REBALANCING YOUR PORTFOLIO

As a participant in your employer's retirement plan, you are already serious about saving for your future. Whether you are retiring in a few weeks or a few decades, you need to protect your investment. A healthy way to do this is to rebalance your portfolio.

WHAT IS REBALANCING?

Because stocks and bonds can perform differently, the allocation of a diversified portfolio will change over time. Unless you rebalance regularly, the risk level of your portfolio may become more conservative or aggressive than you originally intended. Rebalancing brings your current investment holdings back into balance with your original allocation that took into account your risk tolerance and time horizon. Put another way, rebalancing helps you adhere to your investment strategy.

Another benefit of rebalancing is that it may improve the overall performance of your investment portfolio. You rebalance by selling assets that make up too much of your portfolio and use the proceeds to buy back those that now make up too little of your portfolio. The net effect is to "sell high and buy low."

KEEPING IN CHECK

Financial planners recommend you rebalance at least once a year and no more than four times a year. You can rebalance your portfolio manually, or set up automatic rebalancing so it happens periodically without you having to initiate it every time. To request an immediate rebalance or set up automatic rebalancing, contact your retirement plan recordkeeper or log in to your online account.

ASSET ALLOCATION FUNDS REBALANCE AUTOMATICALLY

If you are invested solely in an asset allocation fund like a target-date fund, that fund will be automatically rebalanced on a regular basis. This is one of the many features of investing that asset allocation funds help make easier. You will only need to consider rebalancing if you have chosen a custom allocation with multiple funds.

NEED A LITTLE HELP?

If you have questions about rebalancing, asset allocation, or any other questions about your retirement plan, please contact BerganKDV at **1-844-674-401k** or email **retirement@bergankdv.com** for advice at no additional cost to you.

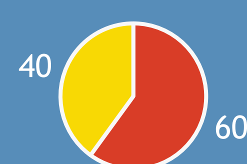
No investment strategy, such as asset allocation or rebalancing, can guarantee a profit or completely protect against loss.

Example

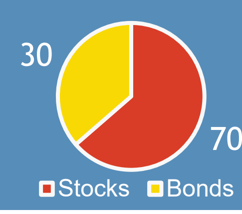
Suppose you enrolled in the plan at the beginning of last year and allocated 40 percent of your portfolio to bond funds and 60 percent to stock funds. Further suppose that when you got your year-end statement, it shows that 70 percent of your assets are in stock funds and 30 percent are in bond funds.

To stay within your acceptable risk level (which is what you determined before entering into the plan), you should sell enough stock funds to bring that back to 60 percent of your assets and buy enough bond funds to bring them up to 40 percent of your assets.

Initial Investment Direction



Investment Allocation After One Year



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