

# Simplifying the Way to Save for Retirement

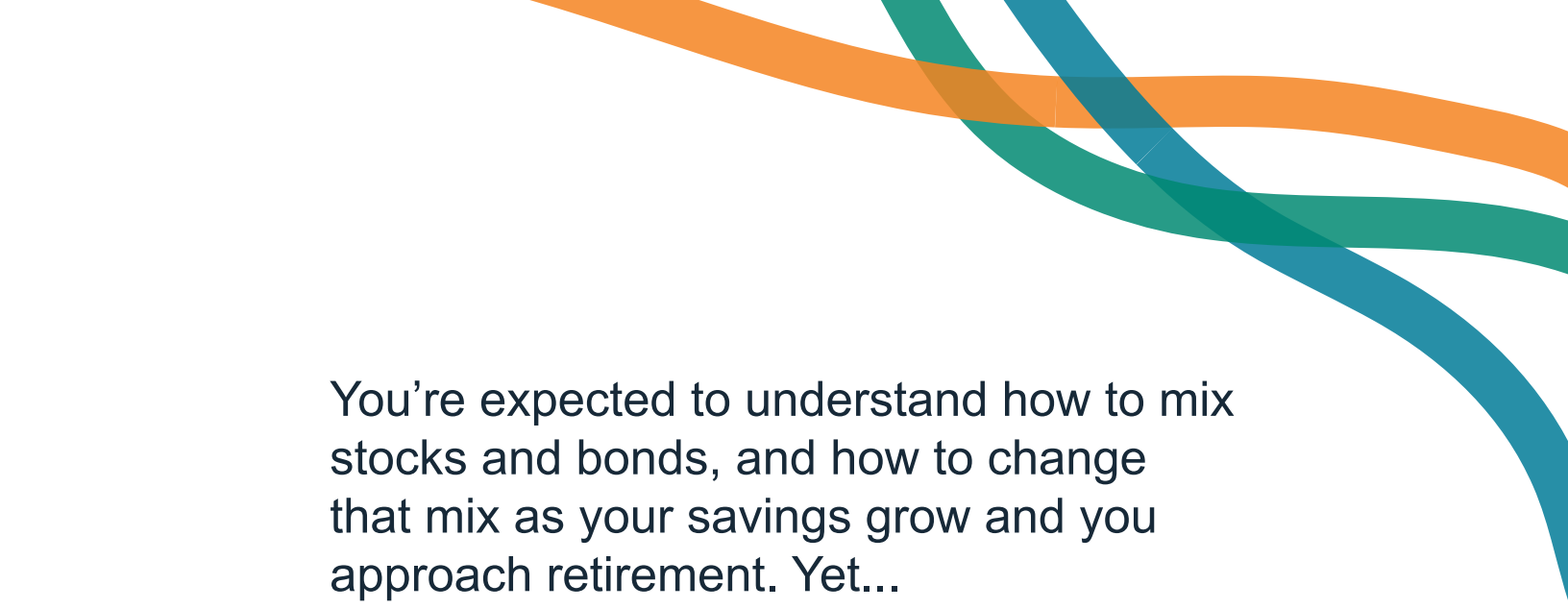


Some challenges you may be willing to take on by yourself. For others, it makes sense to call a professional.

**Knowing when to make that call can mean a world of difference.**

Especially when it comes to managing retirement savings.





You're expected to understand how to mix stocks and bonds, and how to change that mix as your savings grow and you approach retirement. Yet...

**90%**

of retirement plan participants **don't change** their investment mix on an annual basis.<sup>1</sup>

**68%**

of employees agree that they **don't know** as much as they should about retirement investing.<sup>2</sup>

**ONLY 8%**

of employees feel they have a **"great deal"** of knowledge or understanding of asset allocation principles.<sup>2</sup>

**flexPATH® can help.**

<sup>1</sup>ICI Research Report Defined Contribution Plan Participants' Activities, 2015 [www.ici.org](http://www.ici.org)  
<sup>2</sup>17th Annual Transamerica Retirement Survey: A Compendium of Findings About American Workers, December 2016. [www.transamericacenter.org](http://www.transamericacenter.org)



## How flexPATH works

When you're young, you have years ahead of you, so you may be willing to take more risk as you endure the typical ups and downs of the market. But as you get older, you may look to start reining in the risk to help preserve your savings. flexPATH helps you do just that — through target date funds.

Target date funds are professionally managed, diversified investment portfolios, meaning [investing in only one flexPATH fund can help provide a robust investment solution.](#)

Simply select the portfolio closest to the 'target date' — the year you plan to retire. flexPATH's investment professionals will carefully adjust the flexPATH portfolio as the date approaches. The portfolio will consist of a mix of investments, including global and U.S. based stocks and bonds,\* which flexPATH's investment managers will slowly change to reduce risk exposure over time.

When planning for your future you may wish to discuss your investment options with a trusted financial advisor.

\* Also included investment in real assets, such as commodities and REITs.

The target date is the approximate date when investors plan to start withdrawing their money. Generally, the asset allocation of each fund will change on an annual basis with the asset allocation becoming more conservative as the fund nears the target retirement date.

# Over the PATH of a flexPATH fund:

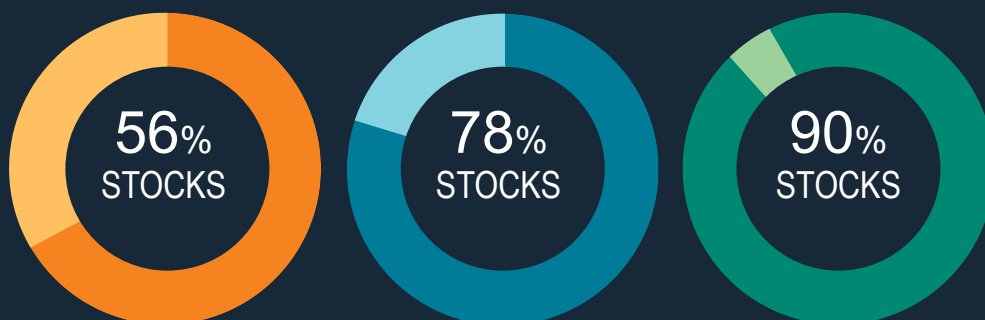
Conservative Moderate Aggressive

Start  
(Age 25)



The farther away from retirement, the greater allocation to stocks in the investment mix.

Midpoint  
(Age 45)



As retirement gets closer, a higher percentage of bonds are added to the mix to help lower overall risk exposure.

At Retirement  
(Age 65)



At retirement, flexPATH will be allocated at its most conservative level but still taking advantage of some growth to help preserve purchasing power.

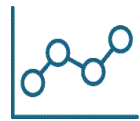
*For illustrative purpose only. Actual allocations may vary.*



flexPATH, the next  
generation target date fund.



**Professionally  
managed**



**Diversified  
investments**



**Adjusted  
over time**



## Step 1 -Choose Your Target Date

When considering a flexPATH portfolio, **identify an approximate target date** for when you may want to retire.

Lets say you may want to retire when you're 65, and you'll turn 65 in the year 2035. That means you might consider the flexPATH 2035 portfolio — **the portfolio closest to your target date.**

If you expect to retire between:

Then you might consider:

2050 or later

.....

flexPATH 2055

2040-2049

.....

flexPATH 2045

2030-2039

.....

flexPATH 2035

2023-2029

.....

flexPATH 2025

2022 or earlier

.....

flexPATH Retirement



## Step 2 - Choose Your Risk Level

### Conservative:

**Risk is limited** compared to Moderate and Aggressive. The goal is to reduce volatility and maintain a steadier account balance.

### Investor Profile:

Total savings rate (deferral rate plus employer match) greater than 12 percent, high account balance and emphasis on stability.

### Moderate:

**Risk is moderate** compared to Aggressive and Conservative. Some additional risk may help reach an adequate account balance at retirement.

### Investor Profile:

Savings rate between 6-12 percent, average account balance and balance of stability and long-term return.

### Aggressive:

**Risk is higher** compared to Conservative and Moderate. The goal is to generate greater expected return through riskier investments.

### Investor Profile:

Savings rate less than 6 percent, low account balance and emphasis on long-term return.

Actual results may differ materially from those projected in these materials due to factors including, without limitation, economic and market conditions, political events and investor sentiments, liquidity of secondary markets, level and volatility of interest rates, currency exchange rates, and competitive conditions. Investing involves risk, including possible loss of principal. The funds are not FDIC insured and there is no bank guarantee. The principal value of the funds is not guaranteed at any time including at and after the target date. Investment return and principal value will fluctuate. Upon redemption, shares may be worth more or less than their original cost. Asset allocation models and diversification do not promise any level of performance or guarantee against loss of principal. Investment in the funds is subject to the risks of the underlying funds. flexPATH Strategies are Collective Investment Trusts available only to qualified plans and governmental 457(b) plans. They are not mutual funds and are not registered with the Securities and Exchange Commission.



# flexPATH is designed for people who want:



**Comfort knowing they are on an appropriate path to retirement.** flexPATH offers three distinct risk paths for a more [personalized investing experience](#).



**Opportunity to grow savings.** The fund will be invested in a portfolio that includes a mix of stocks, bonds and real assets to [help capture market growth](#) throughout one's career and into retirement.



**Freedom to focus on what's important.** flexPATH and BlackRock investment professionals focus on managing the risk in these portfolios, [helping free up your time](#) to focus on other important things in life.

\* Also included investment in real assets, such as commodities and REITs.



## Where do I go for more information?

You can access flexPATH's fund fact sheets through your recordkeeper which can provide you with fund performance, fees and the current asset allocation. You may also visit [flexpathstrategies.com](http://flexpathstrategies.com) to find more information.

## Is it really diversified?

flexPATH portfolios are well diversified and invested across several asset classes including global stocks, U.S. bonds and real assets. flexPATH portfolio allocations offer a unique open architecture manager selection approach within every asset class.

## Why is there three risk levels for each retirement date?

While typical target date funds account for an investor's age, people who are the same age often exhibit varying characteristics. Similar to how people are unique in their appearance and personality, people who are the same age may have varying financial needs, circumstances, and risk tolerance. flexPATH offers additional flexibility for a more tailored fit between you, your personal circumstances and your asset allocation.

## Do I have to change my flexPATH fund as I get older?

No, each flexPATH portfolio is managed by investment professionals and is designed to continuously reduce risk exposure over time as you approach retirement. You may choose to change your flexPATH fund if your expected retirement date or risk tolerance (relative to your age) changes.





# Investing in flexPATH is simple.

You may wish to discuss your investment options with a trusted financial advisor when planning for your future. You can also visit your plan's website or contact your plan administrator for more information on flexPATH and all of your investment options.



## About flexPATH

We are inspired to create a successful retirement for plan participants. We believe in partnering with plan sponsors and investment managers to offer superior investment solutions. Our efficient and personalized investment path selection process offers participants a flexible, yet simple process to help achieve their highest retirement savings potential. This is accomplished by building and managing a suite of low-cost target date funds with multiple glidepaths and retirement dates.

To learn more about flexPATH visit [flexpathstrategies.com](https://flexpathstrategies.com), contact us at [info@flexpathstrategies.com](mailto:info@flexpathstrategies.com) or at (800) 974-0188

*Mutual funds are sold by prospectus only. Before investing, investors should carefully consider the investment objectives, risks, charges and expenses of a mutual fund. The fund prospectus provides this and other important information. Please contact your representative or the Company to obtain a prospectus. Please read the prospectus carefully before investing or sending money. Investing involves risk, including possible loss of principal. The funds are not FDIC insured and there is no bank guarantee. The principal value of the funds is not guaranteed at any time including at and after the target date. Asset allocation models and diversification do not promise any level of performance or guarantee against loss of principal. Investment in the funds is subject to the risks of the underlying funds.*

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