

# PCA Target Retirement Funds

*Sophisticated in design, yet simple to use*

PCA Retirement & Benefits, Inc. (RBI), offers thirteen Target Retirement Funds that create instant investment diversification, all within a single fund. Target Retirement Funds simplify your investment selection process by offering you an optimal portfolio that has been designed by investment professionals. The burden of selecting your portfolio allocation and adjusting it over time has been taken off your shoulders.

Choosing the right Target Retirement Funds for you is an easy and quick decision. Select the fund with a target retirement date closest to when you want to retire. After you have made your selection, investment professionals will manage your investment allocation in the PCA Retirement Plan.

## Target Retirement INVESTING CONCEPT

The premise for using PCA Target Funds is that by taking certain known variables (i.e., an investor's time horizon and the historical performance of various asset classes) it is possible to structure a portfolio that may have a better chance of reaching your retirement goals. However, the innovative design doesn't stop there. Target Retirement Funds daily rebalance and give you an age-appropriate portfolio throughout your lifetime. In effect, these funds gradually reduce your market risk by lowering the exposure to higher risk funds.

Naturally, past performance does not guarantee future results. Still, lifecycle investment theory suggests that you can increase the likelihood of achieving your goals through investing in a Target Retirement Funds.

## HOW TO USE THESE FUNDS

Simply select the fund that is closest in date to your expected retirement date (generally age 65 to 67). Your PCA Retirement Plan account will be invested automatically in a selection of investments deemed appropriate for your age and time horizon.

**Example:** John Smith was born in 1962. What PCA Target Retirement Investment Fund should he select?

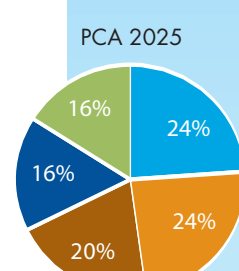
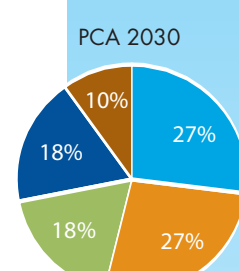
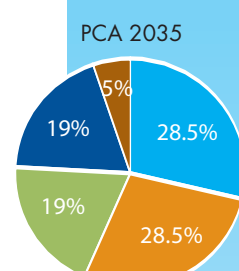
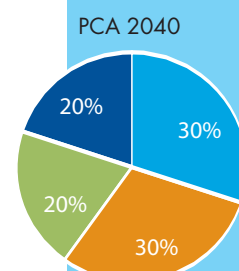
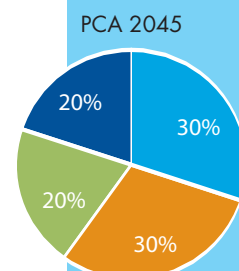
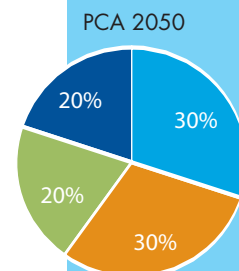
$$(1962 + 67 \text{ [full retirement age]} = 2029)$$

John Smith should select PCA 2030 as his Target Retirement Fund

## BENEFITS OF INVESTING IN TARGET RETIREMENT FUNDS

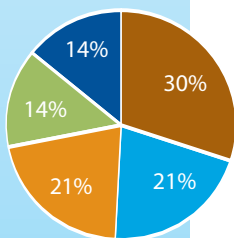
- Easy to use
- Fully diversified strategy
- Automatically adjusts as you age
- Low cost
- Professionally designed and managed

- US Large Cap Equity
- US Mid Cap Equity
- US Small Cap Equity
- International Equity
- Fixed Income/ Gov Sec/Cash Equiv

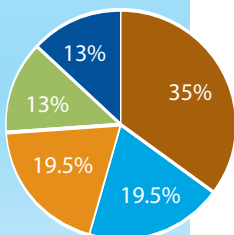


Your Target Retirement Date is:

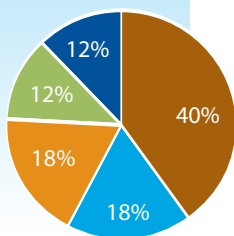
PCA 2020



PCA 2015

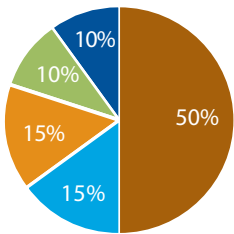


PCA 2010

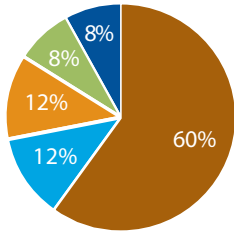


Target Retirement Date was:

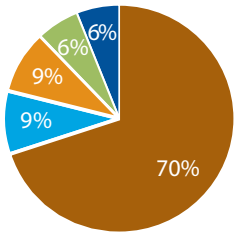
PCA 2005



PCA 2000



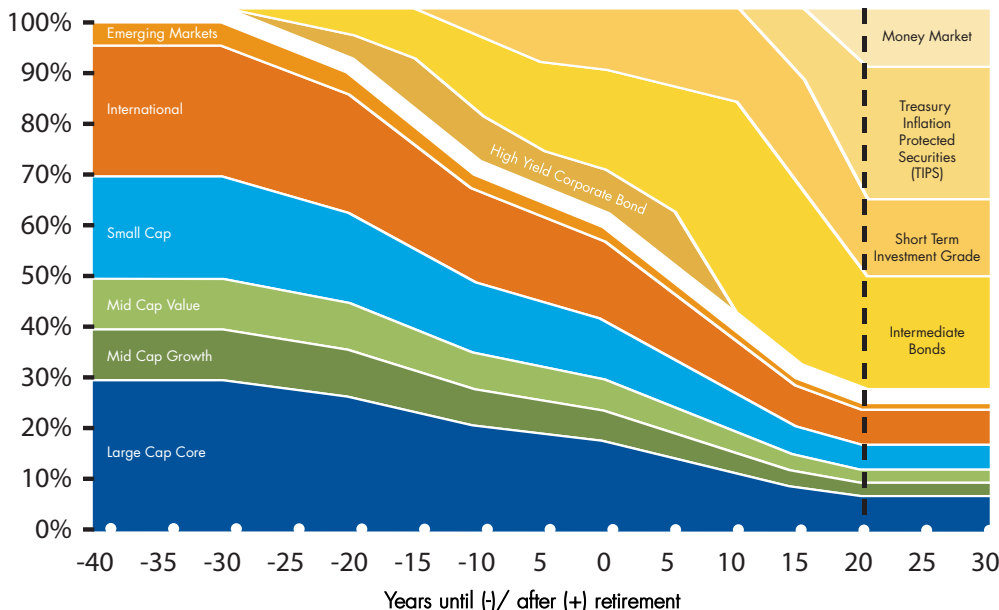
PCA 1995



**EQUITY GLIDE PATH**

In industry parlance, the "equity glide path" is a description of how the equity (stocks) concentration at younger ages declines over time as one ages. The "glide path" is important because your exposure to the market risk associated to equities should decrease over time. As your equity exposure decreases, your portfolio will increase in exposure to fixed income (bonds) and other income producing investments (short term reserves, inflation protected securities) that serve to protect the assets that you have steadily grown in your account.

PCA Target Retirement Fund Glide Path



**WHAT HAPPENS WHEN MY TARGET DATE IS REACHED?**

Life expectancies are increasing and retirement accounts should continue to have equity exposure in retirement to protect you from outliving your assets. To that end the Target Retirement Funds have a 60% exposure to equities that decreases for a full 20 years after retirement. At that point the Target Retirement Funds transitions to the PCA Harvester Fund (as noted by portfolio allocation after the dotted line in the diagram above). This fund is a static retirement fund that has a main goal of preserving your hard-earned nest egg in retirement. This is achieved through an investment portfolio comprised of a 25% exposure to equities (e.g., 7.5% Large Cap, 5.0% Mid Cap, 5.0% Small Cap, and 7.5% International) and a 75% exposure to fixed income, government securities and cash equivalent investments (e.g., 37.5% Fixed Income, 26.3% Government Securities, and 11.25% Cash Equivalents).

**HOW CAN I INVEST IN A PCA TARGET FUND?**

Whether you are enrolling in the PCA Retirement Plan or are already a participant, you can invest in a Target Retirement Funds today. Let RBI remove the burden of managing your retirement account. Our investment professionals can manage your portfolio through the Target Retirement Funds for you. Contact PCA Retirement and Benefits, Inc., today at [rbi@pcanet.org](mailto:rbi@pcanet.org) or (800) 789-8765 to find out the quickest way to invest in PCA Target Retirement Funds.

- US Large Cap Equity
- US Mid Cap Equity
- US Small Cap Equity
- International Equity
- Fixed Income/ Gov Sec/Cash Equiv

PCA Retirement & Benefits, Inc.  
1700 North Brown Rd., Suite 106  
Lawrenceville, Georgia 30043

1.800.789.8765  
[www.pcarbi.org](http://www.pcarbi.org)