



# Take charge of your future

Building a retirement plan doesn't have to be difficult and time-consuming. You have two ways to invest your account, based on how much time and energy you want to spend doing it.

## What's your management style?

### Do I want help with:

- selecting my own mix of individual funds?  yes  no
- deciding what portion of my contributions or account to invest in each fund?  yes  no
- keeping an eye on my investments and making changes as I get closer to retirement?  yes  no

If you answered “Yes” to one or more of these questions, then you might consider **Option 1**, the “**No assembly required**” method, and choose a target retirement date fund.

If you answered “No” to all of these questions, then **Option 2, Do it yourself** may be right for you. You can build your own diversified portfolio by investing in a combination of your plan's individual fund options.

## OPTION 1:

# No assembly required – Target Retirement Date Funds

Designed for people who don't have the time or interest to devote to investing. Your plan offers the JPMorgan SmartRetirement funds.

## What is it?

A JPMorgan SmartRetirement fund is a target retirement date fund, which means each fund has a date in its name that corresponds to an expected year of retirement. The funds:

- are made up of multiple asset classes (like stocks, bonds and cash alternatives)
- are professionally managed and designed to give you diversification within a single fund
- align with an expected retirement date
- are managed to gradually shift away from stocks and toward bonds over time, so the fund's objective becomes more conservative it approaches its retirement date
- the fund managers rebalance the fund

You may choose to invest in any of the other target retirement funds or any other investments in the lineup. As with all investments, the principal value of the fund(s) is not guaranteed at any time, including at the target date.

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## OPTION 1:

# No assembly required – Target Retirement Date Funds

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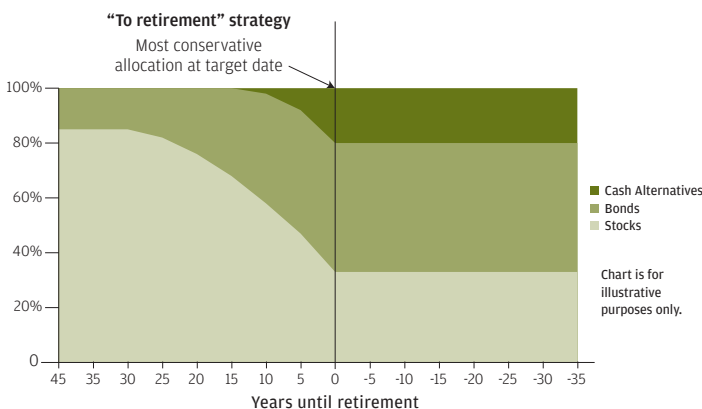
## How do I choose the fund that may be right for me?

The JPMorgan SmartRetirement funds are named based on retirement dates at age 65. So, if you plan to retire in 2040, you might choose the 2040 fund.

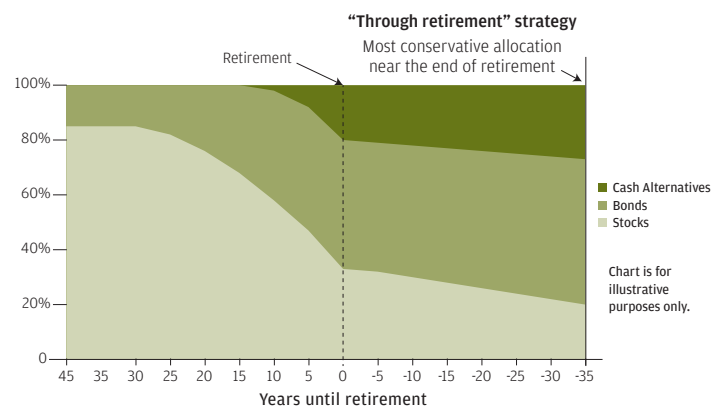
The funds are designed to gradually shift away from stocks and toward bonds over time and become more conservative as they approach the target date. This shift is known as the portfolio's "glide path." A glide path is how a fund's investment mix changes over time. The logic behind most glide paths is that younger investors can handle more risk to maximize return potential (potential gains), while older investors need to focus more on preserving their money. As a result, glide paths start out more aggressive with a larger amount of the fund invested in stocks.

## What's "to" versus "through" investing?

Target date funds are managed, or invested, differently by each fund manager. When target date funds are managed with a "to retirement" strategy, that means the glide path of the funds gets more conservative as it reaches the target date of the fund, and generally remains fixed once the target date arrives. In short, the funds are invested according to the retirement date.



Target date funds with a "through retirement" strategy are managed to a date after the target date. The glide path continues for a set number of years (which varies by fund). By holding a bigger amount of stocks closer to retirement than "to" funds, "through" funds are more aggressively invested.



JPMorgan SmartRetirement funds use the "to retirement" strategy. As a result, beginning 25 years before retirement, the fund's investment mix is annually shifted out of stocks and into more conservative investments. By the target date, the portfolio is positioned with a goal of generating income, protecting capital and minimizing risk.

Each JPMorgan SmartRetirement fund is a "fund of funds" that invests in a combination of equity, fixed-income and short-term mutual funds in the same group of investment companies (i.e., J.P. Morgan Funds). Each portfolio contains a mix of stocks, bonds and cash equivalents appropriate for the fund's target retirement year.

## Why do I need to know if a fund is managed with a "to" or "through" investment objective?

Knowing the risk level of your investments helps you plan your retirement strategy. For information about how the target retirement date funds are managed in your plan's lineup, log on to your account at [www.jpmorgan.viewmyretirement.com](http://www.jpmorgan.viewmyretirement.com) and click "Investment Information" on the left hand navigation bar.

## OPTION 2:

# Do it yourself – individual funds

Designed for people who want to take a more hands-on approach and select their own mix of funds. Your plan offers a variety of funds to choose from to create the right investment mix for you.

When choosing your fund mix, consider these steps:

### Step 1 – Use your age.

#### WHAT'S THE ANSWER FOR YOU?

Fill in the blanks:

110 - \_\_\_\_\_ = \_\_\_\_\_%

A general rule of thumb is to subtract your age from the number 110. The answer is an example percentage of stocks that should be represented in your portfolio. For example,  $110 - 40 = 70$  means a person who is 40 years old might consider having about 70% of his or her portfolio invested in stocks. The remaining 30% could be devoted to more conservative investments like bonds or cash alternatives.

### Step 2 – Determine your risk tolerance.

- How much up and down in your investments' performance can you stand? If your attitude toward volatility is "let it ride," you may be a more aggressive investor. You could increase the percentage of stocks in your portfolio. If your attitude is "I can't take the ups and downs," you may want to consider a higher percentage of less volatile investments, like bonds or cash alternatives.
- How long do you have until retirement? The closer you are to retirement, the more conservative you may want to be with your investments.

### Step 3 – Think size and style.

When investing in stocks, consider selecting from a variety of sizes (small-, mid- and large-cap stocks) and styles (growth, value and blend).

### Step 4 – Put your plan in place.

Use your age and risk tolerance to put together a mix of investments using the individual funds in your plan. Then log on and make your elections.

#### STILL NOT SURE WHAT TO DO?

Use the "Asset Allocation Questionnaire", which provides model portfolios based on your needs and risk tolerance.

### Step 5 – Monitor your account

Keep track of your account activity. As your investment returns rise and fall over time, you may want to rebalance your mix to get back to your target allocation between stocks, bonds and cash alternatives. You may also want to consider adjusting your mix as you near retirement.

#### WHAT DOES THAT MEAN?

## Glossary

**Asset allocation** is spreading money *among* the three basic asset classes or stocks, bonds and cash alternatives.

**Diversification** is splitting your money *within* those asset classes. Both investment strategies help even out the ups and downs of the market and the overall impact on your portfolio.

**Stocks:** Used for long-term growth. Stocks generally carry a higher potential of risk and return. To diversify within this asset class, consider large-, mid- and small-cap stocks.

**Bonds:** Used for balance. Bonds tend to have a moderate degree of risk potential and return.

**Cash alternatives:** Used for safety and stability. Cash alternatives are generally the most conservative option in your lineup.

**Glide path:** how a fund's investment mix changes over time. The logic behind most glide paths is that younger investors can handle more risk to maximize return potential (potential gains), while older investors need to focus more on preserving their money.

**For more complete information about any of the mutual funds available within the retirement plan, please call 800-854-0647. Investors should carefully consider the investment objectives, risks, charges and expenses of the fund. Please carefully read the prospectus, which contains this and other important information, before you invest or send money.**

The information presented in this flyer is for educational purposes only and should not be construed as investment advice. Other investment alternatives having similar risk and return characteristics may be available under the plan. Information on investment alternatives may be obtained by calling **800-854-0647**. In applying particular asset allocation models to a particular situation, plan participants should consider other assets, income and investments (e.g., equity in a home, IRA investments, savings accounts and interests in other qualified and non-qualified plans) in addition to your interests in the plan.

Certain underlying funds of the JPMorgan SmartRetirement funds may have unique risks associated with investments in foreign/emerging market securities, and/or fixed-income instruments. International investing involves increased risk and volatility due to currency exchange rate changes, political, social or economic instability, and accounting or other financial standards differences. Fixed-income securities generally decline in price when interest rates rise. Real estate funds may be subject to a higher degree of market risk because of concentration in a specific industry, sector or geographical sector, including but not limited to, declines in the value of real estate, risk related to general and economic conditions, changes in the value of the underlying property owned by the trust and defaults by the borrower. The fund may invest in futures contracts and other derivatives. This may make the fund more volatile. The gross expense ratio of the fund includes the estimated fees and expenses of the underlying funds. A fund of funds is normally best suited for long-term investors.

Certain recordkeeping and administrative services for plans may be provided on behalf of J.P. Morgan Retirement Plan Services LLC (JPMRPS) by Hartford Securities Distribution Company, Inc. (HSD) (member FINRA/SIPC) and Hartford Retirement Services, LLC (HRS). Securities transactions are effected by GPC Securities, Inc. (GPC) (member FINRA/SIPC). HRS, HSD, and GPC are independent entities and not affiliates of JPMRPS.

Diversification does not assure a profit nor does it protect against loss of principal. Diversification among investment options and asset classes may help to reduce overall volatility.

This material has been prepared for informational and educational purposes only. It is not intended to provide, and should not be relied upon for, investment, accounting, legal or tax advice.

Investment return and principal value of security investments will fluctuate. The value at the time of redemption may be more or less than original cost. Past performance is no guarantee of future results.

Account rebalancing allows you to keep your asset allocation in line with your retirement goals. It does not guarantee investment returns and does not eliminate risks.

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