

Helping You Turn Over



a New Retirement Leaf

WDC Investment Planning Guide

Three Components of a Sound Investment Strategy to Help You Reach Your Retirement Goals

Your Savings Target

In choosing your savings target, consider the amount of money you want to save and invest through the WDC over time, and any other retirement plan or other assets you and your spouse might have (if applicable).

Establishing a savings target in the beginning will help you create an investment strategy, combining your risk tolerance and time horizon, that can help you reach your savings target goal.

Your Time Horizon

Time horizon is the number of years you have to invest in the WDC before you start making withdrawals in retirement. If you are many years away from retirement, you may be willing to take more risk with your money and invest more aggressively. When you are closer to retirement, your investment strategy may lean more toward investments with less risk because they'll have less time to recover should they fall in value.

The market goes up and it goes down. Be sure that your investments are allocated appropriately to meet your short- and long-term goals. You may have many years in retirement, so consider the benefits of maintaining some assets in investments that are likely to outpace inflation and provide some growth.

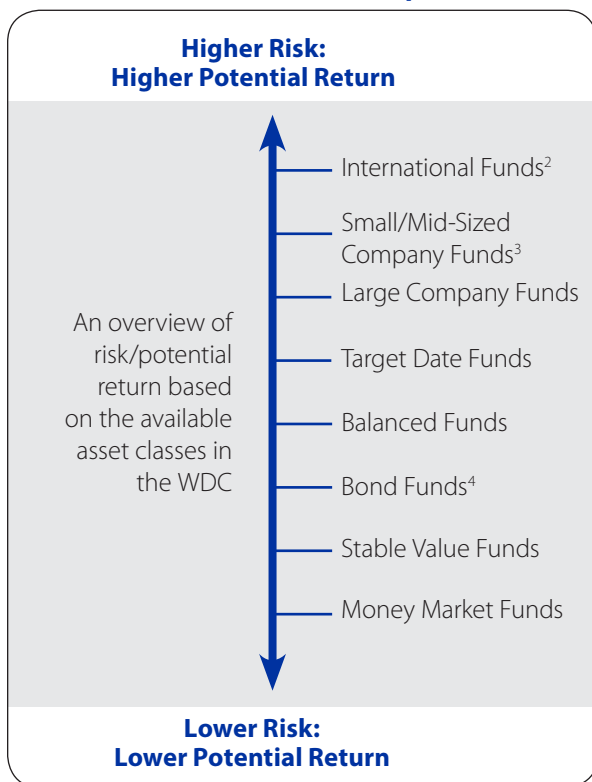
Your Risk Tolerance

Risk tolerance is your comfort level with the ups and downs in the value of your investments. The market will likely go up and down over the course of time, which is why many experts say that investing is a long-term strategy.

You need to create an investment strategy that provides you with a comfortable balance between principal conservation and growth, and that will help you work toward your goals. When creating your investment strategy, remember the concepts of asset allocation and diversification, which is the process of spreading your money across the basic asset classes (bond funds, stock funds and fixed funds), and put your money into a number of different types of investment options within each asset class.¹

It is good to review your account periodically and realign your asset allocation if necessary. This process, called "rebalancing," involves adjusting your investments to help keep them at your desired asset allocation levels.¹

Risk/Potential Return Spectrum



This chart is for illustrative purposes only and does not predict or guarantee the returns of any given asset class.

Remember that saving and investing for retirement through the WDC may be only one of your financial goals. Be sure to balance all of your financial goals, both long and short term, when making investment decisions.

Three Paths of Investing

The WDC Program provides you with a wide range of investment options intended to meet your unique retirement goals. Whether you are an experienced investor or a beginner, the WDC can provide you with tools to help you plan for your retirement.

The investment options from which you can choose are divided into three paths:

Path 1: Create your own investment portfolio.

Path 2: Choose a pre-mixed portfolio.

Path 3: Get assistance with Empower Retirement Advisory Services (Advisory Services), provided by Advised Assets Group, LLC (AAG), a registered investment adviser.

Read on to learn more about each investment path so you can make the right investment choices for your personal needs. As you begin to learn more about the different fund options, the WDC also encourages you to read each fund's prospectus to learn about the objectives, risks, fees and expenses of the funds available to you. Keep in mind that there is no guarantee that the objective of any given fund will be achieved.

Path 1: Create Your Own Portfolio

This path allows you to select from a variety of investment options offered by the WDC to create your own portfolio. You can choose from a range of investment options to suit your investment style and/or risk tolerance, including:

- Passively managed index funds or actively managed mutual funds,
- Global or domestic funds, and
- Fixed-income or equity options.

Self-Directed Brokerage Account

You also have the ability to choose additional mutual funds beyond the investment options offered by the WDC. If you have confidence and investment knowledge—and are comfortable with the risk of selecting your own investment options—you may be interested in a self-directed brokerage account (SDBA). The SDBA provides access to more than 3,000 additional mutual funds and is offered through the Charles Schwab Personal Choice Retirement Account®.

Note: The WDC SDBA option does not provide the ability to purchase stocks, commodities or exchange-traded funds. It is limited to mutual funds only. There are no fees for participating in the SDBA; however, transaction fees may apply if you choose to participate in this option.

Path 2: Choose a Pre-Mixed Portfolio

This path is designed for people who may not have the time or desire to build their own investment portfolios. You can select one of the target date funds based on your target retirement date (the date you expect to turn 65). The principal value of the funds is not guaranteed at any time, including on the target date.

Path 3: Choose Advisory Services

This path offers optional additional tools to help you select your own investments, or you can choose to leave the investment decisions to a professional. This path includes the Online Investment Guidance, Online Investment Advice and Managed Account service options. These services may not be for everyone, but they can provide investment help for those who choose to take advantage of them. AAG partners with Morningstar Investment Management LLC for the technology that helps with the management of your WDC account. You supply the information about your goals and finances, and AAG will make recommendations, select your investments or manage your WDC account on your behalf, depending upon the service you choose.

Path 1: Create Your Own Portfolio

Passive Index Funds	Risk	Asset Class	Benchmark Index ⁵
BlackRock US Debt Index Fund ^{4,6}	Moderate	Bonds	BarCap U.S. Aggregate Bond Index
Vanguard Institutional Index Plus Fund ⁷	Moderate	Large-Cap Stocks	S&P 500 [®] Index ⁸
BlackRock Mid Cap Equity Index Fund ^{3,6}	Aggressive	Mid-Cap Stocks	S&P MidCap 400 [®] Index ⁸
BlackRock Russell 2000 Index Fund ^{3,6}	Aggressive	Small-Cap Stocks	Russell 2000 Index
BlackRock EAFE Equity Index Fund ^{2,6}	Aggressive	International Stocks	MSCI EAFE Index

Actively Managed Funds	Risk	Asset Class
Stable Value Fund ⁹	Conservative	Fixed Income/Cash
Vanguard Treasury Money Market Fund ⁷	Conservative	Fixed Income/Cash
Federated U.S. Government Securities Fund 2-5 Years ^{2,7} (Institutional)	Moderate	Bonds
Vanguard Long-Term Investment Grade Fund ^{2,7} (Admiral Shares)	Moderate	Bonds
Vanguard Wellington Fund ⁷ (Admiral Shares)	Moderate	Large-Cap Stocks
American Beacon Bridgeway Large Cap Value Fund ⁶	Moderate	Large-Cap Stocks
Fidelity Contrafund ⁷	Moderate	Large-Cap Stocks
Calvert Equity Fund ⁷ (Class I)	Moderate	Large-Cap Stocks
T. Rowe Price Mid Cap Equity Growth Fund ^{3,7} (Institutional)	Aggressive	Mid-Cap Stocks
DFA US Micro Cap Portfolio ^{3,7}	Aggressive	Small-Cap Stocks
American EuroPacific Growth Fund ^{4,7} (Class R6)	Aggressive	International Stocks

Bank Option	Risk	Asset Class
FDIC Bank Option ¹⁰	Conservative	Fixed Income/Cash

Self-Directed Brokerage Account	Risk & Asset Class
Charles Schwab Personal Choice Retirement Account [®] (888) 393-7272	This option is intended for the knowledgeable investor. The risk levels and asset classes vary depending on the fund choices the investor makes.

The five index funds are intended for people who prefer to invest in certain asset classes as opposed to specific funds, and their objectives are to closely mirror the performance of a particular market index. The WDC also offers 11 actively managed investment options and one bank option. These options vary from conservative (lower risk, with potentially lower returns) to aggressive (higher risk, with potentially higher returns). The range of conservative choices includes a stable value fund, an FDIC-insured bank option and a money market fund. There are nine stock funds that range from moderate to aggressive in risk. Additional information about the funds, including information on fees and expense ratios, can be found on the WDC's website in the investment section.

Please consider the investment objectives, risks, fees and expenses carefully before investing. For this and other important information, you may obtain prospectuses for mutual funds and/or disclosure documents from your registered representative. Prospectuses can also be obtained online at www.wdc457.org. For prospectuses related to investments in the SDBA, contact Charles Schwab at (888) 393-7272. Read them carefully before investing.

You could lose money by investing in a money market fund. Although the fund seeks to preserve the value of your investment at \$1 per share, it cannot guarantee it will do so. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.

Path 2: Choose a Pre-Mixed Portfolio

Target Date Funds	Risk	Asset Class
Vanguard Institutional Target Retirement Income Fund ⁷	Risk levels for the various target date funds are dependent upon the target retirement date associated with each fund. Each fund is subject to the risks of the underlying funds, which can be a mix of stocks/stock funds, bonds/bond funds and fixed funds. The date in the fund's name represents an approximate date when an investor would expect to retire, assuming retirement at age 65. The principal value of the funds is not guaranteed at any time, including on the target date.	Target Date
Vanguard Institutional Target Retirement 2015 Fund ⁷		
Vanguard Institutional Target Retirement 2025 Fund ⁷		
Vanguard Institutional Target Retirement 2035 Fund ⁷		
Vanguard Institutional Target Retirement 2045 Fund ⁷		
Vanguard Institutional Target Retirement 2055 Fund ⁷		

The target date funds are portfolios designed to adjust your exposure to risk over time as your risk tolerance changes. This investment option will gradually shift its emphasis from more aggressive investments to more conservative ones based on its target date (which is the assumed retirement date for an investor). This is important as the closer you are to retirement, the less time you'll have to recover from any market downturns or losses that your account may incur. Thus, for example, as the date 2025 nears, the assets in the Vanguard Target Retirement 2025 Fund will be shifted to a more conservative allocation. To get started, choose the fund that most closely matches the year in which you expect to retire.

Path 3: Choose Advisory Services

Online Investment Guidance:

Assistance for the do-it-myself investor

For those who prefer a more hands-on approach to managing their retirement accounts, Online Investment Guidance offers personalized asset allocation and savings rate information to build a customized portfolio from the WDC's investment options. You can also use the online tools to help you determine which pre-mixed portfolio may be right for you.

Online Investment Guidance is available at no additional cost to you.

Online Investment Advice:

A helping hand for the help-me-do-it investor

With Online Investment Advice, AAG will recommend a portfolio based on the information you provide using the investment options available in the WDC. You are responsible for implementing your own investment choices and managing them online—and generating new recommendations when your situation changes.

Online Investment Advice has a \$25 annual fee, which is assessed to your account at \$6.25 quarterly.

Managed Account Service:

Investment account management for the do-it-for-me investor

Are you someone who would rather leave investment decisions to a professional? With the Managed Account service, AAG selects a diversified allocation of investment options from the WDC's core investment spectrum to fit your unique situation and retirement goals. AAG periodically reviews your account to make sure it stays aligned with those goals. Adjustments occur as needed.

The Managed Account service has an annual fee based on a percentage of your account balance that is assessed to your account quarterly.

Participant Account Balance	Annual Managed Account Service Fee
Up to \$100,000	0.45%
Next \$150,000	0.35%
Next \$150,000	0.25%
Greater than \$400,000	0.15%

There is no guarantee provided by any party that participation in any of the Advisory Services will result in a profit or that the related account will outperform a self-managed portfolio invested without assistance.

Helpful Terms to Know

Assets

Anything owned that has monetary value or can be exchanged for monetary value (for example, a house or car).

Capital

Money available for investment purposes.

Capital Gain (or Loss)

An increase (or decrease) in value (of a stock or mutual fund, for example) resulting from favorable (or unfavorable) investment performance. This may also be expressed as appreciation or depreciation.

Collective Investment Trust

An investment option that is different than a mutual fund and is exempt from SEC registration. Designed for and exclusively sold to qualified retirement plans and their participants, the funds are not available to individual retail investors.

Diversification

Spreading your money among different types of investments, such as stock investments, bond investments or fixed funds. Diversification does not ensure a profit and does not protect against loss in declining markets.

Dividend

A payment to shareholders that represents their share of a fund's or a company's earnings available for distribution.

Earnings

A company's or fund's profit after paying all costs, expenses and taxes.

Expense Ratio

Operating costs of an investment option, including management fees, expressed as a percentage of the fund's average net assets for a given time period.

Income

Interest or dividends earned from an investment.

Index

A benchmark against which financial or economic performance may be measured, such as the S&P 500[®] or the Consumer Price Index. A benchmark index is not actively managed, does not have a defined investment objective and does not incur fees or expenses. Therefore, performance of a fund will generally be less than its benchmark index. You cannot invest directly in a benchmark index.

Interest

Money credited to a fixed investment account. Money a borrower pays to a lender as the cost of using money, expressed as a percentage per period of time.

Investment Objective/Goal

A statement of the goals an investment option seeks to achieve through its investments. Generally, investors match their financial objectives with investment options that have similar goals, balanced with their risk tolerance.

Liquidity

The ability of an asset to be converted into cash easily.

Market Capitalization (Market Cap)

The aggregate value of a company or stock. This is calculated by multiplying the number of shares outstanding by the current price per share. For example, if a company has 1 million shares available and the price is \$10 per share, market cap would be \$10 million.

Mutual Fund

A form of investment that pools money from many investors and invests the money in stocks, bonds, short-term money market instruments and/or other securities.

Price-to-Book (P/B) Ratio

A ratio used to compare a stock's market value to its book value. Derived by dividing the current closing price of the stock by the latest quarter's book value per share.

Price-to-Earnings (P/E) Ratio

The most common measure of how expensive a stock is. Equal to the stock's price divided by its after-tax earnings per share over a 12-month period.

Principal

The original amount of money invested, not including interest or dividends on that amount. Principal value may fluctuate.

Prospectus

The legal document describing a particular mutual fund to prospective investors. It explains overall investment goals, investment strategy, fund expenses and the potential risk and reward of investing in the fund.

Security

An investment instrument, other than an insurance policy or fixed annuity, representing ownership (stocks), a debt agreement (bonds) or the rights to ownership (derivatives).

Total Return

The profit or loss on an investment over a specific period of time. Total return includes income and share price appreciation and depreciation. Total return assumes that all dividends and capital gains paid during the period are reinvested to buy additional shares.

Volatility

A measure of price or interest rate fluctuations over a given period of time.

How to Enroll and/or Make Changes

Ready to select your investment options, make changes or sign up for Advisory Services? Visit **www.wdc457.org** or call **(877) 457-WDCP (9327)**, press 0 and say “yes” to speak with a local WDC representative who can help guide you through the process.

- 1 Asset allocation, diversification and rebalancing do not ensure a profit and do not protect against loss in declining markets.
- 2 Foreign investments involve special risks, including currency fluctuations, taxation differences and political developments.
- 3 Equity securities of small and mid-sized companies may be more volatile than securities of larger, more established companies.
- 4 A bond fund's yield, share price and total return change daily and are based on changes in interest rates, market conditions, economic and political news, and the quality and maturity of its investments. In general, bond prices fall when interest rates rise and vice versa.
- 5 A benchmark index is not actively managed, does not have a defined investment objective, and does not incur fees or expenses. Therefore, performance of a fund will generally be less than its benchmark index. You cannot invest directly in a benchmark index.
- 6 Collective trust fund option.
- 7 Mutual fund option.
- 8 S&P 500 Index and S&P MidCap 400 Index are registered trademarks of Standard & Poor's Financial Services LLC and are unmanaged indexes considered indicative of the domestic Large-Cap equity market and the domestic Mid-Cap equity market respectively.
- 9 Transfers from the Stable Value Fund to the FDIC Bank Option, the money market fund, or Federated U.S. Government Securities Fund require a 90-day equity wash. An equity wash means that assets must first be transferred to a noncompeting option (any other option in the WDC lineup besides the three listed previously) for 90 days before transferring the money to the competing fund. The stable value option invests in a diversified portfolio of fixed income securities managed by Galliard. GWFS Equities, Inc. is not affiliated with Galliard.
- 10 Plan funds invested in the FDIC Bank Option are insured by the Federal Deposit Insurance Corporation, up to \$250,000 per participant. Certificates of deposit offer a fixed rate of return, whereas both the principal and yield of bonds and stocks will fluctuate with market conditions. Transfer requests received on business days prior to close of the New York Stock Exchange (4:00 p.m. Eastern time or earlier on some holidays or other special circumstances) will be initiated at the close of business the same day the request was received. The actual effective date of your transaction may vary depending on the investment option selected.

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Advised Assets Group, LLC uses Morningstar Investment Management LLC to provide sub-advisory services. AAG and Morningstar Investment Management are registered investment advisers. AAG is a subsidiary of Great-West Life & Annuity Insurance Company. Morningstar Investment Management is a subsidiary of Morningstar, Inc. Morningstar Investment Management and Morningstar, Inc. are not affiliated with Empower Retirement, AAG, GWL&A, or any other affiliated companies and/or subsidiaries. Managed Account service and Online Investment Advice are part of the Empower Retirement Advisory Services suite of services offered by AAG.

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