

# PERSONAL INVESTOR

## OPERS Investment Options

OPERS gives you access to several investment options to help you meet your retirement goals.

### Target Date Funds

OPERS offers 10 Target Date Funds that provide a simple, low-cost retirement investing solution. If you are seeking the ease and convenience of a professionally-managed, diversified allocation strategy, you may wish to consider the OPERS Target Date Funds.

You simply choose the fund whose target date most closely matches the date you expect to begin withdrawing your money for retirement. The fund you select gives you a diversified portfolio in one step. Within the fund you choose, your money is spread across a mixture of five of the OPERS core investment options; Stable Value Fund, Bond Index Fund, Large Cap Index Fund, Small Cap Index Fund, Non-U.S. Stock Index Fund, and other asset classes including long duration bonds and treasury inflation protected securities (TIPS).

Each fund's asset allocation is based on the amount of time remaining before the target date. OPERS Target Date Funds invest more aggressively when you are younger and transition slowly over time to invest more conservatively as you get closer to retirement. Funds with dates farther into the future have a higher concentration of stock index funds with an objective to build portfolio value in the early years. Over time, the fund's asset allocation adjusts automatically to a higher percentage of bond index and stable value funds for stability of principal and income.


Upon reaching the target retirement date, the fund converts into the OPERS Target Payout Fund, the most conservative of the OPERS Target Date Funds. It is important to remember that although it is the most conservative Target Date Fund, there is the potential for investment losses in the Target Payout Fund, as well as all other Target Date Funds, due to each fund's significant allocation to equities.



### OPERS Core Funds

If you prefer to select your own investment options, OPERS offers six core funds that each represent different asset classes allowing you to customize your individual asset allocation portfolio. These core funds exhibit consistent styles and provide you with the basic building blocks to construct a diversified portfolio over the entire range of risk and return combinations appropriate for a retirement plan. Because they are index funds, they have very low investment management fees when compared to other similar actively managed funds.

- **The Stable Value Fund's objective** is to preserve principal, offer attractive yields during all interest rate environments and maintain sufficient liquidity for shareholder's cash flows. The fund invests in a combination of fixed income securities and investment contracts from banks and insurance companies. It is managed with a duration (average term to maturity) of between one and four years. The fixed income securities can provide attractive yields and the investment contracts can preserve principal by spreading gains and losses over several years.

continued on other side 

## OPERS Core Funds *(continued)*

- **The Bond Index Fund** invests in bonds issued by governments and corporations. The interest income from the bonds provides the current yield and the changing price of the bonds causes fluctuation of returns. The fund seeks to match the performance of the Barclays Capital Aggregate Bond Index. The fund will experience some fluctuation of returns including potential negative returns, but seeks to offset the fluctuations with consistent interest income.
- **The Stock Index Fund** seeks to match the performance of the Russell 3000® Index by investing in a diversified sample of the stocks that make up the index. The Russell 3000® Index is a market-weighted index of the common stocks of the 3,000 largest companies in the U.S. as defined by their market capitalization, meaning that larger companies will have more impact on this option's performance than smaller companies.
- **The Large Cap Index Fund** invests in the common stock of the larger companies in the United States, which typically have diversified sources of revenue. These companies should reflect the longer-term economic condition of the United States and offer the opportunity to participate in its potential growth. The fund seeks to match the performance of the Russell 1000® Index.
- **The Small Cap Index Fund** invests in the common stock of the smaller companies in the United States, which typically do not have diversified sources of revenue. The risk level for this fund is high, as small-capitalization stocks tend to exhibit more volatility than larger capitalization stocks. The fund seeks to match the Russell 2000® Index.
- **The Non-U.S. Stock Index Fund** invests in the common stock of larger companies domiciled outside the United States and is intended for long-term investors seeking to capture the earnings and growth potential of foreign companies in both developed and emerging countries throughout the world. The fund seeks to match the performance of the MSCI ACWI ex-U.S. Index and represents approximately 60 percent of the world's total market capitalization.

## Self-Directed Brokerage Account

OPERS offers a mutual fund-only Self-Directed Brokerage Account (SDBA), through Charles Schwab's Personal Choice Retirement Account® (PCRA). This account offers you additional investment alternatives. If you choose this investment alternative, you take on all risks and costs related to the investment. You also make your own investment decisions by choosing from more than 6,000 mutual funds outside the core OPERS investment options.

In order to participate in the OPERS Self-Directed Brokerage Account, the following requirements must be met:

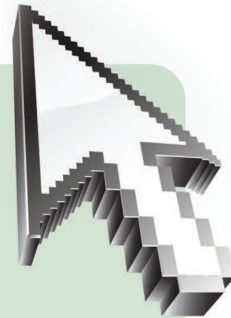
- Your individual account balance must be a minimum of \$5,000 before the SDBA can be established
- A maximum of 50 percent of your individual account balance can be invested in the SDBA

More information about OPERS investment options including, fund expenses, Morningstar® Fund profiles, Investment Options Disclosures, Target Date Fund glide paths and past fund performance sheets can be found by visiting [www.opers.org](http://www.opers.org). ●

## Access Your Account Online

By accessing your account online, you can choose to receive your quarterly statements and account transaction confirmations in electronic form.

Simply go to [www.opers.org](http://www.opers.org), and click on **Access Your Account**. Follow the links to your Defined Contribution account and select **My Mailbox** to set your mail preferences. You can also update your personal contact information and check or change the beneficiary designation for your Plan account. If you have questions or need assistance, call OPERS Member Services at (800) 222-7377. ●



Program website: [www.opers.org](http://www.opers.org)

Benefits questions and personal data changes: (800) 222-PERS (7377)

Account information and management: (866) OPERS-4-U (866-673-7748)

*This newsletter is intended for the use of plan participants and is not intended to constitute investment advice. Comments on investment strategies or on the performance of various investments or markets in this report are intended to provide general information only. They should not be interpreted as encouraging participants to make any particular investment decision. You should consult a financial adviser or attorney as to how this information affects your particular circumstances. © 2012 ING. All Rights Reserved.*



## quarterly calendar

Transactions made on these dates when the New York Stock Exchange is closed will be processed the following business day.

- Monday, May 28, 2012
- Wednesday, July 4, 2012