

INVESTMENT GLOSSARY

RELX 401(k) Plan

BOND

A promise to repay a debt, similar to an IOU. Usually, a company or government agency sells bonds to raise money for a particular project. There is a promise to pay back the face value of the bond when it becomes due (its "maturity date") and to pay interest in the meantime in regularly scheduled payments.

CASH EQUIVALENTS

Investments that are readily convertible into cash. These investments are generally short-term and highly liquid. Examples include money market holdings and short-term government bonds.

COLLECTIVE OR COMMINGLED TRUSTS

Investments that pool the assets of multiple investors for investment purposes. Collective trusts generally refer to trusts that are designed specifically for employer-sponsored retirement plans. Commingled trusts generally refer to trusts that are designed for non-retirement plan investors. Collective or commingled trusts are not available to the general public and, therefore, are not listed in the newspaper or other sources and are not registered with the SEC. They are also referred to as collective investment trusts or collective investment funds.

GUARANTEED LIFETIME WITHDRAWAL BENEFIT (GLWB)

A feature that may be available under an annuity contract that promises the payment of a minimum withdrawal or payment amount for the lifetime of the eligible participant, or the joint lives of the eligible participant and another party (e.g., spouse).

INDEX FUND

A fund that seeks to parallel the performance of a particular stock market or bond market benchmark or index.¹ Index funds are often referred to as passively managed investments.

MUTUAL FUND

An investment company registered with the SEC that buys a portfolio of securities selected by a professional investment adviser to meet a specified financial goal (i.e., investment objective). Mutual funds can have actively managed portfolios, in which a professional investment adviser creates a unique mix of investments to meet a particular investment objective, or passively managed portfolios in which the adviser seeks to track the performance of a selected benchmark or index.¹



SEPARATELY MANAGED ACCOUNT

With a separately managed account, an institutional investor hires a professional investment manager to manage a customized portfolio on its behalf.

A team of professional money managers performs the day-to-day tasks involved in the buying and selling of the individual investments on behalf of the separate account; however, with a separately managed institutional account, the managers also typically provide guidance and advice to the client for which the account is managed.

Like institutional mutual funds and collective trusts, separately managed institutional accounts have higher initial investment requirements.

Unlike an institutional mutual fund or collective trust, a separately managed institutional account is a custom account, managed specifically for a particular client. The money is not pooled together with the money of other institutional investors.

These investments are not available to the general public and, therefore, not listed in the newspaper or other sources and are not registered with the SEC.

STOCK

A partial share of ownership in a company. Generally, stocks do not pay interest; some stocks pay dividends. A stockholder shares in the company's successes and failures through the increase or decrease in the value of the company's stock and dividends.

TARGET DATE FUND

A fund that gradually shifts its emphasis from more aggressive investments to more conservative ones based on its target date (which is the assumed retirement date for an investor).

The date in a target date fund represents an approximate date when an investor would expect to start withdrawing his or her money, or when an investor is expected to retire (which is assumed to be at age 65) and/or begins withdrawing money. The principal value of the funds is not guaranteed at any time, including the target date.

TARGET RISK FUND

A fund that maintains a predetermined asset mix and generally uses words such as "conservative," "moderate," or "aggressive" in its name to indicate the fund's risk level. Often used interchangeably with "lifestyle fund."

For more information, call 800-345-2345 or visit re401kplans.com.

1 A benchmark index is not actively managed, does not have a defined investment objective, and does not incur fees or expenses. Therefore, performance of a fund will generally be less than its benchmark index. You cannot invest directly in a benchmark index.

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