



**There's a void in TDF benchmarks because none meet the CFA Institute's standards.**

One of the [CFA Institute's criterion for a good benchmark](#) is investability – you should be able to actually own the benchmark. Otherwise, the benchmark is hypothetical, not real. Blackrock's S&P Target Date iShares were the only investable target date fund benchmarks, but they are [closing](#).

Enter our target date index fund in the form of collective investment funds costing 34 basis points, which is low by TDF standards (the iShares TDF indexes were 45 basis points). Aside from the low expense, the new index is a [substantive prudence \(best practice\) index](#), unlike other indexes that use procedural prudence (common practice).

We're proud and excited to announce our new [target date fund index offering](#) that follows our [patented Safe Landing Glide Path](#)<sup>®</sup>. The essential characteristics are:

-  **Low Fees**
-  **Risk Control**
-  **Diversification**
-  **Financial Engineering**

1. **Broad diversification**. Includes global stocks, global bonds, global real estate, global commodities & global opportunistic, all in meaningful proportions.

2. **Rigorous risk control**. Very safe at the target date because defaulted participants deserve to be protected, especially as they approach retirement. The [fiduciary duty of care](#) requires protection against foreseeable harm. It's like our duty to protect our children. Remember 2008,

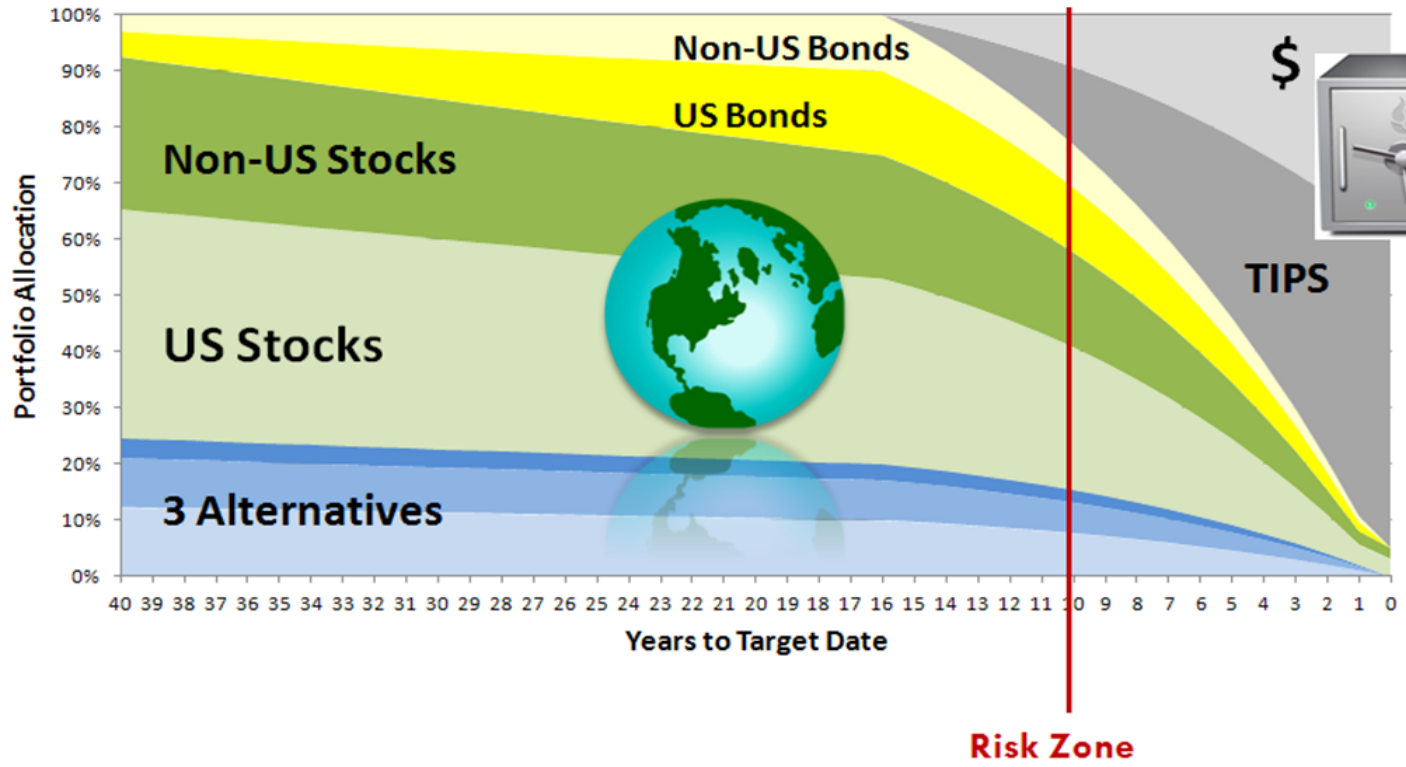
and remember that most participants withdraw their accounts at retirement so all TDFs are “To” funds.

3. **Financially engineered and patented glide path** that integrates (1&2) 2 Nobel-prize-winning tenets and (3) loss avoidance and (4) liability-driven investing.
4. **Low fees** of 34 basis points for institutional investors. The index meets the challenge of providing broad diversification at a competitive price.

Please see our [Book](#) for 401(k) fiduciaries, especially the chapters on [benchmarks](#) and [selection criteria](#).

### Benchmark Return and Risk for Periods Ending June, 2014

Returns	Today	2020	2030	2040	2050
3-Month	0.98%	2.37%	3.67%	3.86%	4.06%
YTD	1.06%	3.55%	5.88%	6.02%	6.21%
12-Month	1.82%	8.20%	14.26%	14.99%	16.17%
3-Year	3.08%	4.75%	7.57%	7.52%	7.84%
5-Year	3.88%	8.62%	11.99%	12.40%	12.69%
10-Year	4.39%	5.60%	6.56%	6.75%	6.89%
10-Year Growth of \$10k	15,373	17,245	18,870	19,217	19,470
<b>Standard Deviation</b>					
3-Yr	1.91%	6.74%	9.87%	10.39%	11.30%
5-Yr	2.31%	7.09%	10.32%	11.03%	12.01%
10-Yr	3.75%	9.30%	12.31%	12.63%	13.07%



Geometrically moves to defend, using a Lockbox of very safe assets.