

Total Yield Bond Fund Adding New Investment

The Total Yield Bond Fund was first offered in January 2012 to provide participants with a diversified fixed income investment option. This option includes managers that invest in not only traditional bonds, like treasury bonds, but also non-traditional bonds, like variable rate bonds, convertible bonds, or non-dollar bonds. Starting July 1, 2017, the Total Yield Fund will include a new component called Liquid Absolute Return. This addition further enhances the Total Yield Bond Fund's lineup, adding a manager that has the ability to better control risk while still producing positive returns over time.

Risk management is key to Liquid Absolute Return Strategies. The manager's goal is to preserve the investor's capital while seeking a total return on the investment. This could be described as trying to consistently "vacuum up pennies." The manager, BlackRock, has the latitude to invest throughout global bond markets to develop a well-diversified portfolio that produces those pennies.

On July 1st, the Total Yield Fund will be rebalanced from the existing allocation of 50% JP Morgan Core Bond Trust and 50% Pioneer Multi-Sector Fixed Income to 50% JP Morgan Core Bond Trust, 25% Pioneer Multi-Sector Fixed Income and 25% BlackRock Strategic Income Opportunities. Participants do not need to do anything, this rebalancing will take place automatically. If you have any questions regarding this change, please feel free to call Chris at 888-394-6673 ext 103.