

may help offset your losses. Diversification won't guarantee a profit or protect against a loss in a declining market, but it can be an effective strategy to help reduce risks.

#### How Diversification Works

While there are thousands of different investments out there today, they consist of only three core asset classes, and they are: stocks, bonds, and cash equivalents. Each of these asset classes reacts differently to changing market and economic conditions.

**Stocks** – A stock is a share of ownership or equity in a corporation. Stocks have historically provided the highest returns, but with the most risk and volatility (short term price fluctuations). Within your employer's retirement plan, an equity investment option invests in an underlying fund, which typically invests in numerous companies, in many different industries. If one company or industry has problems, the investment option may not suffer a major loss because the underlying fund is sufficiently diversified.

**Bonds** – A bond is a debt security issued by a company, municipality or government agency. A bond investor lends money to the issuer, and in exchange the issuer promises to repay the loan amount on a specified maturity date. The issuer also must pay the bondholder periodic, fixed interest payments over the life of the loan. Bonds generally have less risk and volatility, but have historically produced lower returns than stocks. Within your employer's retirement plan, a bond investment option invests in an underlying fund that usually invests in bonds with varying maturity dates, and issued by various entities.

**Cash Equivalents** – Cash equivalents are short-term, highly liquid, and relatively low-risk debt instruments issued by governments, financial institutions, and corporations. Cash equivalents have provided the lowest returns of the three asset classes, but have shown very little volatility. Most employer retirement plans offer this investment option in the form of a money market account or an account with a fixed interest rate or a rate that varies during the period. An

investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the fund seeks to preserve the value of your investment at \$1.00 per unit, it is possible to lose money by investing in the fund.

You can further diversify your retirement plan assets by investing in different types of investment choices offered by your plan. For example, by spreading money among the plan's investment choices – such as an equity investment option, a bond investment option, and a cash equivalent investment option – you would diversify your plan assets more than by investing in just one type of investment option.

#### Charting Your Course

Your financial professional can give you additional information about investments and investing which can help you determine an investment strategy that is suited to your needs, goals and personal risk tolerance.

Remember, investing in the market is a lot like riding a bike: If you're comfortable with the path you've chosen and are aware that there will be bumps in the road, it can be a great ride. 🍷

***You should carefully consider the investment objectives, risks, charges and expenses of the mutual funds or The Hartford's group variable annuities, group variable funding agreements and their underlying funds before investing. This and other information can be found in the fund's prospectus, which can be obtained from your investment representative. This can also be found in the disclosure documents (whichever is applicable). To obtain the applicable product prospectus or disclosure documents and the underlying fund prospectus, call 1-800-528-9009. Please read them carefully before you invest or send money.***

The other day, a woman came out of the kitchen and when her husband approached, she slapped him up side the head, WHACK! He was a little dazed and asked, "What was that for?"

She said, "I was cleaning out your pants to put them in the laundry and found a piece of paper with the name 'Foxy Roxy' on it."

He said, "Honey, you know that I went out the other day with the boys to the race track. I bet on a horse named 'Foxy Roxy' and that we won a lot of money on it."

She felt so bad that she fixed him his favorite dinner and really treated him good since she had made this mistake and not trusted him.

A few days went by and the husband came through the door and "WHACK," she smacked him up side the head again. He said, "Ouch! What was that for???"

She replied, "Your horse called today..."

# We're proud to serve those who serve our communities.

For more information on our Florida PBA-endorsed\* retirement programs, call 800-282-5855 to speak with Ed Caldwell (ext. 63421) or Tom Howard (ext. 63424).

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Retirement programs can be funded by group variable annuity products (HL-14991; NY & FL; HL-14973; HL-15811; HVL-11002 and HVL-21002 series; HVL-14000; HVL-14001; HVL-20000; HL-17402; HL-14848; HL-17402; HL-15420 [with Rider HL-16957] and group variable funding agreements (HL-16553 and HL-16553 ((NY)), as applicable, issued by Hartford LIC (Simsbury, CT). Group variable annuity contracts are underwritten and distributed by Hartford Securities Distribution Company, Inc., where applicable. Retirement programs can be funded by group fixed annuities (HL-19799) issued by Hartford LIC (Simsbury, CT) and can also invest in mutual funds through custodial accounts.

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