

JUNE 30, 2014



# FACETS Target Retirement 2015 Fund R-5

Fiduciary Consulting Group, LLC, an affiliate of Retirement Alliance, Inc., an established and time-tested retirement plan services provider, is proud to offer an innovative family of funds to retirement plan participants throughout the U.S.

Through the FACETS Collective Funds, Fiduciary Consulting Group offers six Collective Investment Funds (CIFs) that address some of today's top issues concerning plan sponsors and their retirement plan participants. Comprised of three Lifestyle and three Target Date Funds, the FACETS Collective Funds provide low-cost, professionally managed, and diversified portfolios backed by the expertise and know-how of experienced investment professionals.

*The FACETS Funds are Collective Investment Funds (CIFs) that are sponsored by Hand Benefits & Trust Company and invest in the strategies of Fiduciary Consulting Group, LLC.*

## FACETS Target Date Funds

Fiduciary Consulting Group offers target retirement funds providing participants with an optimal level of return and risk, based on the target date. They feature a professionally managed investment strategy in which the asset allocation becomes increasingly more conservative as the target date approaches, following a preset glide path.

## FUND OVERVIEW

### Investment Research Provider:

Strategic Income Management, LLC (SiM)

**Portfolio Turnover Rate:** 22%

**Benchmark:** S&P Target Date 2015 Index

**Inception Date:** 9/1/2011

**Cusip:** 41023Q521

### Top Holdings:

- iShares Barclays MBS Bond (MBB)
- SPDR BarCap High Yield Bond (JNK)
- iShares iBoxx \$ High Yield Corp. Bond (HYG)
- iBoxx \$ Investment Grade Corp. Bond (LQD)
- iShares Core US Credit Bond (CRED)
- iShares JPM Emerging Markets Bond (EMB)
- iShares S&P US Preferred Stock Index (PFF)
- iShares Russell 1000 Growth Index (IWF)
- Vanguard Growth (VUG)
- Vanguard Value (VTV)

### Fiduciary Consulting Group, LLC

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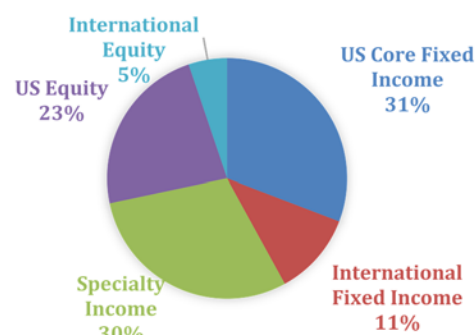
## OBJECTIVE

The fund seeks to provide total return from capital appreciation and current income consistent with the current level of risk determined by its glide path.

## INVESTMENT SUMMARY

The FACETS Target Retirement 2015 Fund is an actively managed, globally diversified portfolio that invests primarily in exchange-traded funds (ETFs) with an asset allocation strategy designed for investors planning to retire in or within a few years of 2015. The fund's asset allocation becomes more conservative over time, reaching an ending target of 30% equity, 70% fixed income 5 years before the target date.

## ASSET ALLOCATION



*Allocations are subject to change. Diversification does not assure a profit or protect against loss in a declining market. \*Specialty Income may include Fixed Income and Equity securities.*

## PERFORMANCE SUMMARY

As of June 30, 2014	3 Mos	YTD	1 Year	3 Year	Since Inception <sup>1</sup>	Model
FACETS Target Retirement 2015 Fund R-5 (Net of Fees)	3.62%	5.08%	8.55%	-	2.52%	-
Benchmark <sup>2</sup>	2.90%	5.06%	10.58%	-	3.72%	-
SiM Model Portfolio Historical Performance*	3 Mos	YTD	1 Year	3 Year	Since Inception <sup>1</sup>	Model
SiM Conservative Model Portfolio (Gross of Fees)	3.66%	6.88%	12.44%	8.37%	-	8.36%
SiM Conservative Model Portfolio (Net of Fees)	3.40%	6.35%	11.32%	7.29%	-	7.28%
Benchmark <sup>2</sup>	3.01%	4.92%	11.22%	7.67%	-	7.71%

<sup>1</sup>Inception date of the FACETS Target Retirement 2015 fund is 9/1/2011. Inception date of the SiM Conservative Model Portfolio is 12/31/2010. Performance for periods greater than one year is annualized.

<sup>2</sup>Please see Benchmark descriptions on next page.

*\*SiM began as Investment Research Provider for the Fund on April 9, 2014. SiM's historical performance represents the performance of SiM's Conservative Model Portfolio over the time periods presented, and is presented to familiarize investors with SiM. SiM's Model Portfolio follows an asset allocation strategy similar to that followed by the Fund in the past, but SiM's specific investment strategy, methodology, and allocation decisions are unique to SiM, and may materially differ from the Fund's past research providers. The Model Portfolio is not the performance of the Fund, should not be considered a substitute for the Fund's performance, and should not be considered indicative of the past or future performance of the Fund. Net performance includes fees applicable to SiM's Model Portfolio and does not represent fees applicable to investors in the Fund, which will be different. The Model Portfolio is comprised of actual account daily positions invested in the model portfolio over the period of time presented.*

*Performance information reflects past performance and does not guarantee future results or protect from possible loss. Current and future results may be lower or higher than those shown. Returns are presented gross and net of management fees and include the reinvestment of all income. Without Fee performance is gross of Investment Management fees, custodial fees and brokerage commissions, the inclusion of which would lower the returns presented. All returns are net of underlying ETF fees.*

Investment Products: Not FDIC Insured No Bank Guarantee - May Lose Value including losses near and following retirement. There is no guarantee that the investment will provide adequate retirement income.

## INVESTMENT STRATEGY

The fund's active asset allocation strategy is based on a long-term Strategic Foundation with near-term Selective Tactical Tilts and a focus on Income-producing investments.

### Strategic Foundation

Efficient diversification and risk management across over 30 asset classes utilizes SiM's long-term asset class research which seeks to maximize return at desired risk levels.

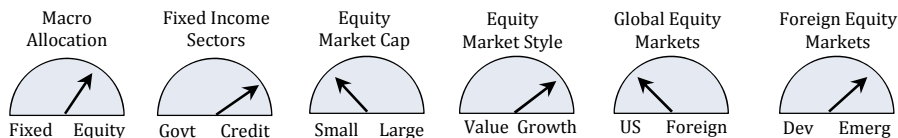
### Selective Tactical Tilts

Opportunistic and active near-term risk, asset class, style and sector tactical positioning driven by SiM's proprietary Economic and Investment Outlook.

### Income Focus

Material yield and dividend bias powered by SiM's experience and expertise in higher yielding asset classes.

## CURRENT TACTICAL TILTS



Current Tactical Tilts are driven by SiM's Economic and Investment Outlook and represent the relative desired exposures in select areas. For illustrative purposes only and are subject to change.

## QUALIFIED DEFAULT INVESTMENT ALTERNATIVE

When used as a Qualified Default Investment Alternative (QDIA) solution for plan sponsors who must decide to invest a participant's account when no other direction is available or provided, fund options within FACETS Collective Funds may provide a safe harbor under the Pension Protection Act (PPA) to limit liability for plan fiduciaries.

Since the FACETS Collective Funds meet the requirements for QDIA under the PPA, this fund solution can stand alone or dovetail with an existing plan advisor's own fund selection. Additionally, participants and beneficiaries on whose behalf assets are invested in the QDIA have the right to redirect the investment to any other investment alternative under the plan.

## WHO SHOULD INVEST *This fund may be appropriate for individuals planning to retire around the year 2015*

**Benchmark:** FACETS Fund Benchmark since 04/30/14: S&P Target Date 2015; prior to 04/30/14: 20% MSCI World NR USD/80% Barclays Global Aggregate Bond. SiM Model Portfolio: 65% Barclays US Aggregate/29% Russell 3000/5% MSCI EAFE/1% MSCI EM Index. Barclays US Aggregate Index is a broad based index composed of US dollar denominated, investment grade, fixed-rate taxable bonds which includes treasuries, government-related securities, mortgage backed securities, asset backed securities, and commercial mortgage backed securities. The Russell 3000 Index measures the performance of the largest 3000 U.S. companies, representing approximately 98% of the investable U.S. equity market. The MSCI EAFE Index measures the performance of all of the publicly traded stocks in 22 developed non-U.S. markets. The MSCI Emerging Markets Index measures the equity market performance of 21 emerging market countries.

**Underlying Fund/Fund of Funds:** A portfolio's risks are closely associated with the risks of the securities and other investments held by the underlying or subsidiary funds, and the ability of the portfolio to meet its investment objective likewise depends on the ability of the underlying funds to meet their objectives. Investment in other funds may subject the portfolio to higher costs than owning the underlying securities directly because of their management fees.

**ETF:** Investments in exchange-traded funds generally reflect the risks of owning the underlying securities they are designed to track, although they may be subject to greater liquidity risk and higher costs than owning the underlying securities directly because of their management fees. Shares of ETFs are subject to market trading risk, potentially trading at a premium or discount to net asset value.

**Fees:** There are no sales commissions or redemption fees charged for purchases and sales of interests in the Fund. The total expense ratio (TER) is 0.95% per annum of the total assets held in each fund, or \$9.50 per \$1,000. The Trustee Fee accrues on a daily basis and is payable monthly in arrears. The Trustee Fee is charged directly to each particular CIF. A portion of the TER (0.60%) will be paid to Fiduciary Consulting Group for sub-advisory service provided to the Trustee; additionally, a service fee of 0.20% may be paid to a service provider of the investing plan. The fund will invest in exchange-traded funds and collective investment trusts. To provide liquidity and ease of administration of the Fund, the Trustee requires that the Fund maintain 3% of its assets in cash. As permitted by the Declaration of Trust that governs the Fund, such cash may be invested in a deposit account or other cash vehicle maintained by the Trustee or an affiliate of the Trustee. The Fund Expense Ratio does not include costs of the underlying ETF funds. As of 04/30/14 the weighted ETF funds cost was approximately 0.28%.

**Funds:** FACETS Funds are Collective Investment Funds (CIFs) created by the Hand Composite Employee Benefit Trust, and administered by Hand Benefits & Trust Company, a BPAS company, the Trustee. Strategic Income Management, LLC (SiM) is the investment research provider to the Fund and is an SEC registered investment advisor, founded as an independent business entity in 2010. The CIFs are not mutual funds. Its shares are not deposits of Hand Benefits & Trust Company, a BPAS company, or Fiduciary Consulting Group (FCG), and are not insured by the Federal Deposit Insurance Corporation or any other agency. The CIFs are securities which have not been registered under the Securities Act of 1933 and are exempt from investment company registration under the Investment Act of 1940. For more information, please visit [www.fiduciaryconsultinggrouppllc.com](http://www.fiduciaryconsultinggrouppllc.com).

**Suitability:** Investors are expected to select investments whose investment strategies are consistent with their financial goals and risk tolerance.

## ABOUT THE TRUSTEE:

### Hand Benefits & Trust Company

Hand Benefits & Trust Company is a non-depository financial institution that specializes in providing daily valuation accounting and unitization of Collective Investment Funds. HB&T believes in a culture of fiduciary responsibility and long-term success for its clients.

## ABOUT THE SUB-ADVISOR:

### Fiduciary Consulting Group

Fiduciary Consulting Group is a registered investment advisor committed to continuously improving the investment experience of plan participants. Through the firm's innovative and cost-effective FACETS Collective Lifestyle and Target Date Funds, plan sponsors and advisors are now able to offer a professionally managed, non-proprietary, and cost effective safe harbor QDIA solution.

## ABOUT THE INVESTMENT

### RESEARCH PROVIDER:

### Strategic Income Management (SiM)

Strategic Income Management, LLC is an independent and 100% employee-owned company dedicated to the goal of providing superior investment management for institutional and individual clients. SiM's asset allocation investment team has over 50 years of combined experience in asset allocation investment management.