. The provision became known as Internal Revenue Code Section 401(k).

At Pentegra

In 1970, the Savings Institutions Thrift Plan was launched. A tax-exempt, trustee savings plan, the program was designed to provide a retirement savings plan for employees of financial institutions and organizations serving them to save and invest on a regular, long-term basis. The program was designed to complement our multiple employer defined benefit pension program. Today, the Plan includes some of the original members, who have long since converted these savings plans to 401(k) plans.

In 1974, we also relocated our headquarters from Park Avenue in New York City to Corporate Park Drive in White Plains, New York. By the end of the decade, assets topped more than \$500 million.





Fiduciary Protection

With a legacy built serving as an institutional fiduciary, Pentegra offers a level of fiduciary protection that is unmatched in the industry. We deliver an unrivaled level of oversight and accept a higher level of responsibility. Our fiduciary heritage shapes our culture.

1980's

The 1980's were characterized by the rise of conservatism in political and cultural life with the election of Ronald Reagan, the collapse of traditional communism and the end of the Cold War, capitulating symbolically as the Berlin Wall came tumbling down. Communist governments across Eastern Europe would begin to fall as well, leading to the eventual breakup of the USSR. American politics were rocked by the Iran-Contra Affair and women made strides as Sandra Day O'Connor became the first female Supreme Court Justice and Sally Ride became the first American woman in space.

Pop Culture

- CNN, the first 24-hour cable news network was created
- People played Pac-Man and Rubik's Cube and watched MTV
- Britain's Prince Charles wed Diana Spencer in the first royal wedding to be televised live
- Blockbuster movies E.T, Back to the Future and Platoon were in theaters
- We raised millions to feed Africa's hungry with We are the World
- We tuned in to a new national talk show, The Oprah Winfrey Show
- At work, typewriters began making way for personal computers and the first mobile phone was introduced

Cost of Living

Bottle of
Coca Cola
45 cents



Average cost
of a loaf
of bread
50 cents

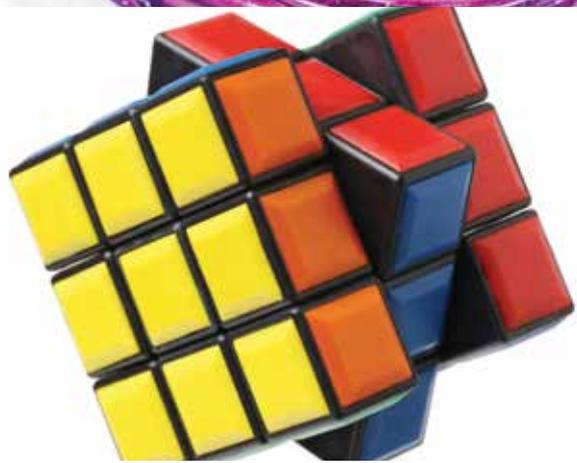
Average wages
\$16,822.51

Average
cost of a
new home
\$68,700.00

Average price
of a new car
\$7,200.00

Average cost
of a gallon
of gas
\$1.12





1980's

The Retirement Industry

By 1980, 35.9 million private-sector workers were covered by a pension plan. The retirement industry saw key innovations during this decade. In 1981, the IRS issued rules allowing the funding of 401(k) plans through employee salary reductions. By 1983, nearly half of all large employers either offered a 401(k) plan or were considering offering one.

The 1980's also saw the enactment of the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA), limiting the amount of annual additions to defined contribution plans, decreasing the maximum dollar limit on defined benefit plans and introducing top heavy and minimum distribution rules. In addition, in 1984 the Retirement Equity Act of 1984 (REA) was passed, which lowered the minimum age for enrollment, added maternity and paternity leaves and breaks-in-service rules.

Perhaps the most significant of the legislative acts of the 1980's was the Tax Reform Act of 1986, requiring "nondiscrimination" testing to prevent 401(k) plans from favoring highly compensated employees over rank-and-file workers.

At Pentegra

In 1982, the Savings Association Retirement Fund became known as the Financial Institutions Retirement Fund and the Savings Institutions Thrift Plan became known as the Financial Institutions Thrift Plan. By 1987, assets under management topped \$1 billion.

Pentegra earned the first of many endorsements by banking industry trade organizations, as its qualified retirement programs earned the endorsement of the Illinois League of Financial Institutions in 1984.





No Conflicts of Interest

We are not a “Wall Street” firm, or owned by a larger financial services organization, mutual fund or insurance company. As an independent organization, governed by our clients, our focus is to enhance the value of our clients. We partner with firms as a trusted resource to bring an objective perspective and maximum flexibility to every opportunity—to deliver the very best solution for clients.

1990's

The 1990's saw the rise of the Internet and wireless mobile communication and the shift toward economic globalization and multiculturalism, as the World Wide Web altered how we found information. The 1990's were also defined by the Persian Gulf War. Thirty years of violence in Northern Ireland came to a standstill in 1998 with the Belfast "Good Friday" Agreement, while new concerns of terrorism came to U.S. shores with the bombing of the World Trade Center, foreshadowing what was to come. By the end of the decade, we witnessed the dot.com bubble and fear of Y2K.

Pop Culture

- Generation X came of age
- The 1994 Major League Baseball season was cancelled when the Players Association went on strike
- Movements such as grunge, the rave scene and hip hop spread around the world, aided by cable television and the World Wide Web
- Seinfeld captured our attention on TV, while Quentin Tarantino fascinated us at the movies
- The online auction website Ebay was founded
- The first Harry Potter book was published by author J.K. Rowling
- The Dow Jones Industrial Average closed above 10,000 for the first time

Cost of Living

Bottle of
Coca Cola
\$1.00



Average cost
of a loaf
of bread
70 cents

Average wages
\$24,705.66

Average
cost of a
new home
\$123,000.00

Average price
of a new car
\$16,950.00

Average cost
of a gallon
of gas
\$1.15



GENERATION X

	Last	Change	% Chg
Industrials*	13265.47	-208.10	-1.58
q Composite*	2562.24	-37.10	-1.44
00*	1458.95	-23.71	-1.60
hire 5000*	14710.78	-227.69	-1.54
2000*	777.83	-13.65	-1.74
e Deviation			
	Last	% Chg	High
Info Svcs	36.95	-0.14	38.17
e Commerce	19.42	3.02	20.14
cial Corp.	10.20	5.05	10.25



1990's

The Retirement Industry

By 1990, 39.5 million private sector workers were covered by a pension plan. 11.5 million workers were covered only by a defined contribution plan.

The Unemployment Compensation Amendments of 1992 imposed a 20 percent mandatory withholding tax on lump-sum distributions not rolled over into qualified retirement accounts, and liberalized rollover rules.

Another reduction to benefits came in 1993 with the enactment of The Omnibus Budget Reconciliation Act of 1993, which reduced compensation that could be considered for retirement benefits.

The most sweeping legislation of the decade came in 1996 with the enactment of The Small Business Job Protection Act of 1996, which included provisions designed to make it easier for businesses to sponsor retirement plans with simpler rules and regulations.

At Pentegra

In 1993, the Pentegra organization embarked on a name change. From that point on we would be known as **Pentegra**—derived from the words **pensions + integrity**.

The 1990's were a decade of transformative growth for Pentegra as we worked to procure a change to Section 413(c) of the Internal Revenue Code and obtain a prohibited transaction exemption for Pentegra, allowing for the establishment of Pentegra Services, Inc.

Our product offerings now included single employer retirement plans of every kind. The new structure also allowed us to expand the marketing of our programs and services beyond the scope of the financial community to businesses across different industries and sectors nationwide.

Pentegra's retirement programs also earned the endorsement of the New Jersey Bankers Association in 1993 and the Florida Bankers Association (BancServ), the North Carolina Bankers Association and the Pennsylvania Association of Community Bankers in 1994. By the end of the decade, assets under management topped \$2 billion.





We're different by design

For more than 75 years, we've delivered a different approach to every client solution. It begins with a strategic understanding of your needs, and putting those needs first. You decide how you want to work with us and together we'll select the services, fiduciary support and investment platform that bring your solution together seamlessly.

2000's

The 2000's were marked by events that changed the course of history. The Presidential Election of 2000 became the most highly contested election in history. On September 11, 2001, our nation was forever changed when 19 terrorists hijacked four planes and crashed them into the World Trade Center, the Pentagon and a field in Shanksville, Pennsylvania, killing nearly 3,000 people and injuring over 6,000.

The decade was marked by the war on terror as the U.S. launched the invasion of Afghanistan, marking the start of Operation Enduring Freedom, while Congress passed the Patriot Act. In 2003, the United States, United Kingdom, Australia and Poland invaded Iraq, marking the start of Operation Iraqi Freedom. The dot.com technology bubble, spanning from 1995 to 2000, peaked when trading on the NASDAQ exchange reached 5132.52 on March 10, 2000, just before the dot.com bubble burst. The stock market crashed as the global financial crisis took hold in 2008.

Pop Culture

- Google redefined the Internet
- Europe ushered in the Euro
- The Human Genome Project was completed
- Virtual social networking arrived with Facebook, MySpace and Twitter
- Apple Computer introduced the iPod and iPhone
- YouTube was launched
- Pluto was expelled from the planet club
- Hurricane Katrina forever changed New Orleans

Cost of Living

Bottle of
Coca Cola
\$1.10



Average cost
of a loaf
of bread
\$1.72

Average
cost of a
new home
\$202,200

Average cost
of a gallon
of gas
\$2.30

Average wages
\$36,952.94

Average price
of a new car
\$28,800





2000's

The Retirement Industry

By the year 2000, 40.1 million Americans in the private sector were covered by defined benefit plans and 60.4 million Americans in the private sector were covered by defined contribution plans, signaling the continued shift in retirement responsibility from the employer to the employee.

In 2001, the Economic Growth and Tax Relief Reconciliation Act (EGTRRA) was enacted, increasing the amounts that could be contributed to defined contribution plans, adding “catch-up contributions” for individuals age 50 and older, increasing the maximum annual benefits under a defined benefit plan and the compensation limit taken into account in determining benefits. EGTRRA also paved the way for Roth 401(k)s, which allowed after-tax contributions to grow tax-free.

In 2006, the Pension Protection Act of 2006 (PPA) was enacted, making EGTRRA's compensation and contribution limits permanent and also permitting key automated features.

At Pentegra

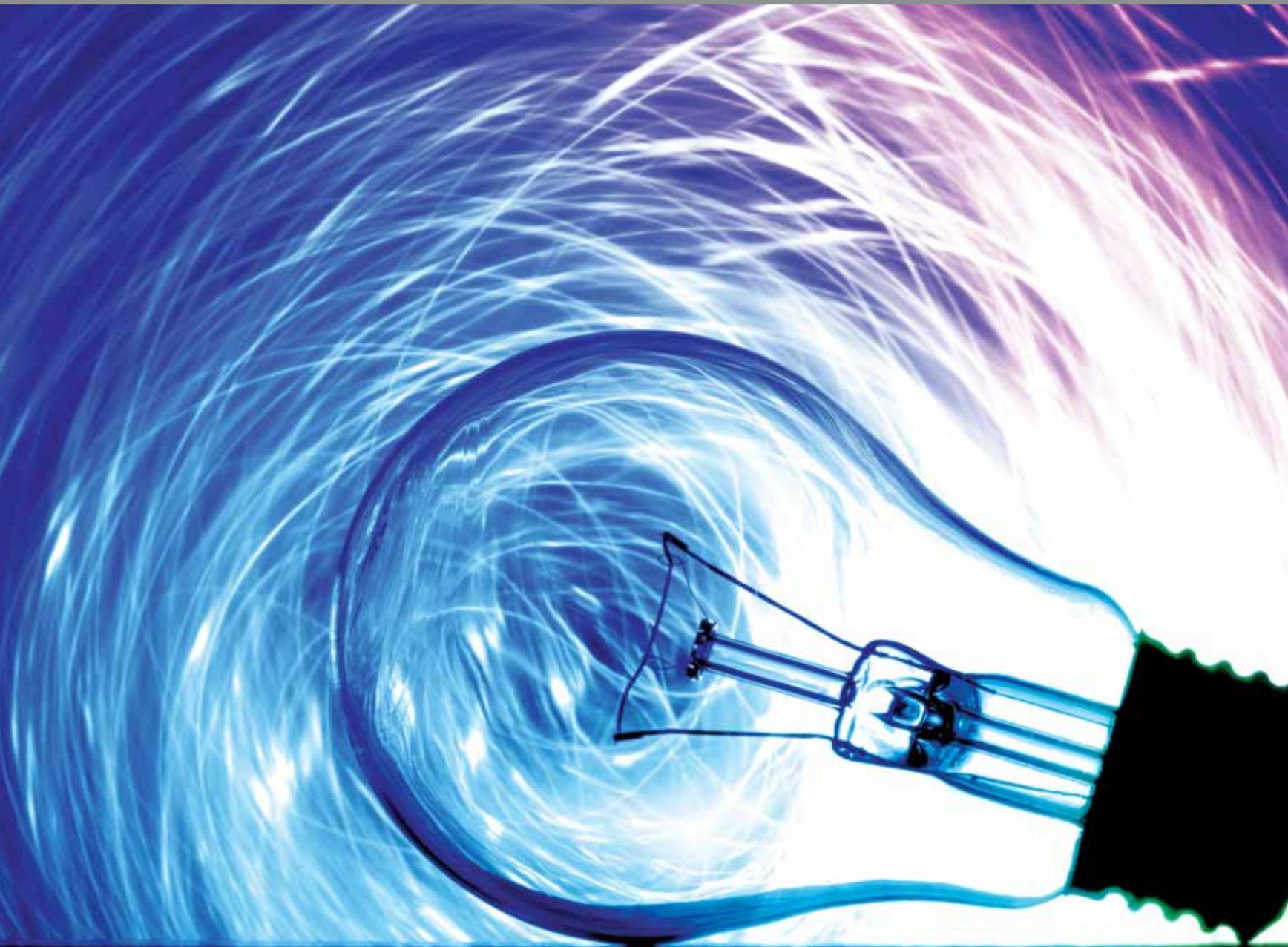
Pentegra earned two key endorsements as assets topped \$3 billion at the beginning of the decade.

In 2006, NAFCU Services Corporation, a subsidiary of the National Association of Federal Credit Unions (NAFCU), announced its selection of Pentegra as its Preferred Partner for qualified retirement plans. In 2008, the American Bankers Association announced its endorsement of Pentegra's qualified retirement programs and services.

Pentegra continued to win the endorsement of bank trade organizations nationwide, including those of the Texas Bankers Association in 2003, the Ohio Bankers League in 2004, the Louisiana Bankers Association in 2006 and the West Virginia Bankers Association and the Wyoming Bankers Association in 2009.

In 2008, the acquisition of the subsidiaries Retirement System Group Inc. (RSGroup), further broadened our capabilities and resources, adding regional depth as well as trust and insurance products, BOLI, and registered investment advisory and broker dealer capabilities to Pentegra. By the end of the decade, assets topped \$7.5 billion.





Comprehensive solutions

Whether you are a financial advisor seeking a fiduciary outsourcing retirement solution for your clients, a client seeking an executive benefit or benefits financing solution, or an institutional investor looking for help with your balance sheet, our structure and collaborative culture enable us to align our full resources behind your needs. We deftly draw on our collective resources and team of highly skilled professionals to create exceptional client solutions.

2010's

With the continued evolution of technology came the expansion of economic globalization during the current decade. Healthcare reform and a slow economic recovery dominated the first years of the decade as the U.S. struggled to find its footing after the economic collapse of 2008 and the lasting threat of terrorism. The rise of ISIS presented new foreign policy challenges. In less than a decade, disruptors in American politics, economics and cyber security changed the country more quickly than two world wars and the industrial age.

Pop Culture

- Occupy Wall Street protested big money interests on Wall Street and their relationship to the recession and world economy
- Apple unveiled the iPad, taking touch screen technology to new levels
- Over two-thirds of Americans owned smartphones
- Netflix revolutionized the way we watched TV
- Uber and Airbnb transformed the way we traveled
- U.S. Navy SEALs captured and killed Osama bin Laden
- The U.S. Supreme Court allowed same-sex marriage

Cost of Living

Bottle of
Coca Cola
\$1.75



Average cost
of a loaf
of bread
\$2.49

Average
cost of a
new home
\$252,100

Average cost
of a gallon
of gas
\$2.45

Average wages
\$48,098.63

Average price
of a new car
\$31,252





2010's

The Retirement Industry

The Small Business Jobs and Credit Act of 2010 provided defined contributions plans with the option to permit participants to convert their distributable pretax and after-tax money into Roth accounts within a plan.

In 2015, the Department of Labor (DOL) introduced its Fiduciary Rule – a rule that was expected to transform the retirement plan industry, redefining the role of investment advisors as fiduciaries and how advisors were compensated. Though implementation of the Rule was delayed and eventually struck down, many advisors took a proactive approach to compliance, improving reporting, fee transparency and education. And while the Rule did not achieve the status of a legal mandate, experts predict that it will continue to shape the industry for years to come.

The Fiduciary Rule opened up the conversation around fees, challenged traditional business models, elevated the discussion of ethics and empowered plan sponsors and participants to act as informed advocates. Driven by competitive pressures, more advisors may choose to abide by the fiduciary standard, mandated or not. Today, whether or not the government demands a higher standard, many plan sponsors will.

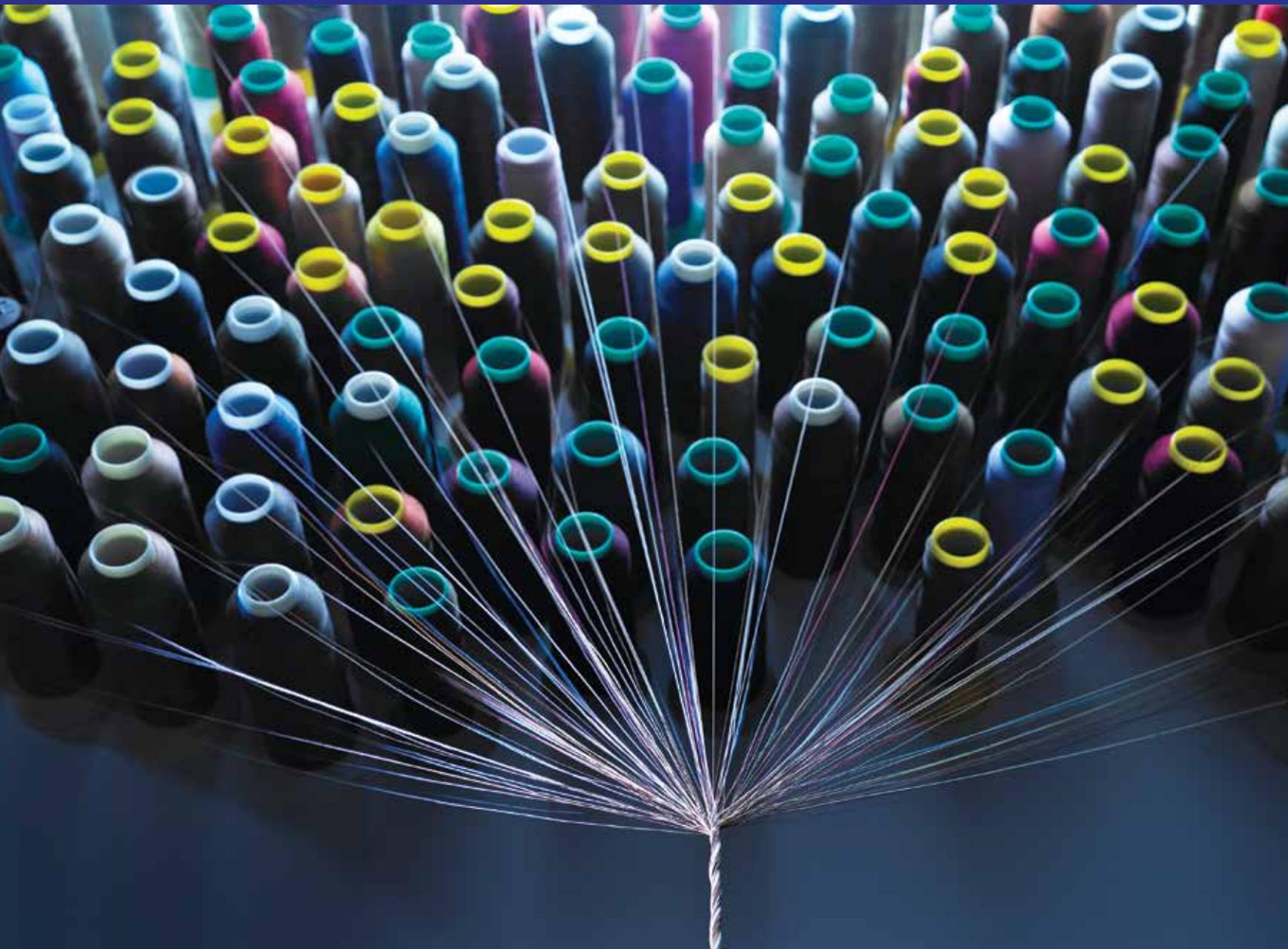
At Pentegra

In 2011, Pentegra acquired Alliance Benefit Group-Carolinas, a full-service third party retirement plan administration and recordkeeping firm based in the Carolinas. In 2013 Pentegra acquired Advanced Pension Solutions, Inc., a full-service third party retirement plan administration firm based in Ohio. The key benefit of these acquisitions was the ability to better position the organization to provide unbundled services on a larger scale.

Pentegra's Non-Qualified/BOLI programs earned the endorsement of the North Carolina Bankers Association in 2012 and the Pennsylvania Association of Community Bankers in 2013. Pentegra's Qualified and Non-Qualified/BOLI programs earned the endorsement of the Independent Bankers Association of New York State in 2012 and the Community Bankers Association of Georgia in 2017. Our third party administration (TPA) operations earned the CEFEX certification by the Centre for Fiduciary Excellence, demonstrating our commitment to the best practices in the industry.

Today, with assets of more than \$13 billion, Pentegra is a leading provider of qualified and non-qualified plan, fiduciary outsourcing, BOLI and institutional investment solutions to clients and advisor-partners nationwide.





Our Difference. Your Advantage.

At Pentegra, our people are our greatest strength. We value integrity, intelligence, focus, diligence, and commitment. Above all, we support one another in pursuit of our clients' goals. Our team is comprised of diverse, intelligent and creative people from a variety of backgrounds to bring varied experiences and expertise to our organization. Let us help you achieve your goals.

At Pentegra, our difference is your advantage.

Partner with us on the SmartPath™ to retirement, collaborate with us to design a retirement plan or executive benefit plan to attract, reward and retain employees, or reduce risk and burdens with our fiduciary and institutional investment management solutions.

Let us help you achieve your goals.



Visit us at www.pentegra.com and follow us and join the conversation.



75 YEARS PENTEGRA

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Integrity.

Governance.

Independent.

Our **Difference.** Your **Advantage.**

Comprehensive Solutions.

Expertise.

Trust.

Client Driven.

Fiduciary.

