



Defined Contribution in Review

A Quarterly Briefing for Plan Sponsors: 2Q16

Investment products offered are: NOT FDIC-INSURED MAY LOSE VALUE NO BANK GUARANTEE

What's Inside

Our **Defined Contribution in Review** is designed to help CEOs, CFOs, Treasurers, Human Resource and Benefits Professionals and Investment Committees stay abreast of recent events that could have an impact on plan or plan participants. Inside you will find the following information:

Quarterly Updates: A summary of plans and sponsors making the news

Participants' Corner: Timely insights about the retirement readiness of plan participants

Legislative Review: A summary of new and pending legislation

Regulatory Review: News out of the Department of Labor and other regulatory bodies

Legal Review: An update on high-profile ERISA cases

We hope you will find the information helpful and we are happy to answer any questions you may have.



Quarterly Updates

PLANSPONSOR Announces 2016 Best in Class 401(k) Plans

2016 Best in Class 401(k) Plans

Aggreko, LLC	Michelin North America, Inc.	Robbins Gioia
Amgen	MillerCoors LLC	Rockwell Collins
Blue Cross Blue Shield of South Carolina	Mylan Inc.	Standard Chartered Bank
E. I. du Pont de Nemours and Company	PATH	Syncora Guarantee Inc.
Ericsson	PDC Energy, Inc.	Tennessee Valley Authority
Flexera Software LLC	Pfizer Inc.	VCE Company LLC
Honda North America, Inc.	Primerica	Verizon Communications, Inc.
IBM	Reynolds American Inc.	Vulcan Materials Company
Louisiana-Pacific Corporation	RGA Reinsurance Company	

For additional information, please see www.plansponsor.com/awards

Criteria Used by PLANSPONSOR for Selecting Best in Class Plans

- > Show a commitment to plan success through strong oversight and governance practices
- > Produce strong outcomes related to helping employees prepare for retirement (i.e. high participation and/or deferral rates)
- > Go beyond just helping people save for retirement to helping them succeed financially
- > Use features that make it easier, not harder, for participants to achieve their savings goals

PLANSPONSOR Best in Class: Plan Measures

	Best in Class Plans	All Other 401(k) Plans	Difference
Participation Rate	93%	77%	+21%
Deferral Rate	8.4%	6.4%	+33%
Median Number of Investment Options	16	18	-11%

For additional information, please see www.plansponsor.com/awards

PLANSPONSOR Best in Class: Plan Design

	Best in Class Plans	All Other 401(k) Plans	Difference
Eligibility Within Three Months	100%	59%	+69%
Offers Auto-Enrollment	100%	41%	+142%
Offers Auto-Escalation	100%	36%	+177%
Default Deferral Rate >5%	62%	39%	+56%
Has Fee Equalization Strategy	42%	26%	+62%

For additional information, please see www.plansponsor.com/awards

PLANSPONSOR Best in Class: Employer Contributions

	Best in Class Plans	All Other 401(k) Plans	Difference
Effective Match >5%	38%	18%	+100%
Match Vested Within Two Years	77%	41%	+87%
Offers True-up Match	69%	31%	+123%

For additional information, please see www.plansponsor.com/awards

PLANSPONSOR Best in Class: Oversight Practices

	Best in Class Plans	All Other 401(k) Plans	Difference
Investment Committee	100%	81%	+24%
Investment Policy Statement	100%	77%	+29%
Benchmarked Fees	85%	45%	+90%

For additional information, please see www.plansponsor.com/awards

PLANSPONSOR Best in Class: Financial Education Offered

	Best in Class Plans	All Other 401(k) Plans	Difference
Saving and Budgeting	72%	34.5%	+108.8%
Investing Basics/ Strategies	88%	50.3%	+75.1%
Credit/Debt Management	36%	15%	+139.9%
Home Buying	24%	7.8%	+206.8%
Saving for College	52%	11.9%	+337%

For additional information, please see www.plansponsor.com/awards

Other Plan Sponsors Making the News

- > Coffman Engineers
- > BP3 Global
- > School District 27 Northbrook (Illinois)

Coffman Engineers Conducts Nationwide Advisor Search

- > The Seattle-based firm hired InHub to conduct a nationwide search for a new retirement advisor
 - ▶ The firm decided to change advisors because after annual benchmarking exercises, participant education was lacking
 - ▶ InHub designed an RFP to meet the particular needs of Coffman Engineers, and the process was completely digital
 - ▶ Four finalists were selected for an in-person interview in Seattle
- > After deciding on a Chicago-based advisor, the \$46M plan moved to six investment choices including three white label funds, a stable value fund, an intermediate bond fund and a S&P 500® fund
 - ▶ In addition, the firm currently boasts a 97.3% participation rate

Austin-Based Company Helps Employees Pay Down Student Loans

- > With more than one-third of BP3 Global employees Generation Xers, along with a significant and growing number of millennial employees, the company wanted to help these individuals manage their student loans
- > BP3 partnered with Student Loan Genius, which provided an online tool to help employees establish the right repayment plan and directed payroll deduction of student loan payments
- > Another service allows client companies to match student loan payments in two ways: a payment made by an employee can trigger a matching payment from the employer to the student loan balance, or the student loan payment can trigger a matching contribution to the employee's retirement plan; BP3 chose the former

School District Joins State-Run 403(b) Plan

- > Prior to the release of the January 1, 2009, 403(b) regulations, School District 27 Northbrook (Illinois) 403(b) plan offered 21 vendors, with which most participants had signed individual annuity contracts
- > Looking to reduce fees and the district's fiduciary responsibility, it joined the Wise Choice for Educators Combined 457(b)/403(b) Plan
 - ▶ The plan is run by the Illinois Public Pension Fund Association (IPPFA) and provides 21 core funds in the 403(b) and 22 funds in the 457(b) in addition to a brokerage window
- > Most school district employees have since consolidated their balances into the Wide Choice for Educators plan and benefited from a 40% to 50% reduction in fees, according to a school district representative



Participants' Corner

Most U.S. Investors are Happy with Their 401(k)

- > According to the latest *Wells Fargo/Gallup Investor and Retirement Optimism Index*, approximately nine out of 10 employed investors view their 401(k) plan favorably
 - ▶ Satisfaction is just as high among those with less than \$100,000 invested (90%) as it is among higher-asset investors (93%)
- > Among tools or resources that investors use to help them allocate their 401(k) investments, Internet research and personal financial advisors tie for the most commonly used—with 58% of investors naming each
 - ▶ These are followed by online investment calculators at 46%, and advice from family and friends at 40%
- > Of those surveyed, 35% said they need advice. When asked what they need the most help with, “knowing what to invest in” garnered 32% and “knowing when to reallocate funds” got 29%

New Hires Continue to Favor Target-Date Funds

- > A new study by the Employee Benefit Research Institute (EBRI), *401(k) Plan Asset Allocation, Account Balances and Loan Activity in 2014*, found that 60% of participants in their 20s held target-date funds, compared to 41% in their 60s
 - ▶ In addition, the study found that 59% of recently hired participants (two or fewer years of tenure) used target-date funds compared to 48% overall
- > About two-thirds of 401(k) assets continued to be invested in stocks through equity funds, the equity portion of balanced funds, and company stock in 2014; an additional 27% were invested in fixed income securities including stable-value investments, bond funds and money market funds
- > In 2014, 8% of participants in their 20s had no equities, while three-quarters of those younger participants had more than 80% of the balances invested in equities; in comparison, 12% of participants in their 60s had no equities while only 22% of them had more than 80% invested in equities

Boomers Less Optimistic About Retirement

- > According to the Insured Retirement Institute's *Boomer Expectations for Retirement 2016*, the percentage of baby boomers who are satisfied with how their lives are going from an economic perspective has fallen to 43%, the lowest level since 2011
- > Additional key findings include:
 - ▶ Only 24% of boomers are confident they will have enough savings to last throughout retirement, versus 36% in 2012
 - ▶ 22% believe they are doing a good job preparing financially for retirement, versus 41% in 2012
 - ▶ 27% believe they will have enough money for health care expenses, versus 37% in 2012
- > Among boomers who lack confidence in their retirement plans, when asked what they would have done differently, 68% say they would have saved more and 67% say they would have started earlier

When it Comes to Retirement Plans, Bigger Isn't Always Better

- > In a 401(k) benchmarking report conducted by Judy Diamond Associates among 480,000 plans in 2014, the 12-month rate of return for participants in small plans with fewer than 100 participants was 5%, little different from larger plans with a 12-month rate of return of 6%
- > Additionally, plans serving lawyers, finance and insurance professionals and physicians fared no better on average than plans serving construction workers, waste management workers and miners – all reported rates of return ranging between 5% and 7%
- > Larger plans tended to have more “red flags,” which Judy Diamond loosely defined as flaws in plan design, administration or performance
 - ▶ Plans with more than 5,000 participants averaged 2.3 red flags per plan, while those with 51 to 100 participants averaged 1.4 red flags per plan

Aon Hewitt Suggests Ways for Employers to Close the Gender Gap

- > Research from Aon Hewitt reveals that 83% of U.S. women aren't saving enough to meet their needs in retirement, compared to 74% of men. Specific suggestions to help close the gender gap include:
 - ▶ Offer tools to improve overall financial well-being. According to Aon Hewitt's *2015 Financial Mindset Study*, more than four out of 10 women cite affordability as the biggest barrier to saving for retirement
 - ▶ Provide professional advice. Workers who use professional investment help in the form of managed accounts, target-date funds and advice fare better than those who invest on their own
 - ▶ Add plan features to increase savings rates. Defaulting workers into the plan at a higher savings rate, such as 6% or higher, can make a significant impact on long-term savings

Investor Behavior Found as the Biggest Reason for Underperformance

- > The 22nd Edition of DALBAR's *Quantitative Analysis of Investor Behavior (QAIB)* found that over a 20-year period, the average equity mutual fund investor underperformed compared to the S&P 500[®] Index by 3.52%, equating to \$286B in lost earnings
- > The most common cause (1.50% of underperformance, or \$122B) for the lag was attributed to voluntary investor behavior. The other causes were:
 - ▶ Fund expenses (including management fees): 0.79% or \$65B
 - ▶ Need for cash (planned and unplanned): 0.68% or \$55B
 - ▶ Lack of available cash to invest: 0.54% or \$44B

Fewer Retirees Having a Great Time

- > According to a new study by the Employee Benefit Research Institute (EBRI), *Trends in Retirement Satisfaction in the United States: Fewer Having a Great Time*, the share of respondents reporting “very satisfying” retirements dropped from 60.5% in 1998 to 48.5% in 2012
- > The trends are not limited to particular economic groups: Both the highest- and lowest-asset quartiles show similar trends. Also, people with and without pension income show similar trends in retirement satisfaction levels
- > Net worth and health status are strongly correlated with retirement satisfaction
- > There is no significant difference in retirement satisfaction levels between men and women

Postponing Retirement May Lead to Longer Life Expectancy

- > A study by researchers from Oregon State University found that, at least among retirees who didn't find health to be an important reason to retire, even a 1-year-older age at retirement was associated with an 11% lower risk for all-cause mortality
 - ▶ Even among unhealthy retirees, the researchers found a lower all-cause mortality risk when retiring later (9%)
- > The findings, published in the *Journal of Epidemiology & Community Health*, were based on circumstances of 2,956 participants from 1992 to 2010
- > EBRI's *Retirement Confidence Survey* points out that a large percentage of retirees, 49% in 2014, leave the workforce earlier than planned

Employees' Financial Issues Affect Their Job Performance

- > In a study by the International Foundation of Employee Benefit Plans (IFEBP), *Financial Education for Today's Workforce: 2016 Survey Results*, 4 out of 5 employers report that their employees' personal financial issues are affecting their job performance somewhat, very much or to an extreme degree. Specifically, employers reported:
 - ▶ An increase in stress among employees (74%)
 - ▶ Workers' inability to focus at work (60%)
 - ▶ Absenteeism and tardiness (34%)
- > To combat these issues, IFEBP's study found that employers are offering:
 - ▶ Benefits-literacy education (49%)
 - ▶ Retirement-security education (45%)
 - ▶ Financial-literacy education (23%)



Legislative Review

Congressional Attempt to Stop DOL Rule Falls Short

- > House Republicans failed by a wide margin to overturn President Barack Obama's earlier veto of legislation that would have blocked enforcement of the Department of Labor's final Conflict of Interest Rule
- > The vote was 239-180, well short of the two-thirds majority required for a veto override
- > Several lawsuits have been filed by a variety of organizations, including the U.S. Chamber of Commerce, to strike down this rule

New Proposals Emerging to Help Solve Savings Gap

- > In a letter signed by 65 fellow House Democrats, Rep. Joseph Crowley (D-NY), Vice Chairman of the House Democratic Caucus, has asked President Obama to issue an executive order requiring IRC Sec. 401(k) plans of firms with government contracts to implement automatic enrollment of employees
- > Rep. Crowley has also announced plans to reintroduce his Universal Savings Account legislation when Congress returns to session in July
 - ▶ The legislation would require employers with 10 or more employees to open individual retirement accounts for every employee, if they do not already offer a retirement plan
 - ▶ Employees will automatically begin contributing 3% of their pre-tax income, with contributions gradually increasing over time unless the employee opts out
 - ▶ Employers would also be required to contribute specific, inflation-adjusted amounts per hour for every worker

Bill Introduces a Federal Lost and Found for Retirement Accounts

- > U.S. Senators Elizabeth Warren (D-MA) and Steve Daines (R-MT) have teamed up to introduce legislation that would create a federal lost and found program designed to help stem leakage from retirement accounts
- > The legislation would also allow employers to more easily invest abandoned accounts into target-date funds rather than money market funds and allow for “orphaned” funds with balances less than \$1,000 to be transferred to Treasury securities, such as the myRA, so that balances can earn a positive return

Roth IRAs Could Get Excess 529 Savings Under Senate Proposal

- > Bipartisan legislation recently introduced by U.S. Senators Richard Burr (R-NC) and Bob Casey (D-PA) called The Boost Savings for College Act would allow excess savings in a 529 account to be rolled into a Roth IRA for retirement
- > Under the proposal, the 529 account must be open for at least 10 years before it can be rolled into a Roth IRA
- > The Roth IRA can belong to the owner or beneficiary of the 529 account
- > The proposal contains other 529 savings incentives including employer matching contributions

State-Run Retirement Plans Continue to Move Forward

- > On May 10, 2016, Maryland Gov. Larry Hogan signed into law legislation that will create a state-run retirement plan for workers not covered by a plan at work
 - ▶ The legislation applies only to employers with 10 or more full-time employees that use an automated payroll system or service and who do not offer a private-sector retirement plan
- > The California Secure Choice Retirement Savings Investment Board on March 28, 2016, voted unanimously to submit final recommendations to the state legislature for creating a mandatory payroll deduction IRA program for private-sector workers who have no employer-provided retirement plan
- > Starting January 1, 2017, Washington will launch its Small Business Retirement Marketplace, an Internet site through which individuals and employees of small companies can set up retirement plans



Regulatory Review

Reminder: Third Quarter Compliance Calendar

July

July 28:

- > Deadline for sending Summary of Material Modification (210 days after the end of the plan year in which the amendment was adopted)

August

August 1:

- > Deadline for filing Form 5500 (without extension)
- > Deadline for filing 5558 to request automatic extension to file Form 5500
- > Deadline for filing Form 5300

September

September 15:

- > Extended deadline for filing corporate tax returns and contribution deadline for deductibility

September 30:

- > Deadline for distributing the Summary Annual Report (SAR)

IRS Offers Help to Sponsors Who Missed the April 30 Restatement Deadline

- > Sponsors of preapproved defined contribution retirement plans were generally required to sign new plan documents on or before April 30, 2016, that incorporate changes required by the Pension Protection Act of 2006 (PPA)
- > Sponsors who missed this deadline can correct this defect by filing a submission for a Voluntary Correction Program (VCP) compliance statement with the IRS
- > A recently released VCP submission kit indicates that if a plan sponsor sends the VCP submission to the IRS by April 29, 2017, the general user fee is reduced by 50% (so long as the failure to adopt the PPA restated document is the only failure of the submission)

IRS Withdraws Proposed Nondiscrimination Regulations

- > On April 14, 2016, the Department of Treasury and IRS announced that they will withdraw certain provisions of the proposed regulations published on January 29, 2016, relating to nondiscrimination requirements for qualified retirement plans
- > If the proposed regulations were finalized, many plan sponsors of small retirement plans (including certain profit-sharing and cash balance plans) would have been required to make unwanted changes to their plans in order to pass nondiscrimination tests
 - ▶ These changes would have in many cases increased employer costs
- > In the announcement, the departments indicated that further consideration is needed for issues relating to the withdrawn provisions, which means additional guidance may be issued in the future

IRS Issues Final Regulations on Roth 401(k) Distributions

- > Under current law, a distribution from a designated Roth account to multiple locations that contains both pre-tax and after-tax amounts would have to treat each portion as a separate distribution, and apply a pro-rata rule to determine pre- and after-tax amounts for each share
- > The final regulations issued on May 17, 2016, remove this requirement and treat distributions from a Roth account made to multiple destinations as a single distribution
- > In effect, the regulations allow a participant to roll pre-tax Roth amounts into another Roth account and receive a distribution consisting of only after-tax amounts

DOL Advisory Council to Further Study Cybersecurity

- > The Department of Labor's 2016 Advisory Council on Employee Welfare and Pension Benefit Plans has announced that it is embarking on an in-depth study of cybersecurity
- > The new project builds on previous reports from 2011 and 2015
- > The goal of the council is to offer the DOL draft materials that will help in understanding and evaluating cybersecurity risks and protecting benefit plan data and assets



Legal Review

Ninth Circuit Holds Plaintiffs in *Tibble v. Edison* Forfeited Ongoing Duty to Monitor Argument

- > On April 13, 2016, in *Tibble v. Edison Int'l*, on remand from the Supreme Court, the U.S. Court of Appeals for the Ninth Circuit held that the plaintiffs forfeited their ongoing duty to monitor argument raised before the Supreme Court by failing to previously raise it before the district court or the Ninth Circuit during their initial appeal
- > Last year, the Supreme Court vacated the lower court's decision finding that it had incorrectly applied ERISA's six-year statute of limitations to when investments were initially chosen
 - ▶ The Supreme Court expressed no opinion on whether Edison breached its fiduciary duty, only that a fiduciary has an ongoing duty to monitor, and remanded the case back to the circuit court

Mixed Results for Plan Sponsors in Stock Drop Suits

- > On April 22, 2016, fiduciaries of the Eastman Kodak Co. employee stock ownership plan and savings investment plan agreed to pay \$9.7 million to settle a lawsuit accusing them of breaching their ERISA fiduciary duties by offering imprudent investment options
- > In June 2016, the 2nd U.S. Circuit Court of Appeals sided with a lower court's decision that participants in the Lehman Brothers' retirement plan did not plausibly argue that the company breached its fiduciary duty by keeping company stock in the plan when it was not prudent to do so

Federal Court Finds City National Engaged in Self-Dealing

- > A federal judge in Los Angeles has found that City National Corp. violated employee retirement laws when it chose its own staff to administer its employee retirement plan in exchange for millions of dollars of unchecked, unreasonably high compensation to the company
- > An investigation by the DOL's Employee Benefits Security Administration and subsequent litigation found that in internal meeting minutes and emails, City National employees acknowledged that the plan's fees were high, but never took any corrective action to refund money owed to the plan or its participants
 - ▶ The DOL estimates this amount to exceed \$6M
- > The court also found that by choosing itself to provide services to its own plan in exchange for compensation, the defendant violated ERISA's prohibitions against self-dealing

Excessive Fee Suit Hits Small Plan

- > An excessive fee suit has been brought against LaMettry's Collision Inc., the owner and operator of auto repair shops throughout the Minneapolis, MN, area
 - ▶ The 401(k) has approximately 114 participants and just under \$10M in total assets
- > According to the suit, the allegations include:
 - ▶ Failure to assess the reasonableness of investment fees
 - ▶ Selecting inappropriate and imprudent retail share classes when institutional share classes were available
 - ▶ Selecting investment options that were unnecessarily expensive relative to industry benchmarks and standards
- > Additionally, the suit alleges that the recordkeeping fees were excessive and revenue-sharing payments collected by the record keeper were not disclosed to participants or evaluated by plan trustees for their reasonableness with respect to the services being provided
- > On June 17, 2016, this suit was withdrawn with little explanation

Overpaid Former Plan Participant Found to Be a Fiduciary

- > The U.S. District Court in New Jersey ruled that a former participant in the Lucent Technologies Pension Plan became a fiduciary under ERISA because she retained control over plan assets she was not entitled to and breached her fiduciary duties by not returning the assets to the plan
- > In November 2012, the plan mistakenly paid the defendant \$233,691 to which she was not entitled
 - ▶ The plan notified her of the error and demanded return of the overpayment by written letters sent in January and February 2013; the participant, however, refused to return the overpayment
- > In addition, finding in favor of the plaintiffs, the court dismissed all the defendant's counterclaims

Tax Court Case Provides Warning of Illegal Roth IRA Schemes

- > The U.S. Tax Court recently ruled against an individual who established a privately owned Roth IRA corporation (PIRAC)
- > In this case, an individual's Roth IRA purchased 100% of a newly formed closely held corporation. The corporation then entered into an agreement with the individual's consulting firm which was recently awarded a \$680,000 contract with Delphi Automotive. The full amount of the contract was transferred to the closely held corporation, and thus deposited into the Roth IRA
- > The IRS found, and the Tax Court agreed, that the consulting firm failed to report the Delphi contract as income. Additionally, the court also agreed that the individual was subject to a 6% penalty for making an excess contribution to a Roth IRA and a 30% enhanced accuracy penalty for failing to report and correct the excess contribution



Defined Contribution Capabilities

Janus Defined Contribution Capabilities

- > 45+ years of industry experience
 - > Retirement excellence and leadership
 - > Three highly specialized investment managers: Janus, INTECH and Perkins
 - > Experience in:
 - ▶ Fiduciary responsibility
 - ▶ Industry trends
 - ▶ Legislative and regulatory updates
- ▶ \$22.494 Billion in DC Assets Under Management as of 3/31/16
 - ▶ Products utilized by the top 25 DC record keepers in the industry
 - ▶ Availability on over 200 recordkeeping platforms

Janus Capital Group Inc. is a global asset manager offering individual investors and institutional clients complementary asset management disciplines. Janus Capital Management LLC, Perkins Investment Management LLC and INTECH Investment Management LLC serve as investment advisers. Perkins and INTECH are indirect subsidiaries of Janus Capital Group Inc.

Janus QDIA Capabilities

	Dynamic Allocation		Risk-Based		
	Janus Balanced Fund	Perkins Value Plus Income Fund	Janus Global Allocation Fund - Conservative	Janus Global Allocation Fund - Moderate	Janus Global Allocation Fund - Growth
	A: JDBAX C: JABCX S: JABRX I: JBALX R: JDBRX T: JABAX	A: JPVAX C: JPVCX S: JPVSX I: JPVIX T: JPVTX	A: JCAAX C: JCACX S: JCASX I: JCAIX T: JSPCX	A: JMOAX C: JMOCX S: JMOSX I: JMOIX T: JSPMX	A: JGCAX C: JGCCX S: JGCSX I: JGCIX T: JSPGX
Manager(s)	Marc Pinto, CFA Darrell Watters Jeremiah Buckley, CFA Mayur Saigal	Theodore Thome, CFA Darrell Watters	Ashwin Alankar, Ph.D. Enrique Chang		
Description	Equity and fixed income product capitalizes on Janus' uniquely integrated firmwide research	Flexibly allocates between Perkins income-focused equity and Janus fundamental-informed fixed income	Diversified portfolios of Janus, Perkins and INTECH mutual funds with target risk determined allocations across global equity, fixed income and alternatives		
Asset Class Allocation Process	Ongoing at the discretion of the portfolio management team	Ongoing at the discretion of the portfolio management team	Long-term strategic asset allocations with ongoing monitoring and rebalancing of underlying funds. Oversight provided by Janus' asset allocation committee		
Allocation Ranges	Equity 35-65% Fixed Income 35-65% Alternatives 0%	Equity 40-60% Fixed Income 40-60%	Equity 30-50% Fixed Income 50-65% Alternatives 0-20% International Allocation: ~40%	Equity 45-65% Fixed Income 30-45% Alternatives 5-20% International Allocation: ~40%	Equity 70-85% Fixed Income 10-25% Alternatives 5-20% International Allocation: ~40%
Fund Inception Date	9/1/92	7/30/10	12/30/05		
Benchmark	S&P 500® Index	Russell 1000® Value Index	Barclays Global Aggregate Bond Index	MSCI All Country World Index SM	MSCI All Country World Index SM

S&P 500® Index measures broad U.S. equity performance.

Russell 1000® VALUE Index measures the performance of those Russell 1000® companies with higher price-to-book ratios and higher forecasted growth values.

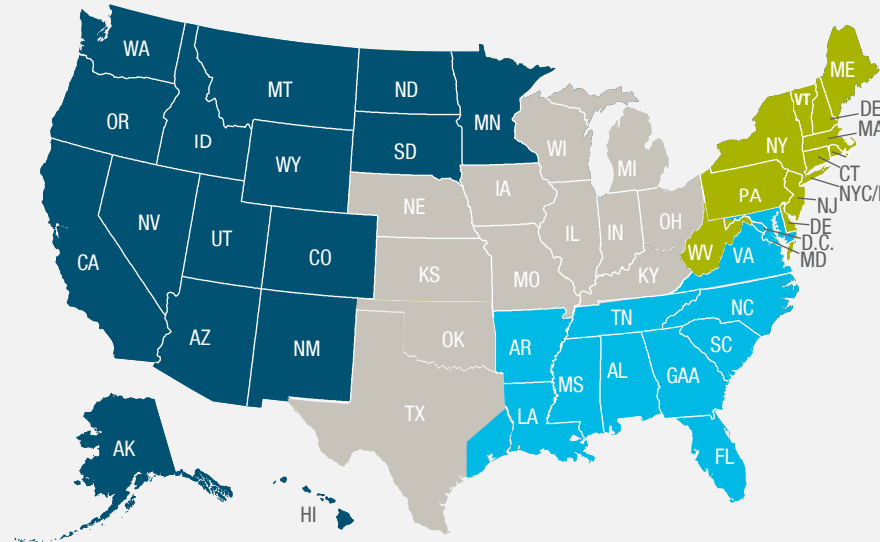
Barclays Global Aggregate Bond Index is a broad-based measure of the global investment grade fixed-rate debt markets.

MSCI All Country World IndexSM is an unmanaged, free float-adjusted market capitalization weighted index composed of stocks of companies located in countries throughout the world. It is designed to measure equity market performance in global developed and emerging markets. The index includes reinvestment of dividends, net of foreign withholding taxes.

Continuing Education

- > Janus offers accredited continuing education seminars for financial advisors, CPAs, human resources professionals and other retirement and financial industry participants
- > Each seminar qualifies for one credit hour of continuing education (CE) credit
- > Live, in-person, on-demand and webcast options available
- > Available for CFP®, CIMA®, CPWA®, CRPC®, CRPS®, CRC®, AIF®, CPA®, HR and CEBS designations

Additional Support Provided by Janus



Experience in:

- > Fiduciary Responsibility
- > Wealth Management
- > Industry Trends
- > Legislative and Regulatory Updates

DEFINED CONTRIBUTION & WEALTH ADVISOR GROUP

WESTERN U.S.	CENTRAL U.S.	EASTERN U.S.
<p>Taylor Pluss, APMASM, CRPS[®] Retirement Director taylor.pluss@janus.com (303) 960-9032</p>	<p>Eric Magyar Retirement Director eric.magyar@janus.com (312) 206-2333</p>	<p>Ruben Gonzalez Senior Retirement Director ruben.gonzalez@janus.com (917) 885-3540</p>
SOUTHERN U.S.	NATIONAL AND RIA SUPPORT	INTERNAL SUPPORT
<p>Mike Malinsky, CRPS[®], CRPC[®] Senior Retirement Director mike.malinsky@janus.com (303) 304-7913</p>	<p>Matthew Sommer, CFP[®], CPWA[®], CFA[®] Vice President and Director matthew.sommer@janus.com (303) 336-4046</p>	<p>Benjamin Rizzuto, IMBA, CFS[®] Associate Retirement Director benjamin.rizzuto@janus.com (303) 336-4142</p>

Matt Sommer, CFP®, CPWA®, CFA®

Vice President, Retirement Strategy Group

Matt Sommer is Vice President and leads the Defined Contribution and Wealth Advisor Services team at Janus. In this role, he provides advice and consultation to Financial Advisors surrounding some of today's most complex retirement issues. His expertise covers a number of areas including regulatory and legislative trends, practitioner best practices, and financial and retirement planning strategies for HNW clients.

Prior to joining Janus, Matt spent 17 years at Morgan Stanley and its predecessors. Matt held a number of senior management positions including Director of Financial Planning at Citi Global Wealth Management and Director of Retirement Planning at Smith Barney.

Matt received his undergraduate degree in finance from the University of Rhode Island and received a Master's of Business Administration with a specialization in finance from the Lubin School of Business at Pace University. Matt currently serves on the Investment Management Consultant Association (IMCA) Wealth Management committee and CPWA examination sub-committee.



Please consider the charges, risks, expenses and investment objectives carefully before investing. For a prospectus or, if available, a summary prospectus containing this and other information, please call Janus at 877.33JANUS (52687) or download the file from janus.com/info. Read it carefully before you invest or send money.

A Fund's performance may be affected by risks that include those associated with nondiversification, non-investment grade debt securities, high-yield/high-risk securities, undervalued or overlooked companies, investments in specific industries or countries and potential conflicts of interest. Additional risks to a Fund may also include, but are not limited to, those associated with investing in foreign securities, emerging markets, initial public offerings, real estate investment trusts (REITs), derivatives, short sales, commodity-linked investments and companies with relatively small market capitalizations. Each Fund has different risks. Please see a Janus prospectus for more information about risks, Fund holdings and other details.

The information contained herein is provided for informational purposes only and should not be construed as legal or tax advice. Your circumstances may change over time so it may be appropriate for you to evaluate tax strategy with the assistance of a professional tax advisor. Federal and state tax laws and regulations are complex and subject to change. Laws of a particular state or laws that may be applicable to a particular situation may have an impact on the applicability, accuracy, or completeness of the information contained in this document. Janus does not have information related to and does not review or verify your financial or tax situation. Janus is not liable for your financial advisor's or your use of, or any position taken in reliance on, such information.

A retirement account should be considered a long-term investment. Retirement accounts generally have expenses and account fees, which may impact the value of the account. Non-qualified withdrawals may be subject to taxes and penalties. For more detailed information about taxes, consult a tax attorney or accountant for advice.

No investment strategy can ensure a profit or eliminate the risk of loss.

In preparing this document, Janus has relied upon and assumed, without independent verification, the accuracy and completeness of all information available from public sources.

For more information contact your financial advisor.

Janus Distributors, LLC

151 Detroit Street, Denver, CO 80206 | 800.668.0434 | www.janus.com