



Peach State Reserves

As of October 1, 2024

LIFECYCLE FUND INFORMATION

Lifecycle Fund Information

For participants who want a simple investment solution, Peach State Reserves offers a set of diversified portfolios that manage themselves over time. You select a fund with a maturity date that matches the period when you expect to retire or will begin withdrawing money from the Plan. These funds are designed to help you build value in the early years and protect that value as you approach retirement. All you have to decide is which fund is appropriate for you:

<u>Fund</u>	<u>Maturity Date</u>	<u>Average Fee*</u>
Lifecycle 2060 Fund	retiring 2055 and later	0.03%
Lifecycle 2050 Fund	retiring 2045 through 2054	0.03%
Lifecycle 2040 Fund	retiring 2035 through 2044	0.03%
Lifecycle 2030 Fund	retiring 2025 through 2034	0.03%
Lifecycle 2020 Fund	retiring 2015 through 2024	0.03%
Lifecycle Income Fund	retired or planning to retire before 2020	0.04%

*Fees as of 10/01/2024. The fees will adjust each month as the Lifecycle funds are rebalanced according to the glide path.

How They Work

Each Lifecycle Fund currently contains seven different asset classes that are represented by the following Peach State Reserves funds:

<u>Asset Class</u>	<u>Peach State Reserves Funds</u>
Large Cap	Large Cap Core Stock Index Fund
Mid Cap	Mid Cap Core Stock Index Fund
Small Cap	Small Cap Core Stock Index Fund
International	International Stock Index Fund
Core Bonds	Core Bond Index Fund
Short-Term TIPS	Short-Term Inflation Protected Securities Fund
Target Maturity Bonds	2026 Target Maturity Bond Fund

The mix of these funds is different, depending on the maturity date assigned to each fund. When retirement is far away, a Lifecycle Fund invests mostly in stocks. As it moves closer to its maturity date, the fund will increase its allocation to investments with lower volatility.

The asset allocation of each fund is given in Table 1 on the following page. The allocation targets will be adjusted each quarter to move the asset allocation gradually over the life of the fund towards the Income Fund's asset allocation. Ten years after the fund's target retirement date, the allocation will be equal to the Income Fund, and the fund will be merged into the Income Fund. The projected exposures to each asset class over time are illustrated in Chart 1 on the following page.

Between quarterly adjustments the funds will be rebalanced each month to maintain the asset allocation targets. At least once a year, economic assumptions regarding future investment returns, inflation, interest rates and the attractiveness of different asset classes will be reviewed.

(continued)

LIFECYCLE FUND INFORMATION

1. Pick the correct fund

Select the fund based on the year that you expect to begin making *withdrawals*. Most participants should expect that date to be at retirement.

Things to consider when selecting the correct maturity date:

- Depending on your age and other assets, your maturity date may be later than your retirement date.
- Participants with substantial assets outside the plan should consider a Lifecycle Fund within the context of the overall asset allocation of all of their assets.

2. Direct substantially all contributions into the fund

You should direct all or the vast majority of your contributions into that fund. Combining a Lifecycle Fund with other investments (including other Lifecycle Funds) can potentially reduce the diversification of your investments and increase volatility.

3. Stay in the fund for the long-term

The Lifecycle Funds are constructed to take advantage of the benefits that can be gained by maintaining a disciplined investment strategy over the long-term. Asset allocation targets are based upon past performance and are not a guarantee or prediction of future results. Funds may lose money in any given year and are meant to be held long-term. Even after retirement, the asset allocation will be adjusted periodically to preserve assets while providing protection against inflation.

***Table 1: Lifecycle Fund Asset Allocation**

Target Year	U.S. Large Cap Core	U.S. Mid Cap Core	U.S. Small Cap Core	Total U.S. Stocks	International Stocks	Core Bond	Short-term TIPS	2026 Target Maturity Bond	Total Fixed Income
2060	55.34%	3.27%	1.49%	60.10%	32.30%	7.60%	0.00%	0.00%	7.60%
2050	54.05%	3.19%	1.46%	58.70%	31.50%	9.80%	0.00%	0.00%	9.80%
2040	48.38%	2.86%	1.30%	52.54%	27.20%	20.26%	0.00%	0.00%	20.26%
2030	36.65%	2.16%	0.99%	39.80%	20.80%	33.10%	6.30%	0.00%	39.40%
2020	27.62%	1.63%	0.74%	29.99%	16.10%	38.60%	7.60%	7.71%	53.91%
Income	20.17%	1.19%	0.54%	21.90%	11.70%	39.70%	10.70%	16.00%	66.40%

*These allocations become effective 10/01/2024

