

Making My Investment Decision

What is Asset Allocation?

The mix of investments in your account. Asset allocation is the ongoing process of deciding how to mix different types of investments in your portfolio based on your personal objectives and market trends. To maintain an appropriate mix of investments, you must consider your time to retirement and changing risk tolerance, monitor ever-changing market conditions, and adapt your investment mix accordingly.

Why is Asset Allocation Important?

It determines over 90% of your investment success. Industry studies show that asset allocation is the most important factor affecting portfolio performance. Because your asset allocation drives your portfolio's risk level, you must be comfortable that the investment mix within your account is appropriate for your investment time horizon and risk tolerance, and that it is effectively managed over time.

ASSET ALLOCATION

Determining Investment Success



■ 93.3% Asset Allocation
■ 6.7% Security Selection

Source: Gary P. Brinson, Brian D. Singer and Gilbert L. Beebower, "Determinants of Portfolio Performance II, An Update," Financial Analysts Journal, May-June 1991.

How Do I Manage My Asset Allocation?

Choose one of two approaches offered by your retirement plan:

DO-IT-MYSELF APPROACH

You create and manage your own asset allocation.

Is This Approach Right For Me?

Ask Yourself...

Do I have the resources and expertise to manage my own asset allocation?

Do I proactively track the financial markets, monitor my investments, and make adjustments?

Will I spend the time necessary to effectively manage my account?

If you answered yes to these questions, the **do-it-myself** approach may work for you.

TARGET DATE APPROACH

Investment professionals manage asset allocation for you.

Is This Approach Right For Me?

Ask Yourself...

Am I unsure of how to diversify my account among the various funds offered in my retirement plan?

Am I uncomfortable determining when and how to change my investment mix?

Do I prefer to leave the asset allocation decisions to a professional investment manager?

If you answered yes to these questions, the **target date** approach may work for you.

This material is for educational purposes only and does not constitute a recommendation or investment advice. It is not impartial and does not take into account an investor's personal circumstances, or suggest any specific course of action. You should make investment decisions in consultation with your personal advisor based on your individual objectives and overall financial picture.

It's Your Choice...

Review the two asset allocation approaches below to help you select the one that meets your needs.

DO-IT-MYSELF APPROACH

You choose a mix of funds to create the asset allocation you feel is right for you and manage your own investment mix over time.

1. Consider your investment time horizon and risk tolerance.
2. Determine an asset allocation appropriate for your personal situation.
3. Research the funds available in your plan.
4. Choose a mix of funds to support your asset allocation decision.
5. Monitor the markets and your investments going forward.
6. Rebalance your account regularly.
7. Make adjustments to your asset allocation when appropriate.

Long-Term Considerations

Do the funds and percentages I'm invested in provide me with an appropriate asset allocation?

How do changing market conditions affect my investments?

When and how should I react to market changes?

How often should I rebalance my account?

When should I update my asset allocation?

Stock Funds

Which funds?
How much?
When to adjust?

Bond Funds

Stable Value/
Money Market
Fund

TARGET DATE APPROACH

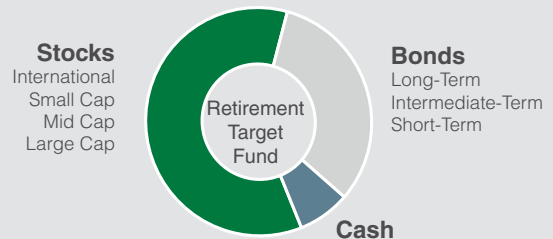
You choose a Retirement Target Fund to fit your investment goals and leave the day-to-day investment decisions to professionals.

1. Determine your expected retirement date.
2. Review the Retirement Target Funds available in your plan.
3. Evaluate your complete financial situation, including risk tolerance.
4. Select the Retirement Target Fund that best matches your expected retirement date and other retirement goals.
5. Review your investments periodically and make adjustments if your situation changes.

Long-Term Considerations

Has my expected retirement date changed?

Does the Retirement Target Fund I selected still match my retirement goals?



The Retirement Target Funds available through your retirement plan are the Manning & Napier Retirement Target Collective Investment Trust Funds. Manning & Napier Advisors, LLC provides investment advisory services to Exeter Trust Company, Trustee of each Retirement Target Fund. The Retirement Target Funds are available only for use within certain qualified employee benefit plans. These Funds are not mutual funds and units of the Funds are not registered under the Securities Act of 1933, as amended, or the Investment Company Act of 1940, as amended.