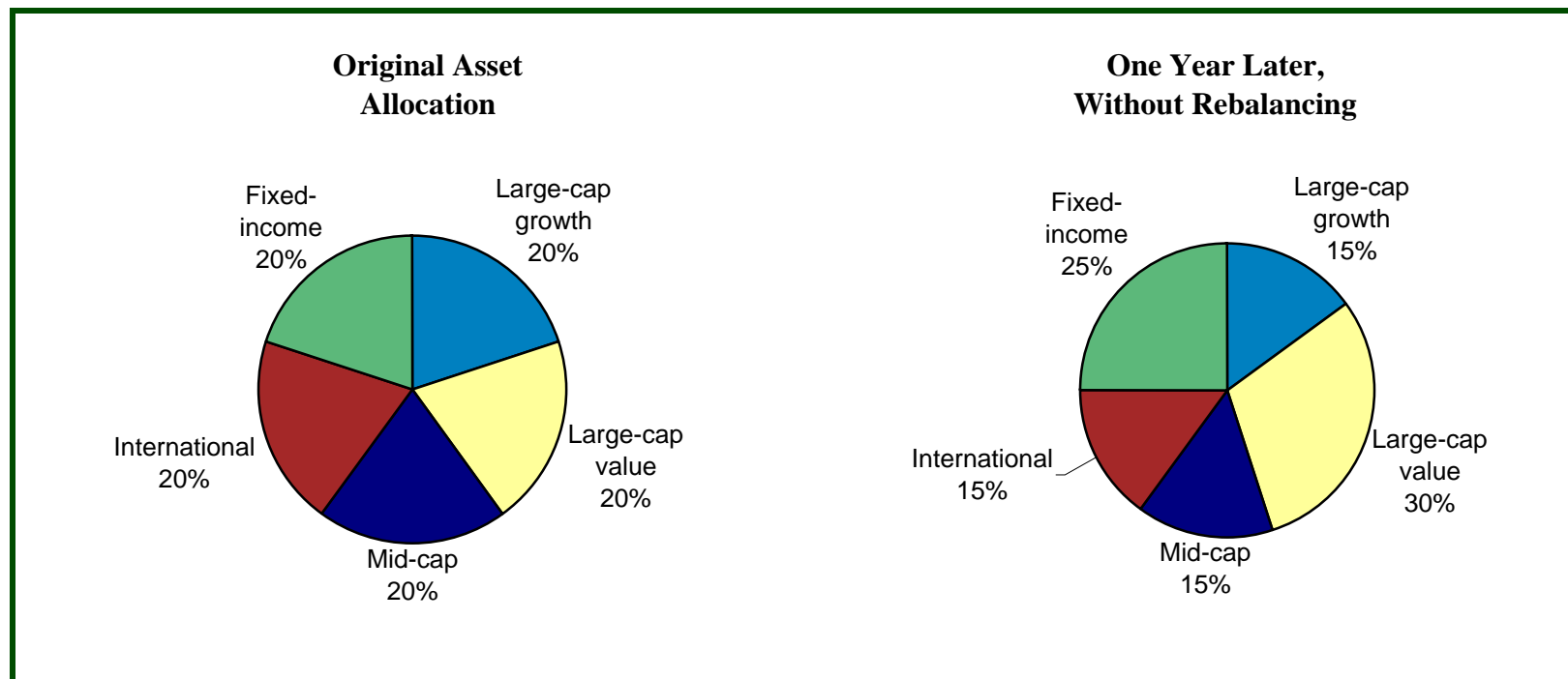


Monitor and Rebalance Your Plan

Rebalance to keep your plan on track

Once you've put your asset allocation in place, it's important to review your portfolio regularly with your advisor to make sure your plan stays on track. Remember, an investment in a top-performing asset class can suddenly make up a large percentage of your portfolio than your asset allocation plan calls for. Or, if an investment underperforms, its percentage might be less than what's stated in your plan. The goal is to always bring your portfolio back in line with the allocation plan outlined in your Investment Policy Statement (IPS).



For example, the above portfolio with an asset allocation of 20% invested in each asset class shown may have very different allocations after a year has gone by. To rebalance the portfolio to its original allocations, the investor would move money from fixed-income and large-cap value investments to international, large-cap growth, and mid-cap stock investments.