



SMART Target Date Index

Please read [our booklet](#): Click on image above.

Target Date Funds for Union and Small Employer
401(k) Plans


We're looking for partners



- Defined benefit plans are mostly gone so workers rely on their 401(k) plans
- The 401(k) default investment – a target date fund – is too risky. The typical 2010 fund lost 30% in 2008 and is expected to have excessive losses in 3 years out of 20.
- Losses in the TDF undermine worker morale and wellbeing, and can lead to demand for increased wages.
- **Only the trustees, with the advisor's help, can solve the problem, preferably before the next market crash.**
- One Fund has been protecting assets since 1997*.
- The solution is Safer, SMARTer, Better.
- **The Prudent Choice**



Trustees and Their Advisors Have a Serious Problem



Union Trustees &
Small Employers
Are Paternalistic
& Fraternalistic

Brotherhood Means Fellowship

Trustees & TDF Beneficiaries

Will be **shocked** by the imminent market crash

Richard
Lanigan
OPEIU

Unique investment structure using two **Nobel Prize-winning** disciplines



1. Patented



Truly **protects** at target date. Similar to the Federal Thrift Savings Plan (TSP)



2. Safe

The **SMART** choice for protecting assets since 1997



3. Very Long History



Uniquely **prudent** performance specifically designed for fiduciaries

4. Prudent

5 Ways SMART Solves the Trustees' Problem of Excessive Risk in TDFs

Defended in 2008, 2011, 2018 & 2020



5. Strong Performance

Unique investment
structure using two
Nobel Prize-
winning disciplines



Patented Investment Structure

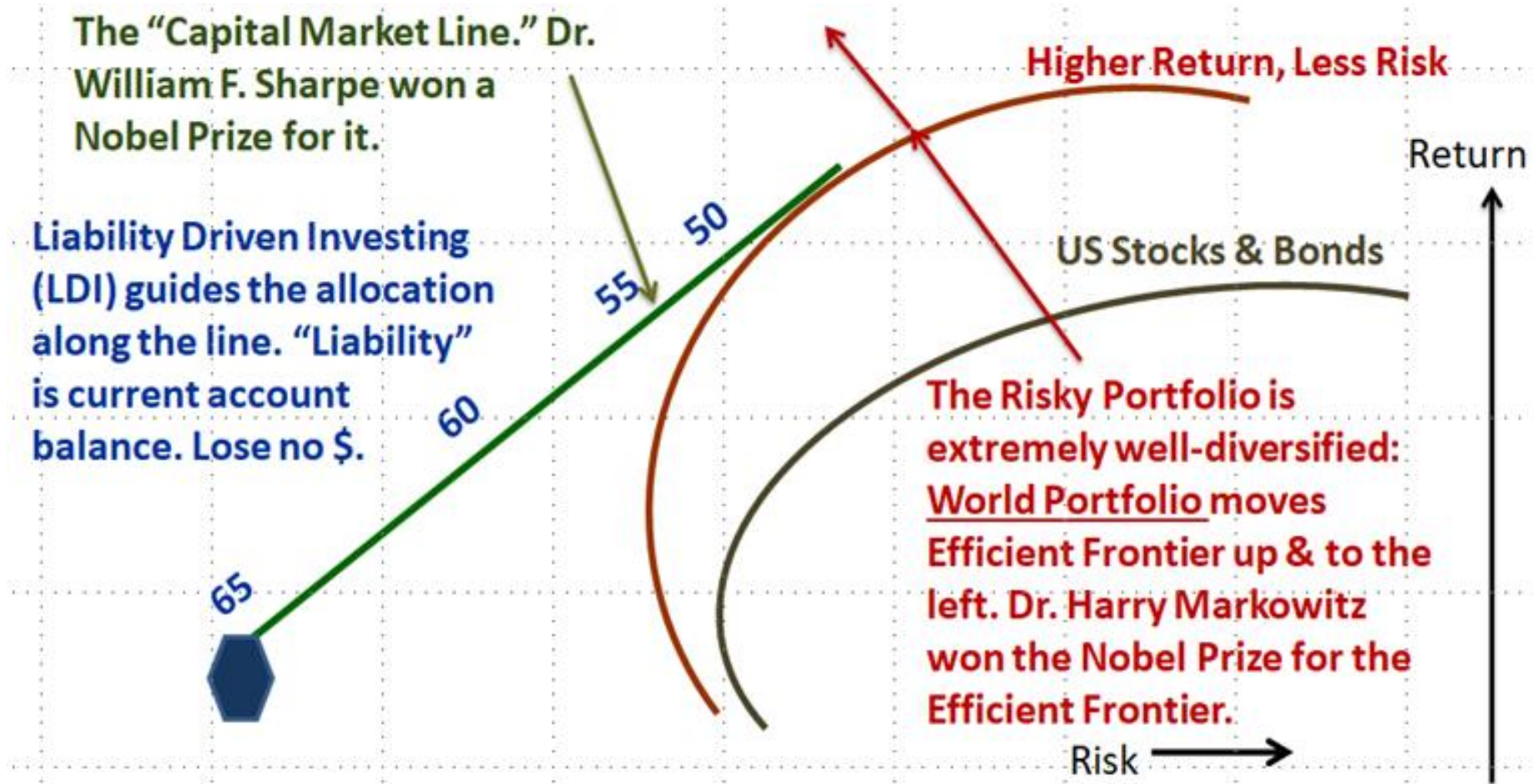


Patented product offering unique investment structure

uses two Nobel Prize-winning disciplines

emphasis on safety

protection objective





The Story Behind the Patent.



Ron shows his design to the corporate counsel/co-owner (“the Attorney”) of a large investment firm.

The Attorney is a renowned lecturer and author on fiduciary responsibility.



The Attorney loves the design and thinks it should be “The Standard.” He says Ron should patent it and offers to pay for the patent.



The Attorney pays for the patent, with no strings, because he believes it is the right and prudent path.

Happy ending.

Prominent Plans With Safe Landing Glide Paths

Uses Ron's Patented Glidepath



The National Retirement Savings Plan of the Office and Professional Employees International Union (OPEIU)

- One of the largest AFL-CIO unions
- 104,000 members
- Ron Surz, SMART manager, is 3(38) TDF creator & advisor

Similar to Ron's Glidepath



The Federal Thrift Savings Plan (TSP)

- The world's largest savings plan
- 6 million members
- \$800 billion



Truly **protects**
at target date.

Similar to the
Federal Thrift
Savings Plan (TSP)



Safety First, Last & Always



Employer

401(k) is an asset, not a liability



Consultant

Safety triumphs popularity



Fiduciaries: Trustees & Consultant

Protection of beneficiary

The best fiduciary protection is beneficiary protection

Save and Protect is a Lifetime Investment Master Plan: Reduce Risk As Savings Grow: Sequence of Return Risk



\$Savings

Risk



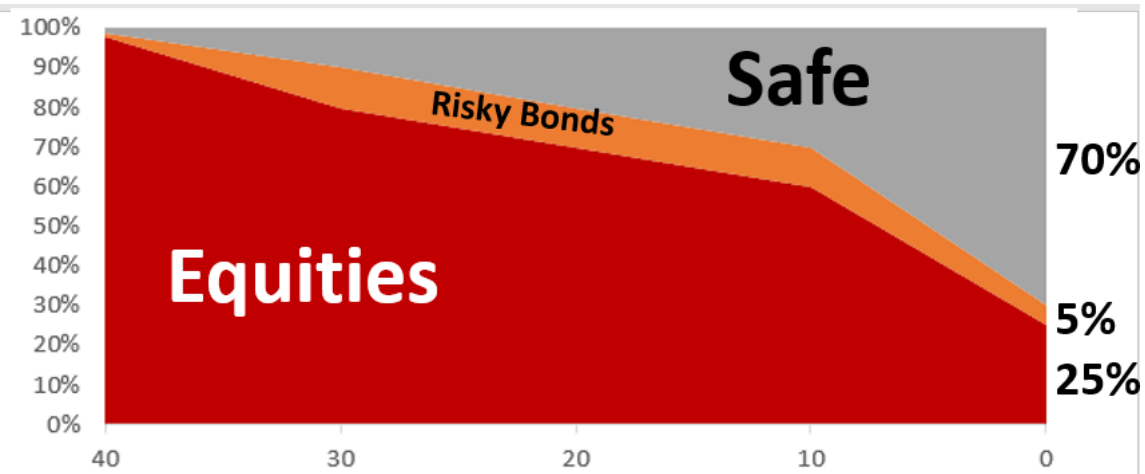
Risk Zone

Working Life

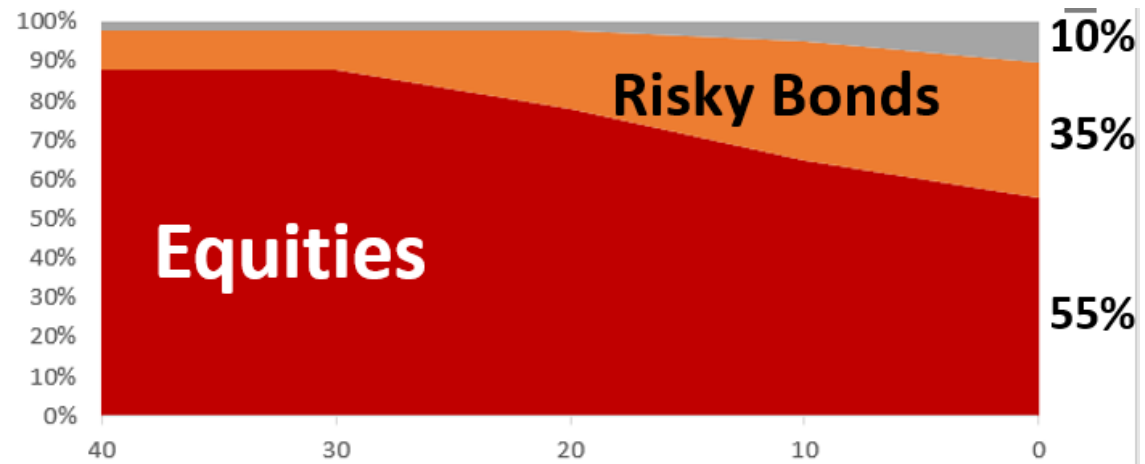
Retirement

Glide Path

Safe "SMART Group" Ends 70% Safe



Safe



Risky

Typical "Big 3 Group" is 90% Risky Throughout

It Really is Different This Time

Interest rates have never been lower

Stock prices have never been higher

The US has never printed more money

The wealth divide has never been wider

78 million people have never before been simultaneously in the Risk Zone



DANGER



The Next Crash Could be a Doozy

Baby Boomers do not Have the Time to Recover

Real S&P 500 Index Periods Of Zero Returns



Source: Lance Roberts

The **SMART**
choice for
protecting
assets
since 1997



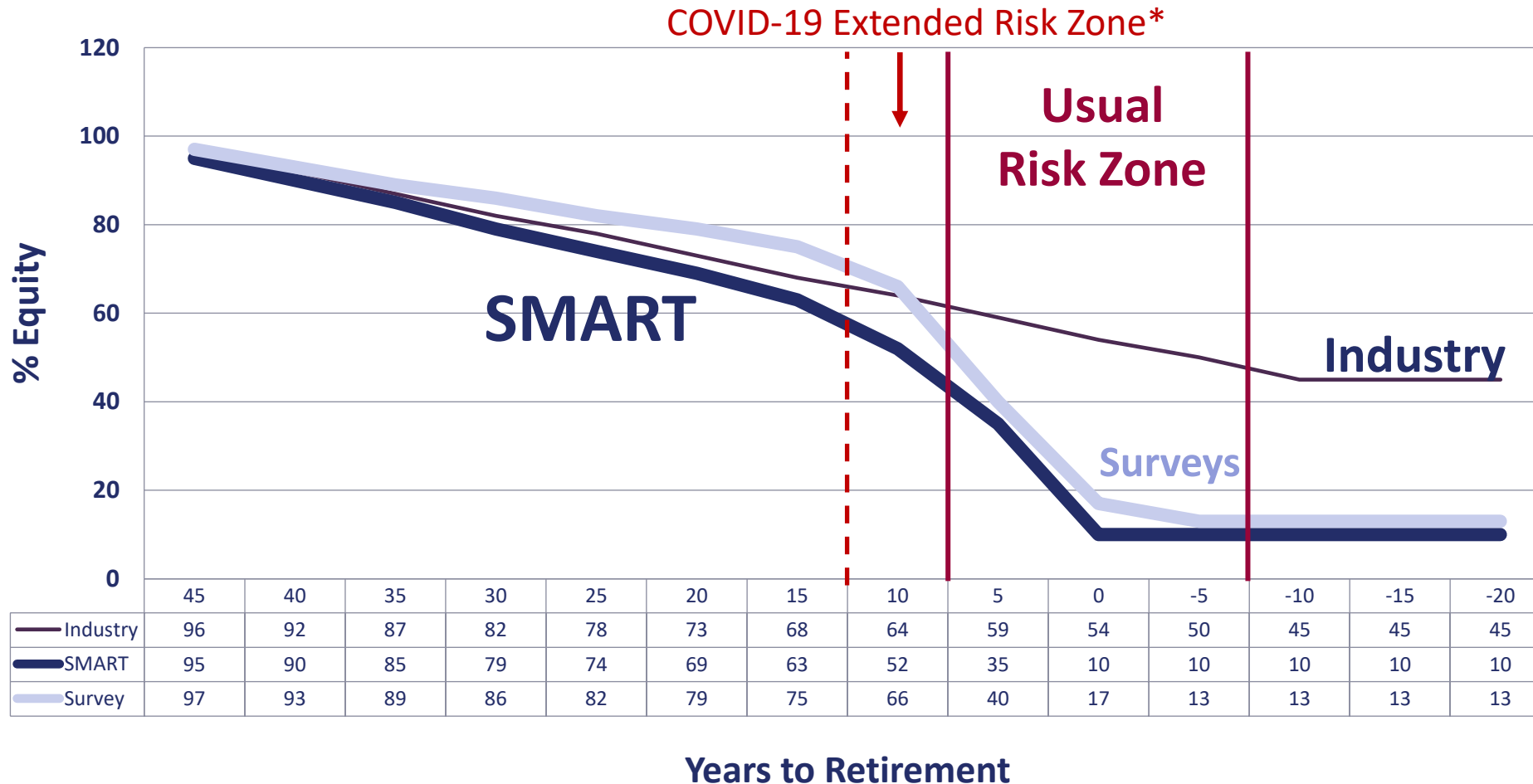
Congressional Inquiry Examines Target Date Fund Risk

A Path To Safety

surveys show beneficiaries want safety



The SMART choice for protecting assets since 1997



* The pandemic has forced some beneficiaries to take penalty-free early withdrawals, and some have been fired.

May 2021

Congressional Request for Review of Target Date Fund Risk and Practices

Consider the **Federal** Thrift
Savings Plan (TSP)

The Largest Retirement Savings
Plan in the World



TDF Groups: "Safe" or "Risky" is More Meaningful than "To" or "Through"



SMART Group (Low Risk at Target Date)

TSP

SMART TDF Index

OPEIU

Safe



Big 3 Group (High Risk)

Vanguard

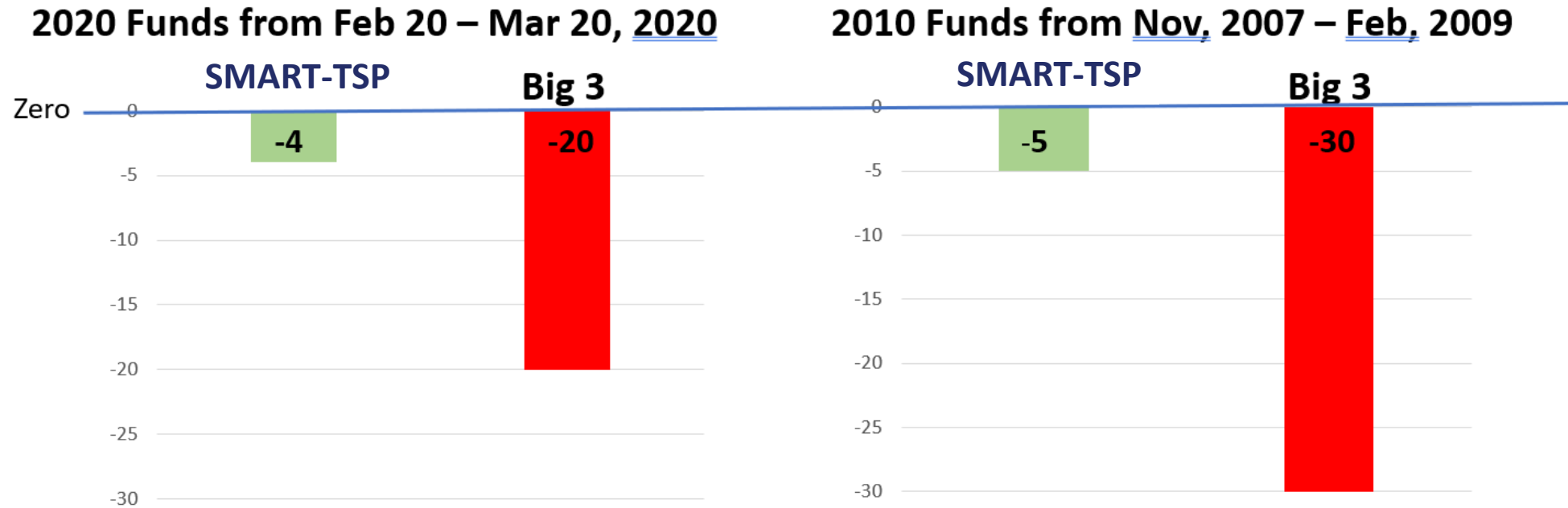
Fidelity

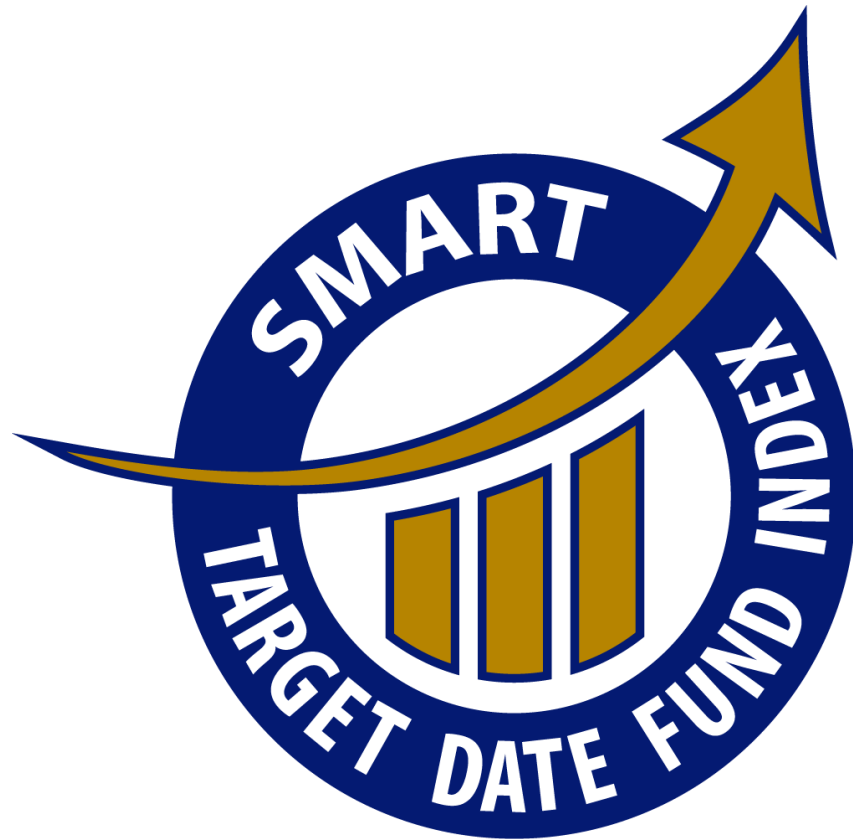
T Rowe Price

Risky

SMART-TSP Group Defends Near the Target Date

Near-dated TDF Losses in Down Markets TSP Group versus Big 3 Group





Uniquely
prudent
performance
specifically
designed for
fiduciaries

Prudence versus Performance

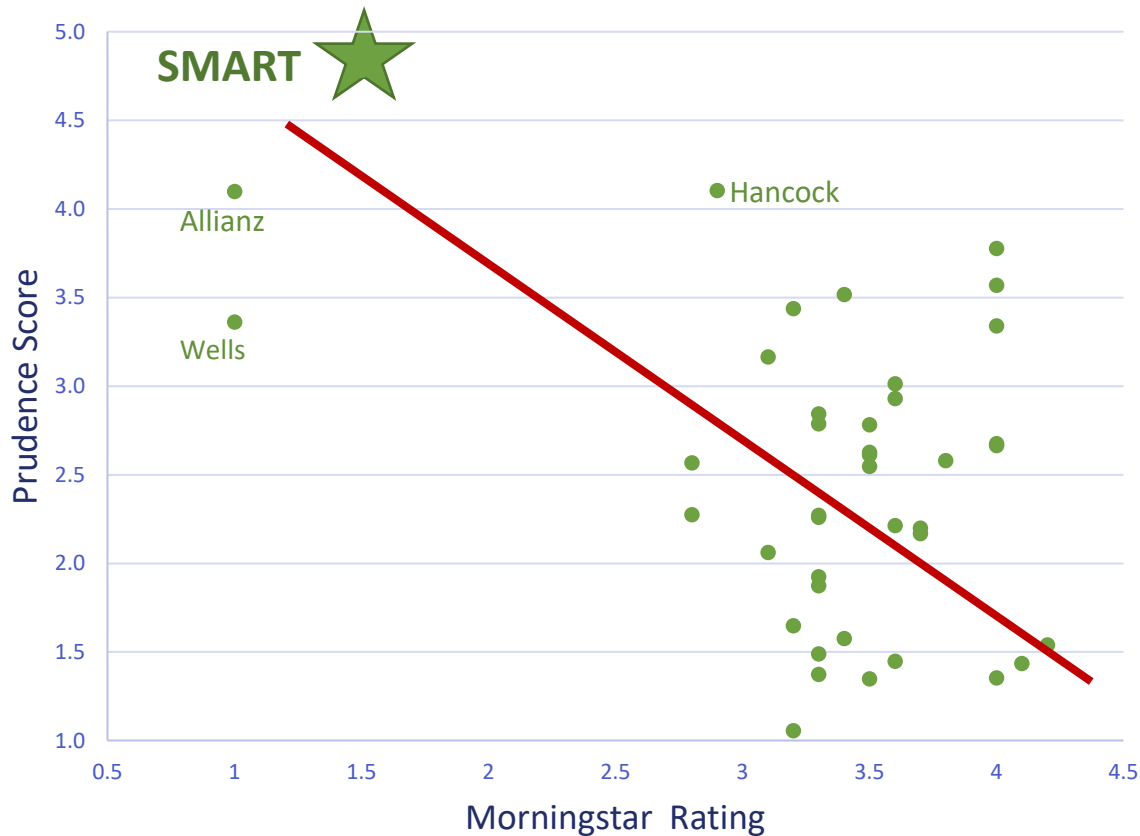
#1 in Prudence of 42 Funds

Prudence Score is based on (1) Protection at Target Date, (2) Diversification & (3) Fees
 Morningstar ratings place heavy weight on recent performance, so imprudence has won.

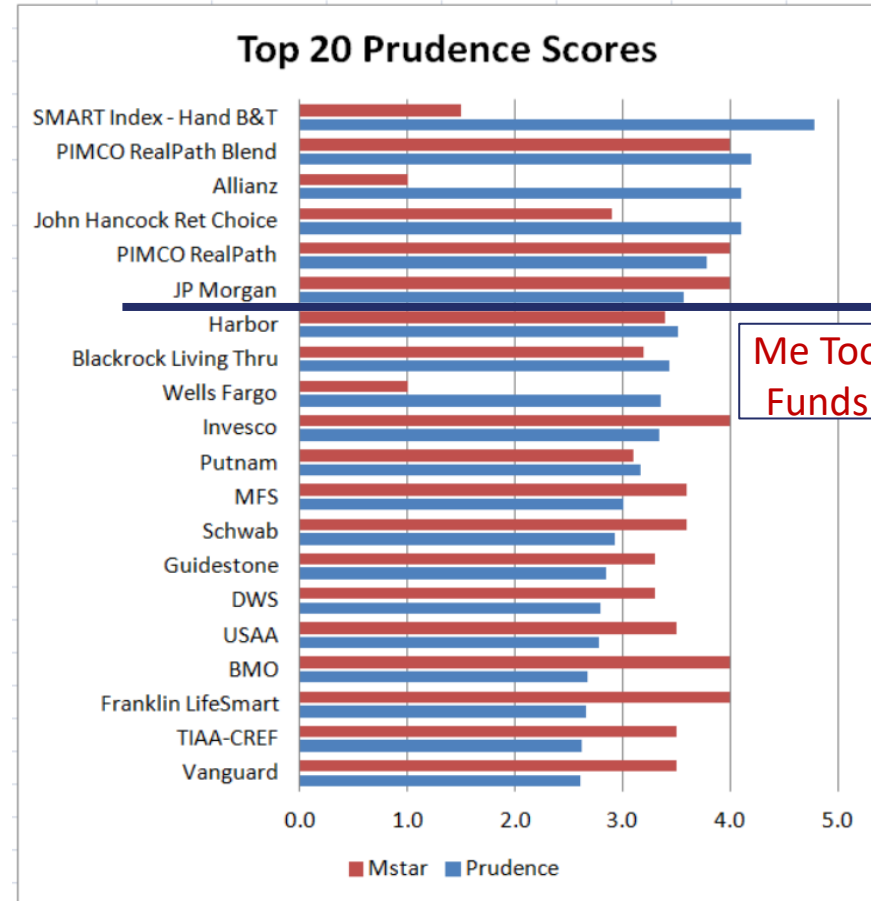


Uniquely prudent performance specifically designed for fiduciaries

Imprudence Earns High Morningstar Ratings



Top 20 Prudence Scores



Me Too Funds

Prudence scores calculated by Target Date Solutions. See [This Article](#) for details

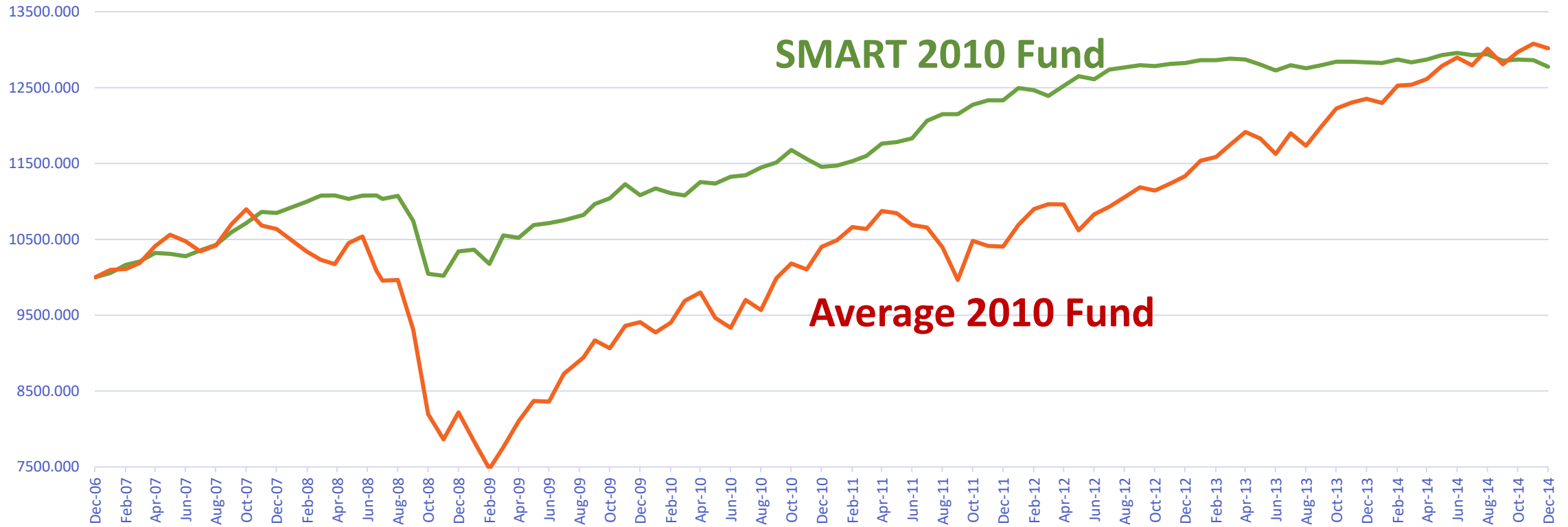
Defended in
2008, 2011,
2018 and 2020



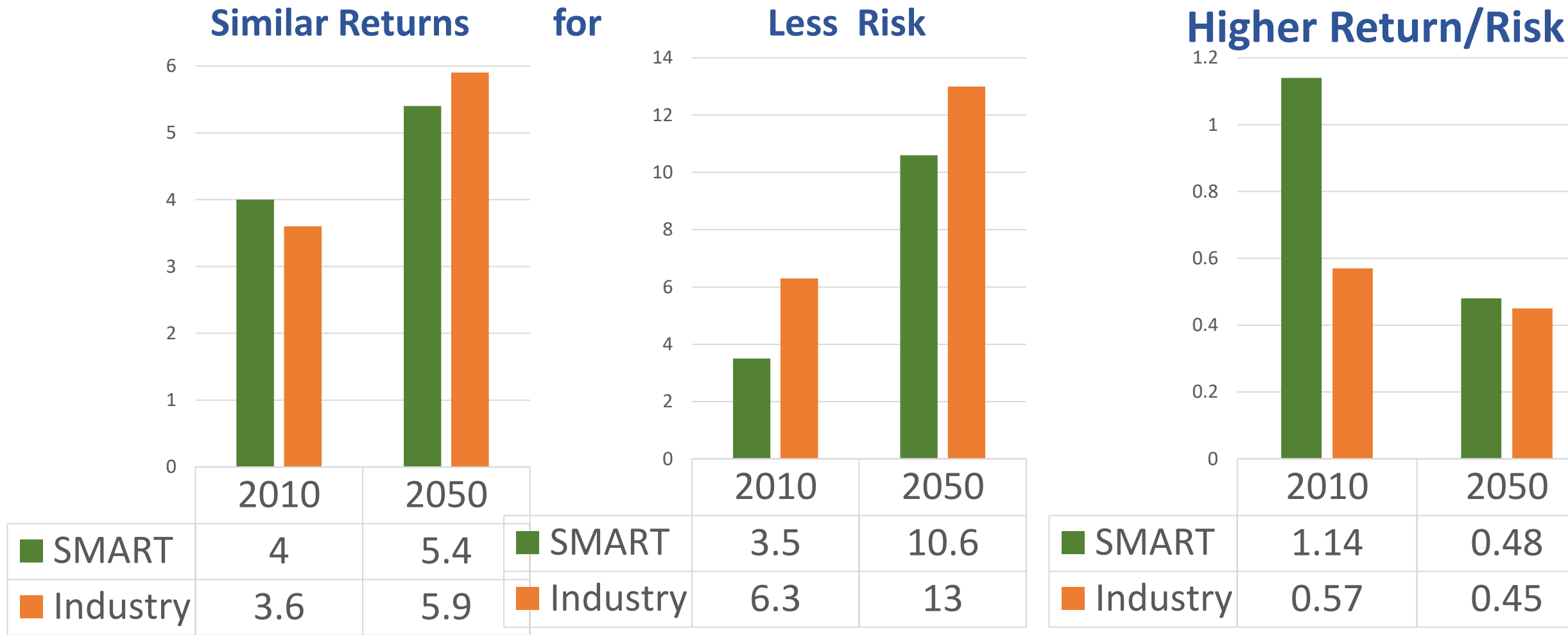
Win by Not Losing

The SMART 2010 Fund Led the Industry in the 2008 Crisis, from 2007 to 2014 (8 Years)

Growth of \$10,000



Return and Risk for 16 Years Ending December 2022



Sources: Dow Jones S&P and Target Date Solutions

Industry is the S&P Target Date Index, a composite of most TDF mutual funds
 SMART is the live track record of SMART CITs for 2008-2021.
 2007 SMART return is backtested. 2022 is a paper portfolio used to maintain the SMART index.



A Shocking Period For Those Near Retirement



Returns for 2020 Retirees During Coronavirus Sell-Off

(Feb. 20, 2020 through March 20, 2020)

Actual Return % Commodities Allocation Fixed Income/Cash Equity

SMART TDF Index

JHancock Multi-Index Preservation

BlackRock LifePath Index

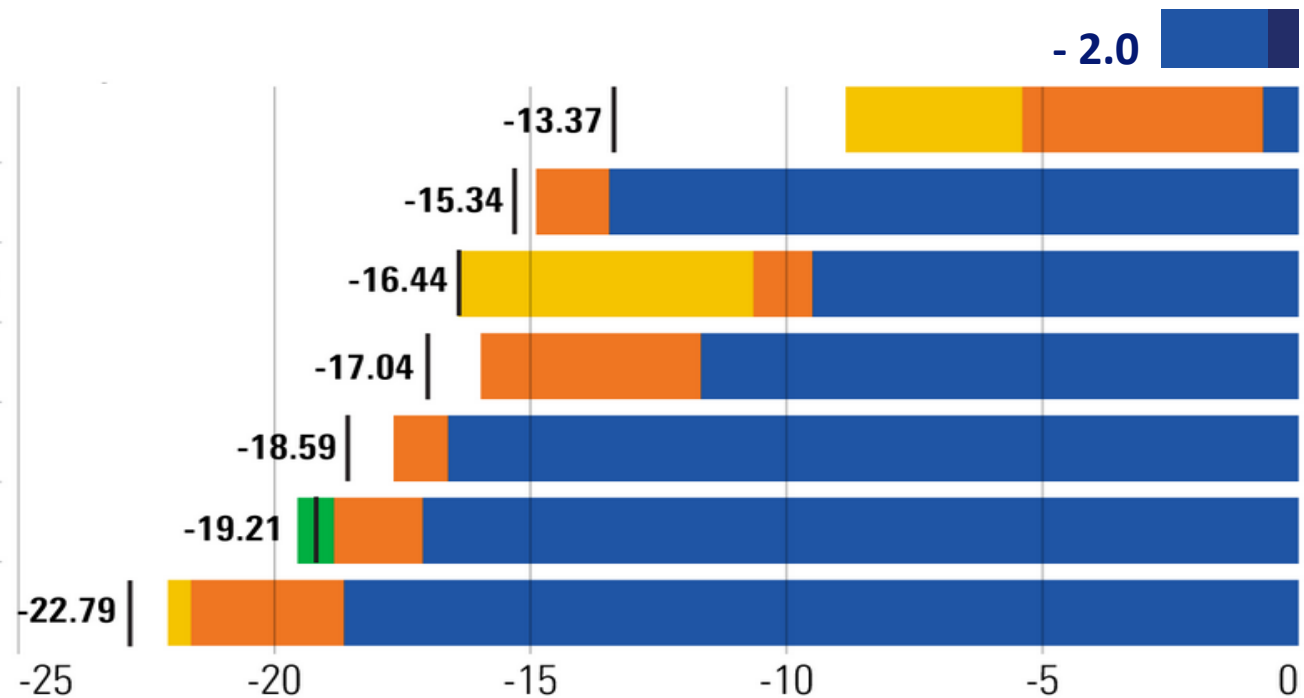
American Funds Target Date Retirement

JPMorgan SmartRetirement

Vanguard Target Retirement

Fidelity Freedom

T. Rowe Price Retirement

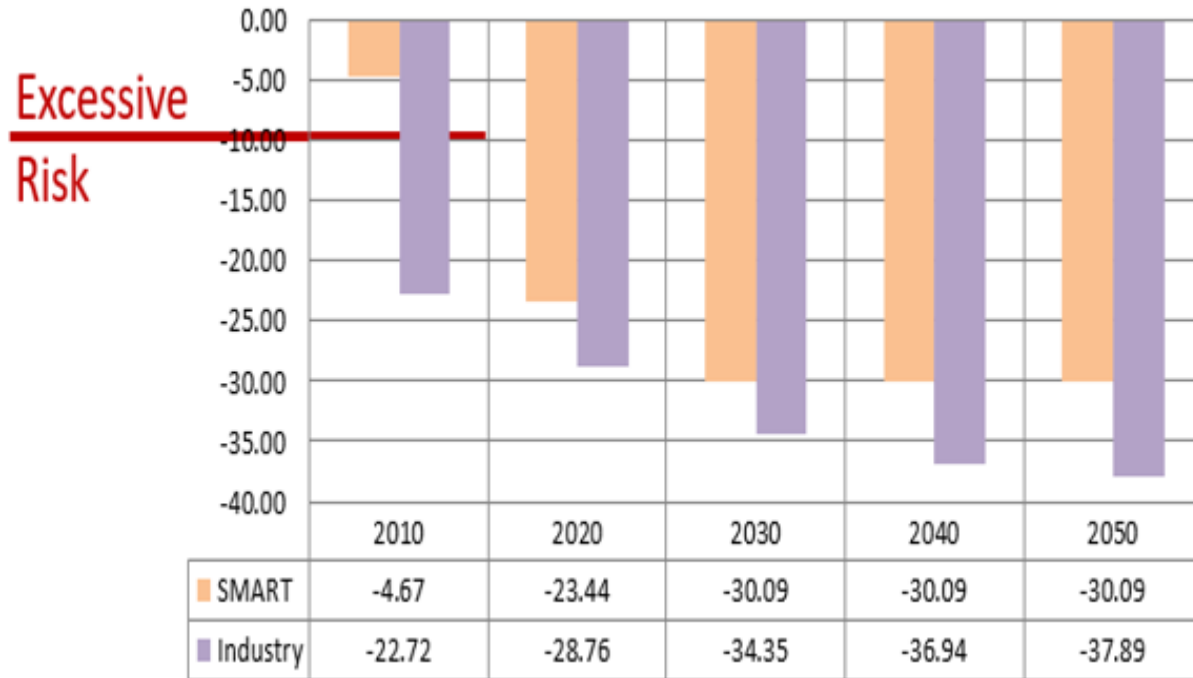


Source: Morningstar, Inc.

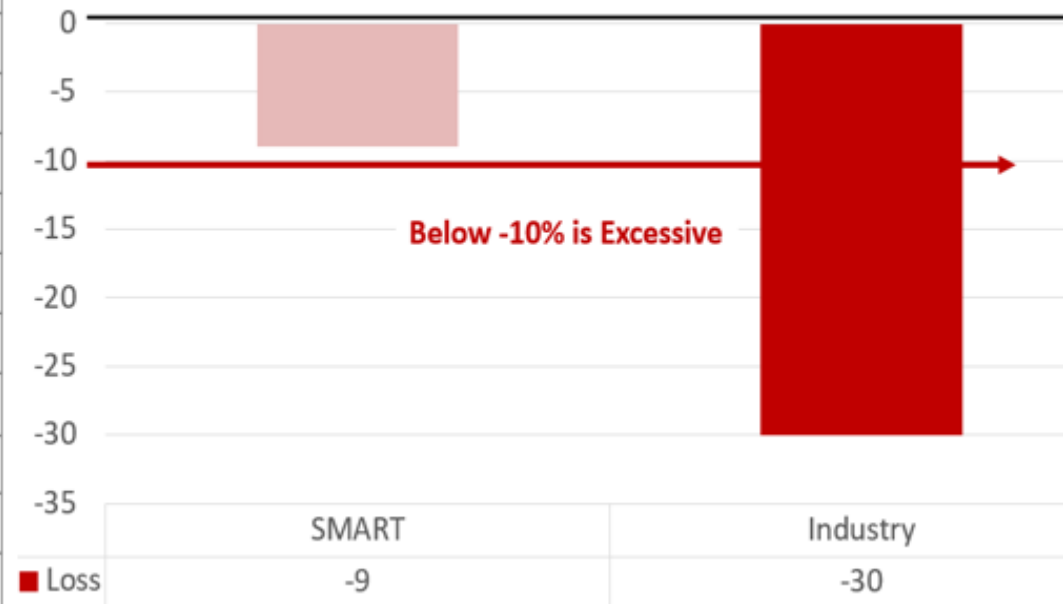
Let's Not Forget 2008



Target Date Fund Returns in 2008



11/07-2/09 Losses in 2010 Funds for SMART and Industry



Total History: Growth of \$10,000 from 2007 thru 2022

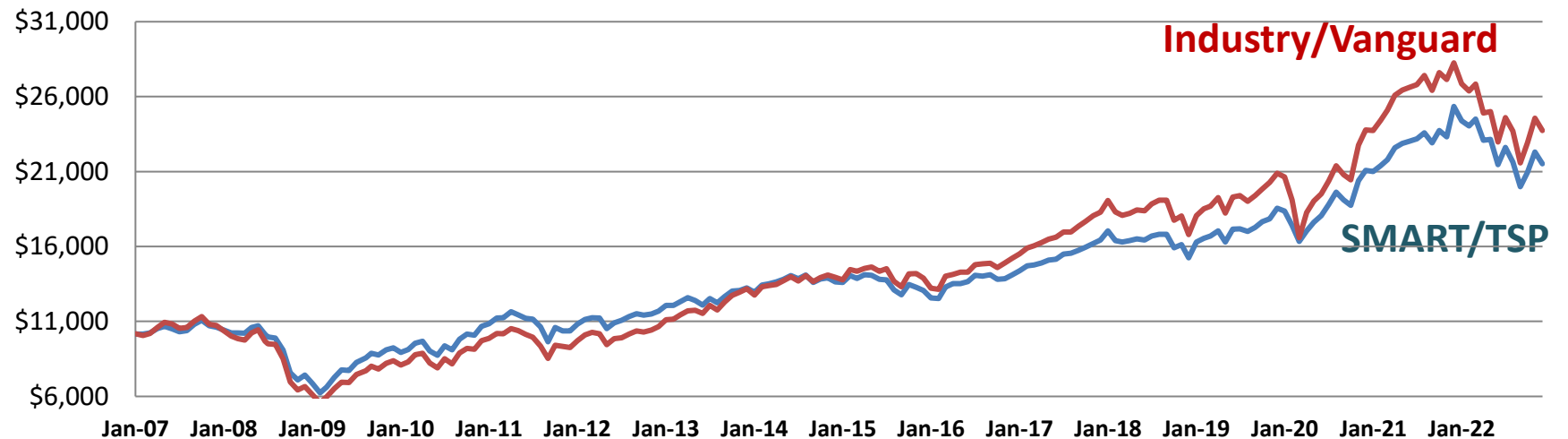
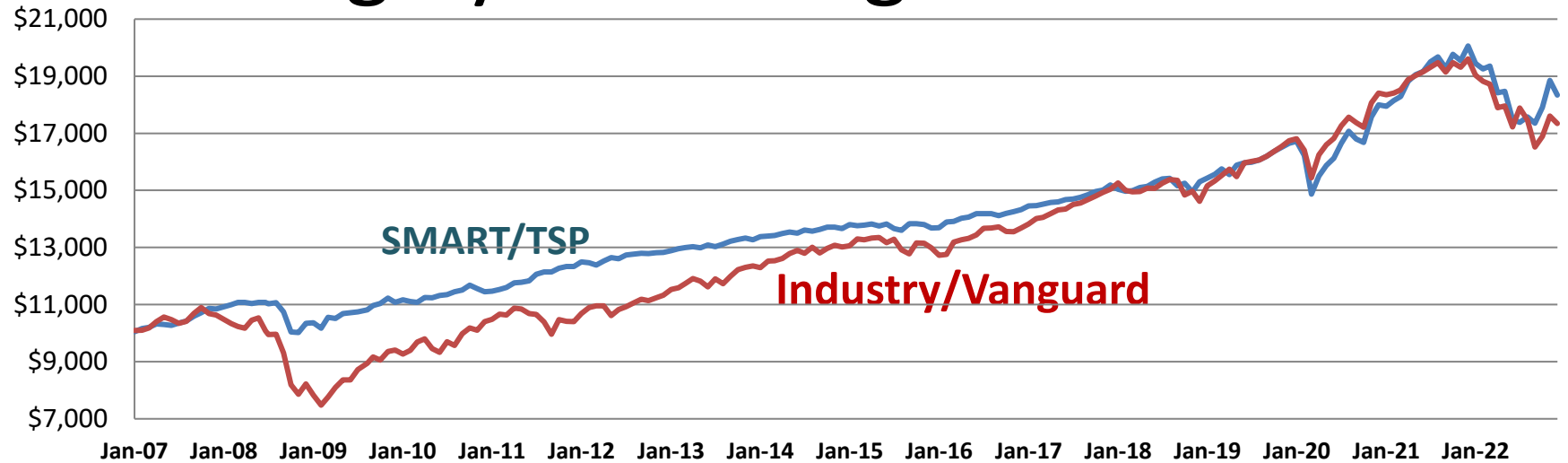
Winning by not losing

2010 Funds



2050 Funds

Sources: Dow Jones S&P and Target Date Solutions



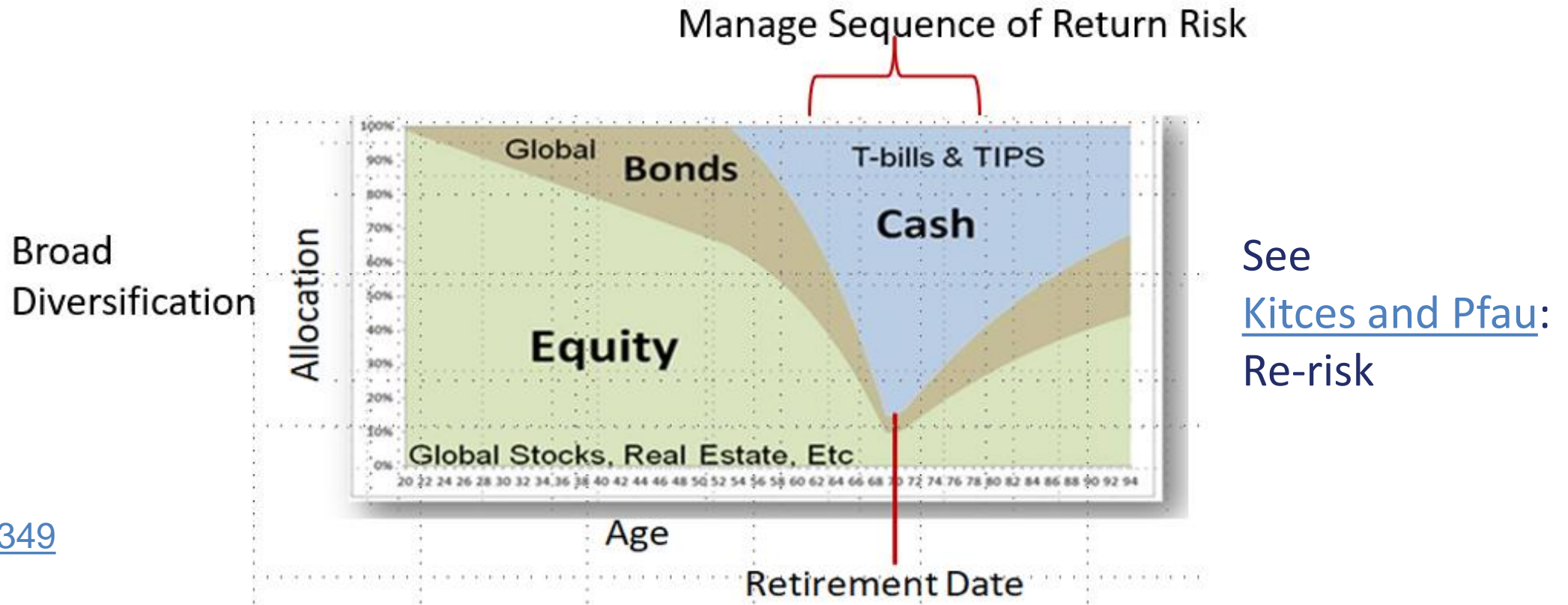
Decumulation

Beyond the Target Date



The Optimal Post-retirement Path is Rising: Extending the Path to “Through”

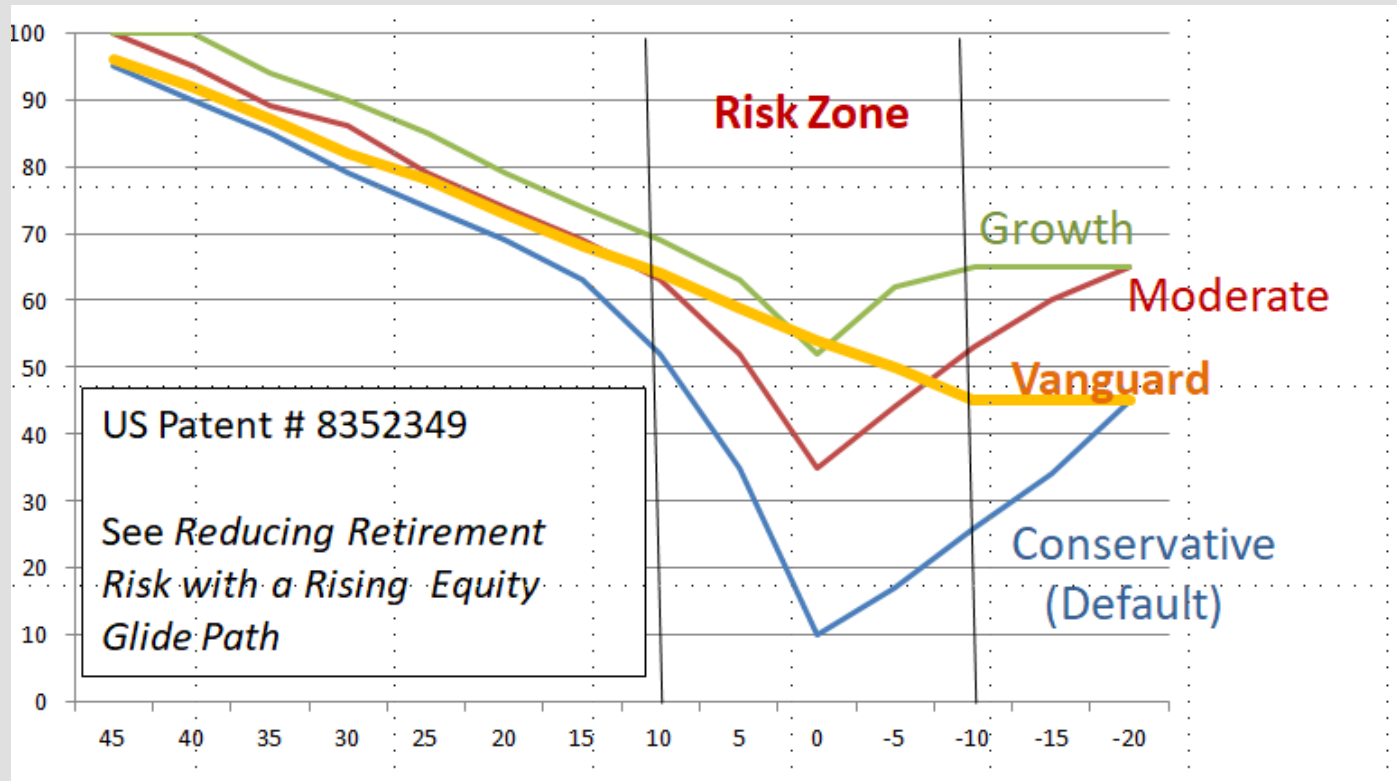
This is Both a “To” and a “Through” Glidepath



Self-directed Beneficiaries

They should have TDF choices.
One-third of the assets in TDFs
are from self-directed
beneficiaries





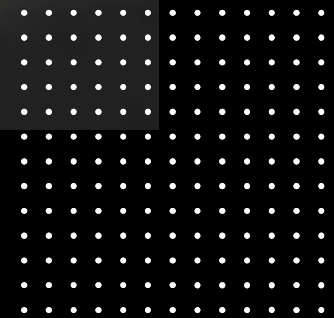
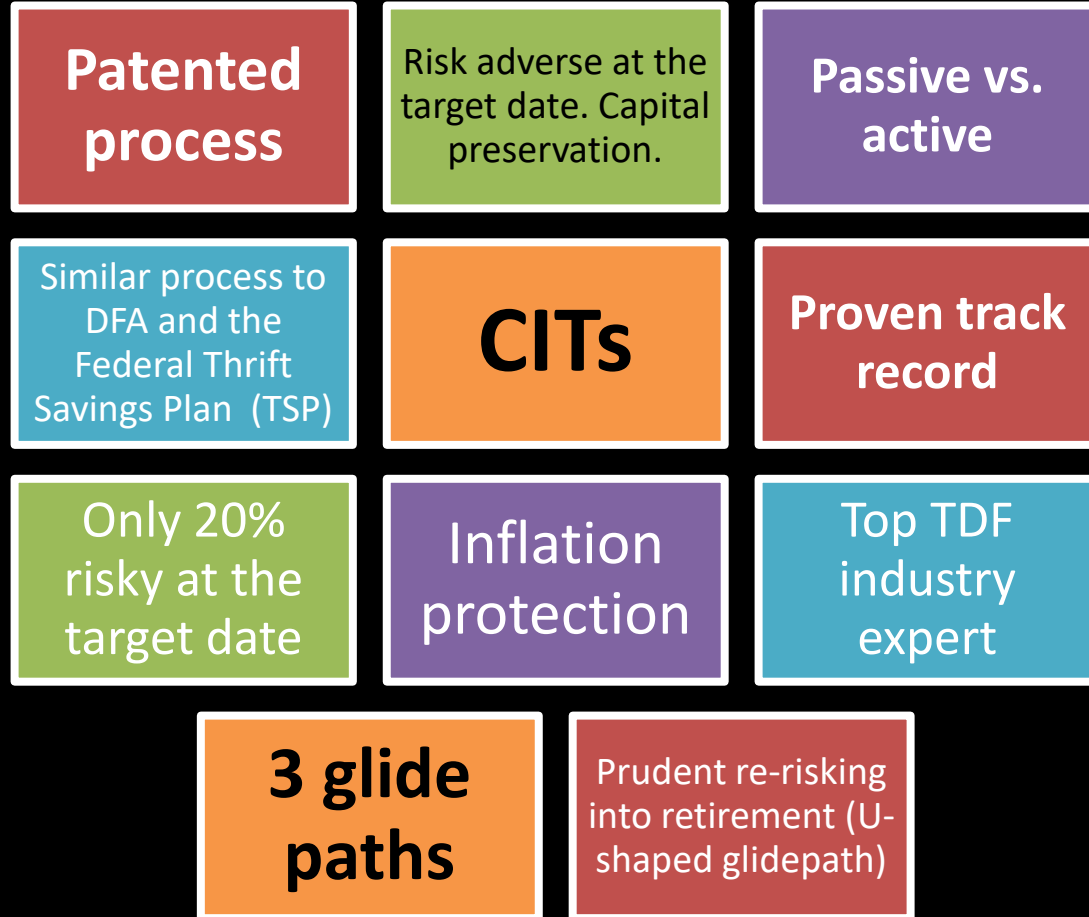
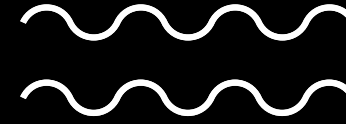
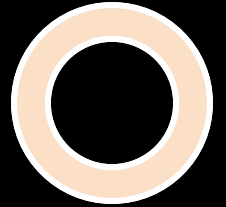
3 Glidepaths:

Conservative is the QDIA for Defaulted Participants

All 3 are Options for Self-directed Participants



What Makes SMART Unique





Stock Market
Ukraine war
Future
Federal Reserve
Extrême inflation
Retirement crisis

Tougher or SUFFER?

[Read Article](#)
[Watch Video](#)



401(K) INVESTMENTS, PRODUCTS, YOUR 401K NEWS

The Ideal Glidepath for Target Date Funds

The \$3 trillion target-date fund (TDF) industry has no official standard, but the de facto standard is the...

[Click to Read](#)



Recent Articles



How Target Date Fund Glide Paths Compare Around the World

🕒 JULY 19, 2021 🗨️ 0

...years, the Risky Group has far outperformed the Safe Group, and the riskier the greater the outperformance, resulting in higher ratings. This will change when markets correct. Ron Surz is... (Search hits: ...)



A Target-Date Fund Recommendation to Congress

🕒 JUNE 21, 2021 🗨️ 0

...this initiative. I hope the GAO will consider my recommendations. Ron Surz is President of Target Date Solutions and CEO of GlidePath Wealth Management. He can be reached at Ron@TargetDateSolutions.com.... (Search hits: ...)



The Obvious, If Overlooked, Retirement Crisis Solution

🕒 JULY 1, 2021 🗨️ 0

...with the remaining 70% in safe short term government bonds. Ron Surz is President of Target Date Solutions and CEO of GlidePath Wealth Management. He can be reached at Ron@TargetDateSolutions.com.... (Search hits: ...)



Why the Best Performing 401k Target-Date Funds are Riskiest

🕒 JUNE 2, 2021 🗨️ 0

...protection is beneficiary protection. Ronald J. Surz is co-host of the Baby Boomer Investing Show and president of Target Date Solutions and Age Sage, and CEO of GlidePath Wealth Management.... (Search hits: ...)



A Better 401k Target Date Fund Choice Than 'To' or 'Through'

🕒 JUNE 28, 2021 🗨️ 0

...than "To" or "Through" when selecting a TDF, and this choice is simplified by having two distinct factions. Ron Surz is President of Target Date Solutions and CEO of GlidePath... (Search hits: ...)



A Response to a Congressional Request to Review Target Date Funds

🕒 MAY 25, 2021 🗨️ 0

On May 6, 2021, Senator Patty Murray, D-Wash., Chair of the Health, Education, Labor, and Pensions (HELP) Committee, and Rep. Robert C. "Bobby" Scott, D-Va., Chair of the House Education... (Search hits: ...)



TARGET DATE FUNDS

for Union & Small Employer 401(k) Plans

by Ronald Surz

Reprinted in the *Journal of Benefits and Compensation* with permission from *401(k) Specialist*

Hot Off the Press!

Breaking News

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Scholars' Press

Ronald Surz

The Remarkable Metamorphosis of Target Date Funds

It's All About the Beneficiaries

Fiduciary Handbook for Understanding and Selecting Target Date Funds

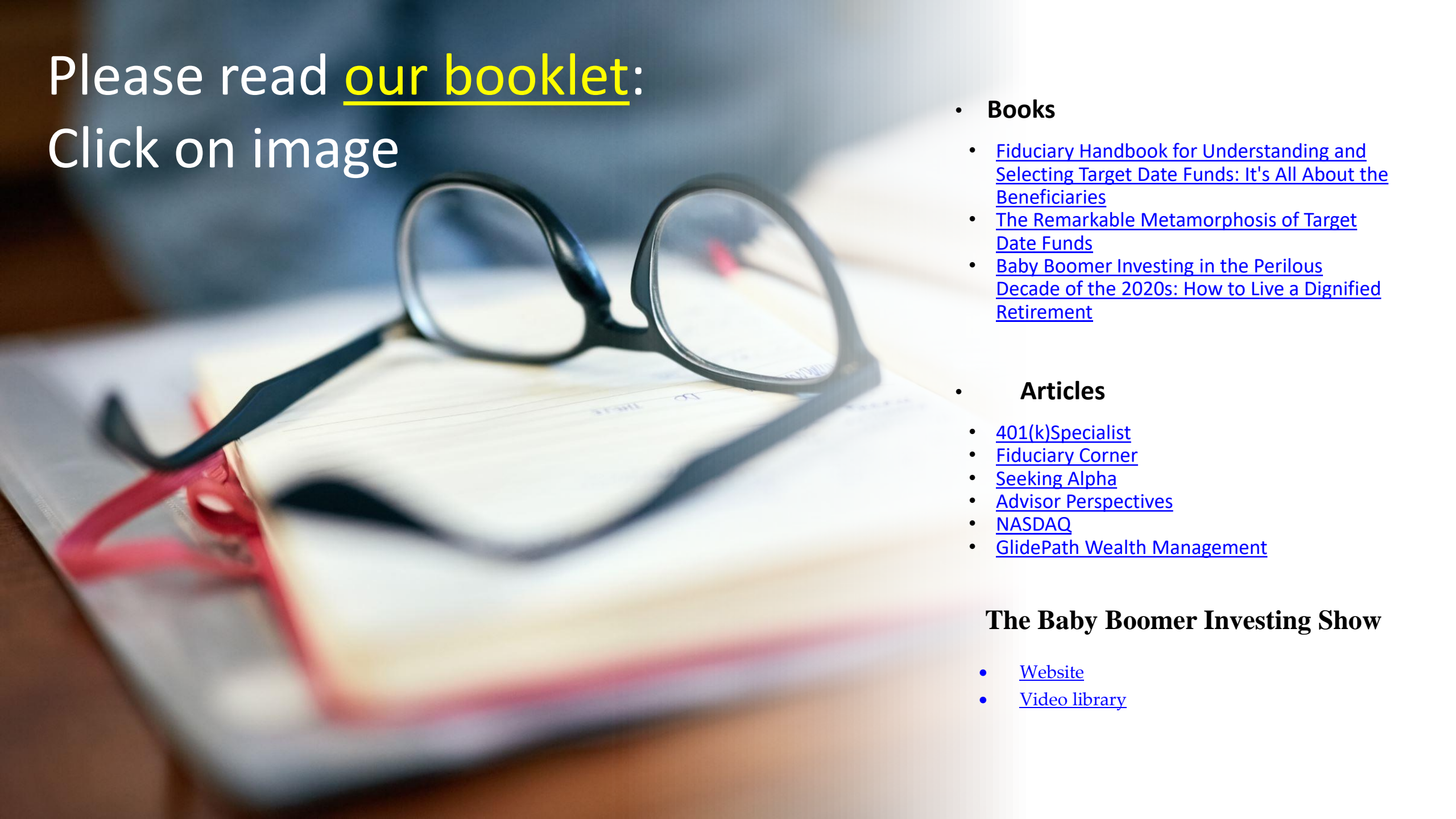
John Lohr, Mark Mensack & Ron Surz

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Books by Ron Surz Available on Request

This book is on the reading list of the International Foundation of Employee Benefit Plans (IFEBP), sponsor of the Certified Employee Benefit Specialist (CEBS) designation

Please read [our booklet](#):
Click on image



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- [Fiduciary Handbook for Understanding and Selecting Target Date Funds: It's All About the Beneficiaries](#)
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- [Baby Boomer Investing in the Perilous Decade of the 2020s: How to Live a Dignified Retirement](#)

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The Baby Boomer Investing Show

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SMART

Target Date Index

**Let's Talk Please.
We're looking for partners.**

Ron Surz

Designer & Sub-advisor, President of Target Date Solutions

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