

Sample Asset Allocation Portfolio

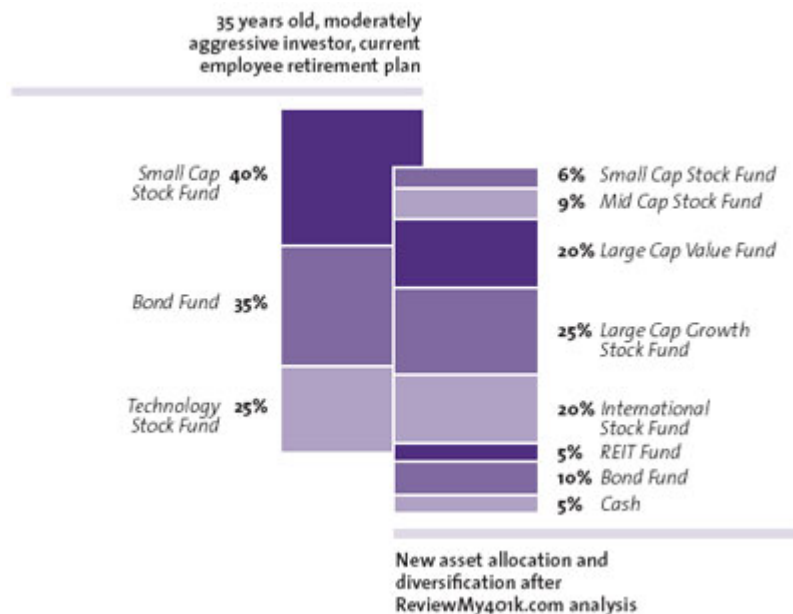
Asset allocation and rebalancing: the difference between working toward your retirement and working during it.

Asset allocation

Devising the right combination of asset classes to meet your goals is the most important part of what we do. The three main asset classes (stocks, bonds and cash) have different levels of risk and return, so each will behave differently over time. We believe that asset allocation plays a major role in determining your portfolio's behavior. Asset allocation is not just about minimizing risk but also about maximizing return.

It's been shown time and again that diversifying your money across various investments that react differently to economic and market changes can lift your overall portfolio performance over the long term. Asset allocation for your employee retirement plan will depend on what type of investor you are.

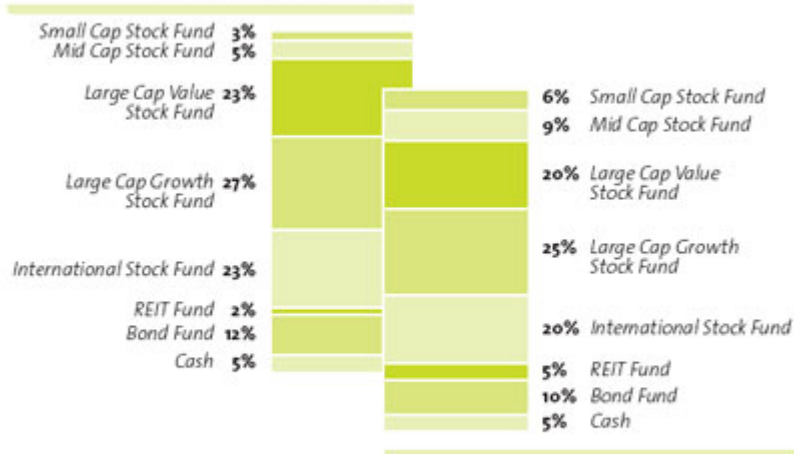
FACT: A study* based on 10 years of quarterly data showed that about 92% in portfolio variance (volatility) are attributed to asset allocation decisions.



Rebalancing

When mutual funds in your portfolio have grown too large for your intended asset weightings and risk tolerance then it's time to rebalance. 'Rebalancing' sells the assets that have grown in value and uses those proceeds to add to your slower growing assets in order to bring your asset allocation back in line. If you don't rebalance, your asset allocation can drift out of alignment with your financial goals and objectives.

**New asset allocation employee
retirement plan growth after one year**
*Portfolio has grown from its
original allocation weightings*



After rebalancing

*Rebalanced portfolio sells growth and
redistributes to funds that have not grown
or is placed in cash and bond fund for later
use bringing weightings back into alignment*