More isn't always better.

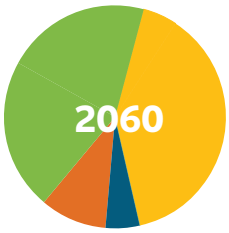
From time to time, we notice some investors choosing mutliple target date funds for their workplace retirement savings plan.

How target date funds work

- The fund date you pick determines how much risk the manager takes on.
- Once you pick a date, the fund manager chooses the mix of investments that's right for you.
- Early on, the fund manager takes on more risk (more equities) to grow your money.
- Then they choose less risky investments (more fixed income) as you get closer to the date you picked.

We understand that your workplace retirement savings plan is only part of your overall investments and investors sometimes do this on purpose. This is a friendly reminder to review your investment approach regularly and make sure your investment mix matches your financial goals, whatever they may be.

You only need one fund per product



Here's what the 2060 fund looks like in

Invests in a mix of fund types

Riskier funds
- Canadian equities
- Foreign equities

Lower risk funds
- Fixed income (Bonds)
- Cash and money market

What happens when you reach your target date? Eventually, your money automatically goes in a lower risk fund to protect your investment!

This is for educational purposes only. Your target date funds will look different.

Life's brighter under the sun

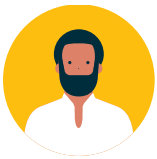
Sun Life

Group Retirement Services are provided by Sun Life Assurance Company of Canada, a member of the Sun Life group of companies.

Here's how two employees use target date funds differently

Sonia and Patrick chose target date funds because they were under the **Help me do it** investment approach, and they're meant to be easy.

Sonia



Patrick

Too many	The right amount
Sonia wasn't sure exactly when she was going to retire. So she wanted to sprinkle some savings in a few different funds: the 2025 fund, the 2030 fund and the 2035 fund. When reviewing her investments, she realized because she is in three funds that are all diversified already, it's hard for her to tell if the investment mix she had matched her target investment risk. Plus, she still has several years until she will be ready to retire. And once the 2025 fund matures, the money moves into a low-risk retirement fund. That makes her investment mix more conservative than she would like. So she decided to move her money into one target date fund, closest to her 65th birthday.	Patrick has lots of saving goals. A new car, a home, and eventually, retirement. He has a few different products that he uses for these different goals. In one product, he chose the 2025 target date fund. It should mature just in time for him to buy the car. In another product for his house savings, he chose the 2030 fund. And for his retirement money, he chose the 2060 fund. Since he has more than one goal with different timelines, choosing multiple target date funds made sense for him.

Review and change your investments

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We're here to help

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Consider speaking with a financial advisor (registered as a Financial Security Advisor in Quebec) of your choice to get personalized advice about your plan.

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