Lifestyle Choices

FEW PRODUCT INNOVATIONS have been as well designed for the needs of retirement plans—and retirement plan participants—as asset allocation funds. In one fell swoop, the design offers a near magical clarity for what is frequently the most daunting of participant decisions: how to invest their retirement savings. Moreover, it offers the prospect of professional rebalancing on a regular basis, an area that even the most diligent retirement plan investor frequently overlooks.

Still, any offering that makes it that easy for participants must come with a "catch." Many of these lack the kind of performance track record or benchmark that has become a ubiquitous component of 401(k) plan menu selection. There is a general lack of consensus on what an "appropriate" asset allocation mix is, either in terms of how much of each asset class, or even in terms of how much should be invested in stocks versus bonds, much less how much should be in what kinds of stocks.

Moreover, fees are still all over the place—some charge a "wrap" on top of the underlying funds and, while others don't, some take advantage of the opportunity to cobble together relatively high-priced retail share classes under the lifestyle umbrella. For some, their very point of differentiation lies in the exotic asset classes they incorporate in their model, and others depend on indexed structures. Some rely on models comprised solely of proprietary offerings, while others eschew that approach totally.

On the pages that follow, we attempt to offer a meaningful starting point for your evaluation of these offerings. Both date-based and risk-based offerings are presented, along with a sense of the size of the offerings, the wrap fees, and the underlying fund structure. More significantly, later this month, we will unveil an interactive online version of an expanded database where you will be able to compare benchmarks, recordkeeping platform availability, and individual fund information. To that end, we gratefully acknowledge the helpful and willing cooperation of the providers whose names appear in our Buyer's Guide.

That's only the beginning—we'll continue to update this information in future months—and we look forward to working with you as we develop this and other tools to help make your job easier. **PS**

 Illustration by Chris Pyle

2007 Lifestyle Buyer's Guide

DATE-BASED

PROVIDER	FAMILY NAME	# FUNDS	TOTAL ASSETS (MM)	UNDERLYING FUNDS	WRAP FEE?	SHARE CLASSES AVAILABLE	FUND TYPE
AIM Investments	AIM Independence	6	$0 (2007)	Proprietary	None	A, C, R, & Institutional class shares	Mutual, ETF
AllianceBernstein	Retirement Strategy	10	$342.36	Combination	None	R, K, I and A at NAV	Mutual
American Funds	American Funds Target Date	9	N/A (2007)	Proprietary	None	A, R1, R2, R3, R4, R5	Mutual
American Independence Financial	NestEgg Dow Jones U.S. Target Date	5	$110	Individual	None	A, I, C	Mutual
AXA Equitable Life Insurance	AXA Target Portfolios	4	$8.50	Combination	N/A	b	Mutual, ETF
BlackRock	BlackRock's Prepared Portfolios	9	$0 (filed w/SEC)	Proprietary	None	A, I, R	Mutual
Charles Schwab	Schwab Managed Retirement Trust	6	$1,460	Non-proprietary	None	N/A	Collective
Fidelity	Fidelity Freedom	12	$59,636.2	Proprietary	None	Retail	Mutual
First Mercantile	FMT/Frank Russell LifePoints	4	$6	Mutual Fund	N/A	10 fee classes available	Collective
GuideStone Funds	MyDestination Funds	5	$0	Proprietary	0.10%	GS4, GS6, GS8	Mutual, ETF
Hartford Life	Hartford Target Retirement Funds	4	$11	Proprietary	0.15% first 500	R3, R4, R5, and Y; Class A will cease to be available	Mutual
ING	ING Partners Inc.	5	$1,256	Combination	0.10%	Initial, Service, Adviser	Mutual
John Hancock	JH Lifecycle	9	$12	Multimgr F of Fs	Vary	1 (GA), R, R1, R2, R3, R4, R5	Mutual
JPMorgan	JPMorgan SmartRetirement	9	$780.60	Proprietary	None	N/A	Commingled
JPMorgan	JPMorgan SmartRetirement	6	$396.80	Proprietary	None	A, Select, Institutional	Mutual
JPMorgan	JPMorgan SmartRetirement	client	$427.90	Proprietary, Comm	None	N/A	Separate
Manning & Napier Advisors, Inc.	Manning & Napier Retirement Targets	6	$126	Collective	None	Collective Investment Trust	Collective
M&I	M&I Target Retirement Portfolios	5	$21.20	Combination	N/A	N/A	Collective
MassMutual	MM Select Destination Retirement	5	$1,726	Proprietary	None	S, Y, L, A, and N	Mutual
Nationwide Trust Company, FSB	Fidelity	9	$204	More than 200	Varies	A	Hybrid U.S.
Principal Financial Group	Principal LifeTime	6	$8,000.00	Combination	None	Select, Preferred, Advisers Signature, Advisers	Mutual
Prudential Retirement	Capital Guarantee	4	N/A	Proprietary fund	None	None	Separate
Prudential Retirement	Retirement Goal	6	$687	Instit. subadvised	None	None	Separate
Putnam Investments	RetirementReady	10	$834.59	Proprietary	0.10%	A, B, C, M, R, Y	Mutual
RiverSource	RiverSource Retirement Plus	8	$200	Proprietary	N/A	R, Y	Mutual
Russell Investment Group	Commingled Employee Benefit Funds	7	$66	Non-proprietary	None		Commingled
Russell Investment Group	LifePoints Target Date	4	$95.20	Non-proprietary	None	R1, R2, R3	Mutual
State Farm	LifePath	5	$2,000	Non-proprietary	None	R1, R2 (A, B for SEP, Simple, 403(b))	Mutual
State Street Global Advisors	SSgA Target Retirement Strategies	9	$3,729	Collective	None	Institutional commingled, Separate accounts	Commingled
SunTrust	STI Classic Life Vision Target Date	3	$5	Proprietary	0.2%	I	Mutual
Vanguard	Vanguard Target Retirement	11	$16,484	Proprietary	None	Investor	Mutual
Wellington Management	Wellington Trust Target Series	5	$15	Proprietary	None	Institutional, Dedicated share class poss for lg plans	Collective
Wells Fargo	Wells Fargo Advantage Funds	5	$1,100	Index-based	None	Institutional, Administrator	Individual

RISK-BASED

PROVIDER	FAMILY NAME	# FUNDS	TOTAL ASSETS (MM)	UNDERLYING FUNDS	WRAP FEE?	SHARE CLASSES AVAILABLE	FUND TYPE
AIM Investments	AIM Investments	5	$1,383	Proprietary	None	A, C, R, & Inst class shares	Mutual
AllianceBernstein	Wealth Strategies	3	4,613.5	Combination	None	A, B, C R, K, I, Advisor	Mutual
AXA Equitable Life Insurance	AXA Allocation Portfolios	5	$1,740	Proprietary	N/A	B	Mutual
BlackRock	BlackRock's Prepared Portfolios	4	$1,130	Proprietary	None	A, I, R	Mutual
Dimensional Fund Advisors	Global	3	$1,577	Proprietary	None	I, R	Mutual
Fidelity	Fidelity Asset Manager	4	$15,191.00	Proprietary	None	Retail	Mutual
Fifth Third	LifeModel	5	$1,200	Proprietary	Parent	Institutional (no 12b-1 fees), A (25bp 12b-1 fee), C	Mutual
First Mercantile	FMT/Lifestyle	4	$386	CIF's	N/A	10 fee classes available	Collective
First Mercantile	FMT/Frank Russell LifePoints	5	$24	Mutual Fund	N/A	10 fee classes available	Collective
Goldman Sachs Asset Management	Goldman Sachs Asset Allocation	4	$4,967.69	Proprietary	No	A, B, C, S, I	Mutual
GuideStone Funds	Blended Funds	4	$4,600	Proprietary	0.10%	GS2, GS4, GS6, GS8	Mutual
Hartford Life	Hartford Allocation Funds	5	$1,800	Proprietary	0.15% first 500	R3, R4, R5, and Y. Class A will cease to be available	Mutual
John Hancock	JH Lifestyle	5	$21,710	Multimanager fund	Varies	1 (GA), R, R1, R2, R3, R4, R5	Mutual
JPMorgan	JPMorgan SmartMix	3	$989.59	Proprietary, comm	None	N/A	Separate
M&I	M&I Personal Strategy Portfolios	6	$1,300.00	Combination	N/A	N/A	Collective
Manning & Napier Advisors, Inc.	Manning & Napier Pro-Blend	4	$1,223.00	Individual	None	A	Mutual
Manning & Napier Advisors, Inc.	Manning & Napier Pro-Mix	4	$847	Individual	None	Collective Investment Trust	Collective
Nationwide Trust Company, FSB	Manning and Napier	4	$70	More than 1,500	Varies	A	Hybrid U.S.
Nationwide Trust Company, FSB	Gartmore	13	$1,750	More than 1,500	Varies	C, I, S	Equity Large
Pacific Life Funds	PL Portfolio Optimization Funds	5	$910	Non-prop. multimgr	None	R	Mutual
Principal Financial Group	Principal Strategic Asset Management	5	$12,500.00	Proprietary	None	Select, Preferred, Advisers Signature, Advisers	Mutual
Proctor Investment Management	Avatar Associates	5	$10	Non-prop. ETFs	None	Fee classes at 35bps, 60 bps, 75bps, and 85bps.	Collective
Prudential Retirement	Lifetime	5	$1,999	Institut subadvised	None	None	Separate
Putnam Investments	Asset Allocation	3	$5,252.32	Individual secs	None	A, B, C, M, R, Y	Individual
Reliance Trust Company	Trust Advisor	5	$905	Non-proprietary	N/A	Institutional, Retirement, Load-Waived Retail	Collective
Russell Investment Group	Commingled Employee Benefit Funds	5	$1,389.39	Non-proprietary	None		Commingled
Russell Investment Group	LifePoints Target Risk	5	$11,874	Non-proprietary	None	R1, R2, R3	Mutual
State Street Global Advisors	SSgA Lifestyle Strategies	7	$15,601.00	Collective	None	Institutional commingled, Separate acct, Mutual	Collective
SunTrust	STI Classic LifeVision Funds	4	$402	Proprietary	0.2%	I	Mutual
Vanguard	Vanguard LifeStrategy	4	$25,842	Proprietary	None	Investor	Mutual
Wells Fargo	Wells Fargo Advantage Funds	5	$4,500	Combination	N/A	Administrator	Separate
Wilmington Trust	Asset Allocation Funds	3	$79.39	Proprietary	N/A	Institutional and A	Collective