

You're More Than a Number

Go beyond age-based investing with
a retirement solution designed to fit
individual participants

A young girl is running a race, wearing a white tank top and a race bib with the number 159. She is smiling and looking towards the camera. The background is a blurred crowd of spectators. The entire image is overlaid with a teal halftone pattern.

TargetFit™

 **stadion** retirement

Introducing TargetFit



Professionally managed funds based on a target retirement date and risk tolerance



Multiple glide path approach to replace the "one size fits all" approach



Competitively priced and easy to implement; can be added to most recordkeeper platforms



Stadion Retirement

Experience and Industry Leadership

Stadion has more than 25 years of experience helping plan participants prepare for retirement.

Our History of Helping Participants

Stadion has always believed that hard-working Americans need—and deserve—help preparing for a better retirement. Our co-founder advised his father, an aircraft mechanic, how to invest his retirement savings. Recognizing the need for investment help, we began educating the airline's employees on making investment decisions.

Today, We Help More Americans Prepare for Retirement

Today, Stadion continues its mission of helping participants with their retirement savings. Our personalized retirement solutions seek to help all participants—regardless of wealth or investment knowledge—prepare for a better retirement.

Stadion was founded with the mission of helping participants who didn't have access to retirement education and personalized investment expertise. Our focus on participants is one we proudly continue today.

The Importance of Keeping Participants on Target

Staying the course can lead to better retirement outcomes, yet that behavior is difficult for participants when market losses occur.

When markets decline, many investors react, seeking to preserve their nest egg. This often results in locking in losses and missing market recoveries.

The chart below shows the history of mutual fund cash flows and illustrates a difficult picture for investor behavior. When markets were high, we saw fewer cash inflows and at market lows, we saw larger outflows.

Emotional Investment Behavior

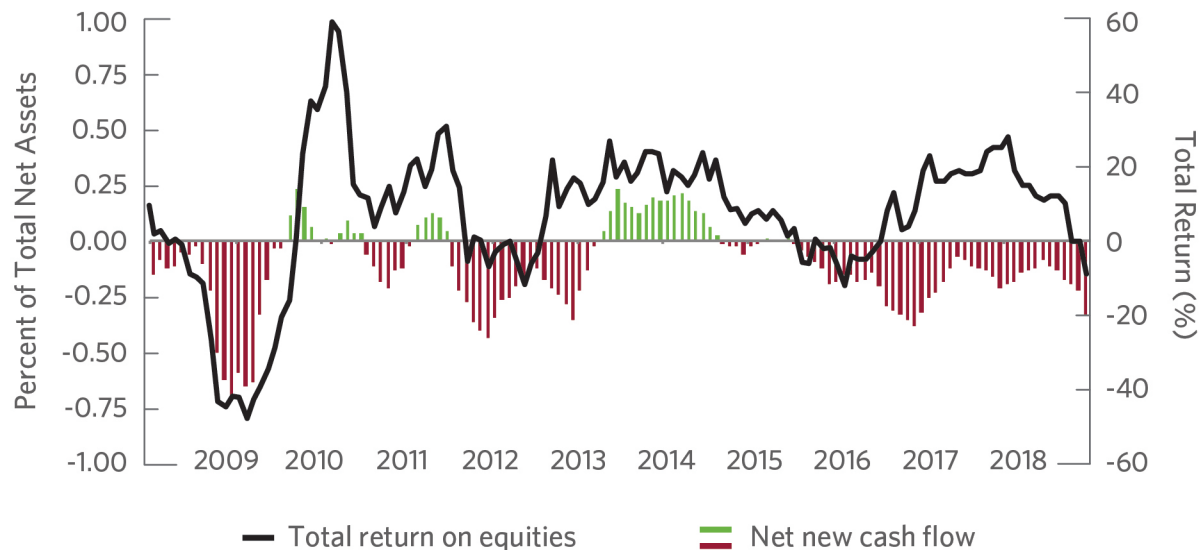


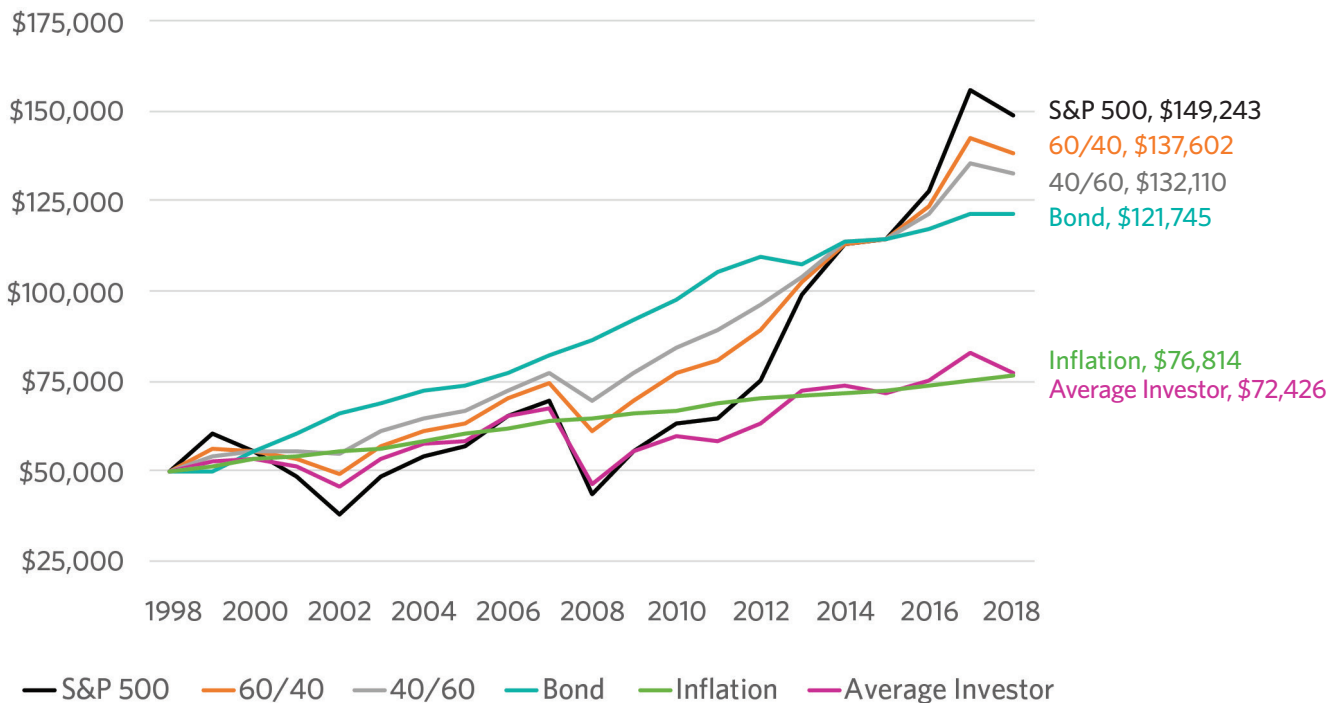
Chart Source: Net new cash flow to equity funds is plotted as a six-month average. The total return on equities is measured as the year-over-year change in the MSCI All Country World Daily Total Return Index, which is a free float-adjusted market capitalization weighted index designed to measure equity market performance of developed and emerging markets. It is not possible to invest directly in indexes which are unmanaged and do not incur fees and charges. Source: Investment Company Institute (ici.org). Past performance is no guarantee of future results. Investments are subject to risk and may lose value.

The Impact Short-Term Emotions Can Have on Long-Term Results

Buying and selling at the wrong time can lead to underperformance.

Over a 20-year period, an investor with a portfolio invested 60% in equity and 40% in fixed income would have over \$65,000 more in retirement savings than an average investor.¹

Average Investor Underperforms



Hypothetical investment of \$50,000. Past performance is no guarantee of future results.

¹ Chart Source: 20-Year Annualized Returns by Asset Class (1998 – 2018). Average equity investor, average bond investor and average asset allocation investor performance results are calculated using data supplied by the Investment Company Institute. Investor returns are represented by the change in total mutual fund assets after excluding sales, redemptions and exchanges. This method of calculation captures realized and unrealized capital gains, dividends, interest, trading costs, sales charges, fees, expenses and any other costs. After calculating investor returns in dollar terms, two percentages are calculated for the period examined: Total investor return rate and annualized investor return rate. Total return rate is determined by calculating the investor return dollars as a percentage of the net of the sales, redemptions and exchanges for the period. Data for Average Investor is for Asset Allocation Funds. Chart Source: DALBAR Quantitative Analysis of Investor Behavior (QAIB) 2018 Survey, published in 2019. The S&P 500 Index is the Standard & Poor's Composite Index of 500 stocks and is a widely recognized, unmanaged index of common stock prices. Blended benchmark of 60% S&P 500 Index and 40% Barclays U.S. Aggregate Bond Index. Bonds: Barclays Capital U.S. Aggregate Bond Index is an unmanaged index of prices of U.S. dollar-denominated investment-grade fixed income securities with remaining maturities of one year and longer. It is not possible to invest directly in indexes (like the S&P 500) which are unmanaged and do not incur fees and charges. Investments are subject to risk and any of Stadion's investment strategies may lose money. Past performance is no guarantee of future results.

TargetFit Provides Multiple Glide Paths Which May Help Participants Stay the Course

- Participants are different—not all share the same risk tolerance.
- Participants can select investments based on their retirement age and risk tolerance, which may help them stay the course.
- Stadion offers participant education on asset allocation and risk tolerance.

TargetFit Provides Participants With Three Glide Path Options

TargetFit allows participants the option of selecting a glide path that is right for them.



A CONSERVATIVE investor may be someone who:

- Is cautious about their savings.
- Prefers to live on the “safe side” with their investment choices.
- Would rather sleep at night knowing their money is invested in low-risk assets than take chances to get greater returns.
- Believes they are more cautious with investing money than other people they know.



A MODERATE investor may be someone who:

- Doesn't mind taking some risks with their savings.
- Prefers a balance for their approach to investing for retirement.
- Believes they are not more cautious or more aggressive with investing money than other people they know.



A GROWTH investor may be someone who:

- Doesn't mind taking risks with their money to increase the amount they have.
- Focuses on the upside even if some risk is involved.
- Isn't fearful when their investments fluctuate in value.
- Believes they are more aggressive with investing money than other people they know.

TargetFit allows participants to choose a portfolio most aligned with their risk tolerance, which may help them stay the course.



TargetFit Seeks to Make Investing Easy

TargetFit is Designed for a More Personalized Experience

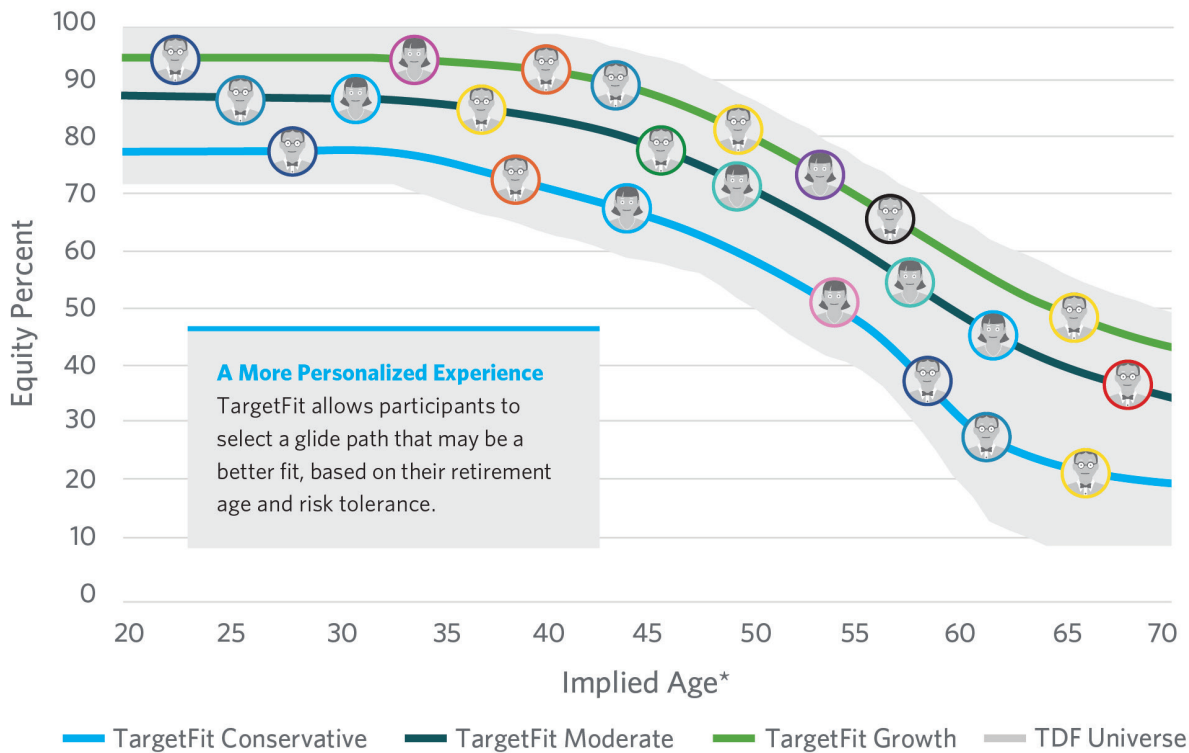
Participants can select a glide path based on their retirement age and risk tolerance. There's no need for participants to research investments in order to build an investment lineup.

Ongoing Portfolio Monitoring, Risk Management and Rebalancing

Portfolio adjustments will be made in an effort to manage risk and market fluctuations, and rebalance the allocation as needed.

As Each Fund's Target Retirement Date Approaches, Equity Exposure is Reduced

TargetFit Sample Glide Paths vs. Target Date Fund Universe



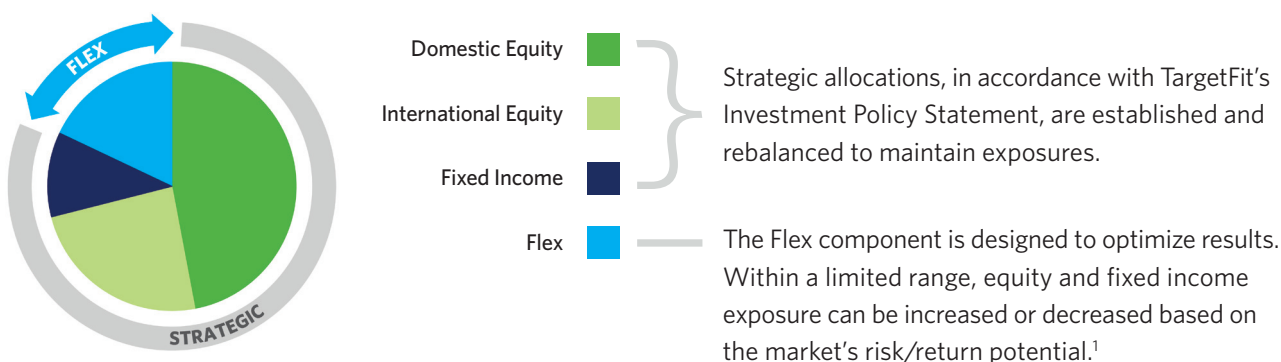
* Implied age based on retiring at age 65.

The gray "Target Date Fund Universe" measure reflects the total range of possible equity exposures across the entire universe of Target Date Funds. The Target Date Fund Universe includes all Target Date Fund Series, which includes registered mutual funds, non-registered collective investment funds and insurance separate accounts. Collective investment funds and insurance separate accounts are only available for investment at certain retirement plan recordkeepers through qualified retirement plan assets such as 401(k) plans.

Professionally Constructed Portfolios

A Diversified Approach

Our team of investment professionals build funds using a diversified blend of domestic equities, international equities and fixed income securities. For added diversification, funds use both strategic (buy and hold) and flexible methodologies. A sample of a fund allocation is illustrated below.



Active and Passive Management

TargetFit funds are constructed around the S&P Target Date Index and Stadion's analysis of the Target Date Fund universe. Cost-efficient, passive exchange-traded funds (ETFs) are used to gain exposure to multiple asset classes and sectors. Our portfolio management team constantly researches markets and securities to determine the appropriate blend of ETFs.



TargetFit's Portfolio Management Team

- All Portfolio Managers hold their Chartered Financial Analyst (CFA)² designation
- More than 20 years of experience building retirement allocations



Research and Analysis

- Capital markets, asset classes and sectors
- Target date universe and benchmarks



Cost-Efficient ETFs

- ETFs are used to gain asset class and sector exposure
- ETFs are screened for liquidity and cost



Ongoing Monitoring

- Allocation adjustments
- Security selection



TargetFit Glide Paths

- Conservative
- Moderate
- Growth

¹ As determined by Stadion's proprietary investment model.

² The Chartered Financial Analyst (CFA) is a qualification for finance and investment professionals, particularly in the fields of investment management and financial analysis of securities. The designation is an international professional certification offered by the CFA Institute to financial analysts who complete a series of examinations. The CFA designation is awarded to candidates who must pass each of three six-hour exams, possess a bachelor's degree from an accredited institution, and have four years of qualified professional work experience. CFA charter holders are also obligated to adhere to a strict Code of Ethics and Standards governing their professional conduct. Please refer to www.cfainstitute.org for further information.

TargetFit allows a plan fiduciary to select the glide path that best represents the plan's demographics.



TargetFit's Plan-Level Benefits

When Used as a Qualified Default Investment Alternative (QDIA), Plan Sponsors Can Select the Glide Path Most Appropriate for the Plan's Demographics

- Each TargetFit series qualifies as a QDIA, which provides Safe Harbor protection under ERISA.

Easy Implementation

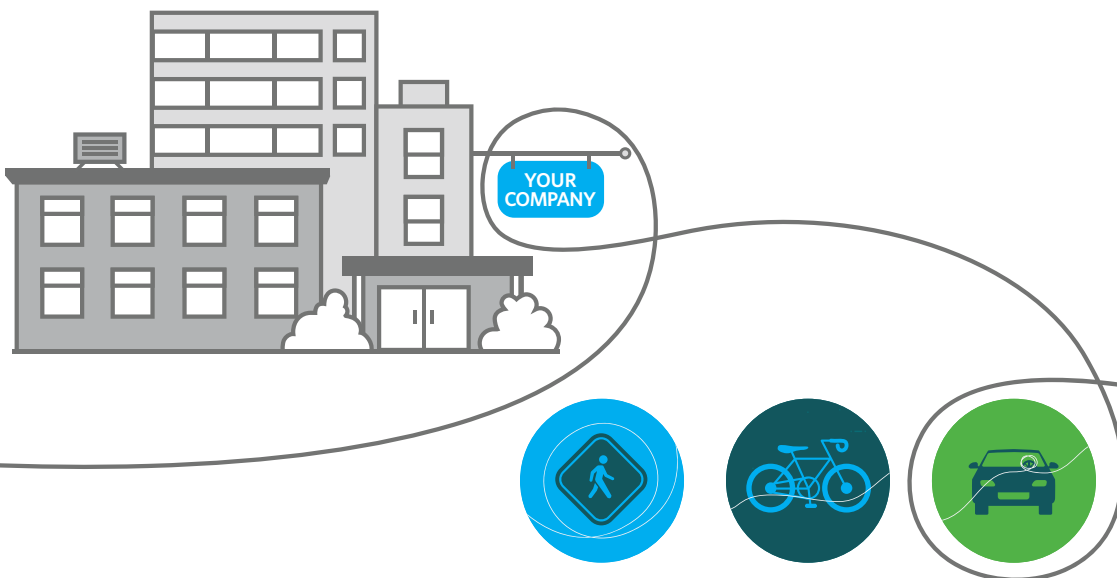
- TargetFit can be added to most recordkeeper platforms.
- Participants select their fund from the plan lineup.

Performance Benchmarking and Monitoring

- Each TargetFit fund is a collective investment trust (CIT) that invests in ETFs.¹ Each TargetFit series is benchmarked to its respective S&P Target Date Index.

Participant Support

- Stadion has an educational site geared toward helping participants understand risk tolerance.



¹ Each TargetFit fund does not hold ETFs directly, but rather through the Stadion Master CIT series which are collective investment trusts sponsored by Benefit Trust Company.

For more information about how TargetFit can deliver value to your clients, please contact your Stadion Representative or contact us by email at advisorsupport@stadionmoney.com.

Materials presented have been derived from sources considered to be reliable, but the accuracy and completeness cannot be guaranteed.

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TargetFit Brochure
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