New York State
Deferred Compensation Plan
*A 457(b) Plan for Your Future*

# Asset allocation can help make a difference

Asset allocation is a rational strategy for investment selection. Simply put, it is the process of diversifying your investment dollars across multiple asset classes. It helps you to maximize your return potential while reducing your risk. How your investments are diversified depends on your willingness to handle risk. In general, the greater the risk, the greater the potential return. By diversifying a portfolio, you can pursue attractive performance potential while simultaneously spreading your investment risk.

**1. Your current age is:**

- ☐ Over 70 (1 point)
- ☐ 60 to 70 (8 points)
- ☐ 50 to 59 (15 points)
- ☐ 35 to 49 (22 points)
- ☐ 34 or younger (29 points)

**2. When do you anticipate taking regular cash distributions from your account?**

- ☐ Less than 5 years (1 point)
- ☐ 5 to 9 years (5 points)
- ☐ 10 to 15 years (15 points)
- ☐ More than 15 years, or I do not anticipate taking cash distributions (22 points)

**3. In addition to your current employer-sponsored retirement plan, do you have other retirement plan benefits, such as a defined benefit pension or defined contribution profit-sharing plan?**

- ☐ No (7 points)
- ☐ Yes (0 points)

**4. If $100,000 were invested at the beginning of the year, which example would best describe your tolerance for risk?**

- ☐ $95,000 to $115,000 (1 point)
- ☐ $90,000 to $125,000 (3 points)
- ☐ $85,000 to $140,000 (6 points)
- ☐ $80,000 to $150,000 (8 points)

**5. While riskier than bond investments, stock investments offer the potential of higher long-term investment returns. What is your feeling about investing a portion of your money in stock investments?**

- ☐ I am concerned that stock investments are too risky and would prefer a higher allocation to bonds. (1 point)
- ☐ I understand there is additional risk with stock investments and would consider a more balanced allocation to stocks and bonds. (3 points)
- ☐ I understand there may be some additional risks in stock investing, but the opportunity to achieve long-term growth with a higher allocation to equities is worth serious consideration. (6 points)
- ☐ I understand the risks, but I recognize there are growth opportunities in stock markets and would like to maximize those opportunities. (8 points)

**6. Given the volatility of the capital markets, your account value will fluctuate over time. The three choices below show potential account value ranges after a 3-year investment period. If you were to invest $50,000, which portfolio would you select?**

- ☐ Account value range of $48,000 to $53,000 (2 points)
- ☐ Account value range of $45,000 to $58,000 (3 points)
- ☐ Account value range of $40,000 to $60,000 (6 points)

## ☑ Put a check mark next to your investor profile.

Total your points from the questionnaire and match it to the profile that best describes you.

67+
Aggressive

☐

Appropriate for an investor with both a high tolerance for risk and a long time horizon. The main objective of this portfolio is to provide high growth without providing current income.

53 to 66
Moderately Aggressive

☐

Designed for an investor with a high tolerance for risk and a longer time horizon. This investor has little need for current income and seeks above-average growth from his/her investable assets.

33 to 52
Moderate

☐

Best suits an investor who seeks relatively stable growth and a low level of income. The investor will have a higher tolerance for risk and/or a longer time horizon than a conservative or moderately conservative investor. The main objective is to limit fluctuations to less than those of the overall stock market.

22 to 32
Moderately Conservative

☐

Appropriate for an investor who seeks both modest investment value increases and income from his/her portfolio. This investor will have either a moderate time horizon or a slightly higher risk tolerance than someone who chooses a conservative profile.

21 or less
Conservative

☐

Designed for an investor with a low risk tolerance and/or a short time horizon. It is targeted toward the investor seeking stability and whose main objective is to preserve capital while providing income. Fluctuations in the value of these portfolios are minor.

Once you determine your investor profile above, select the corresponding portfolio allocation below and apply it to the investment options available within the plan. If you would like to receive a specific investment allocation by investment option, log on to your web account at NYSDCP.com and complete the My Investment Planner℠ asset allocation tool.

| | Aggressive | Moderately Aggressive | Moderate | Moderately Conservative | Conservative |
|---|---|---|---|---|---|
| International | 32% | 24% | 20% | 14% | 8% |
| Small-cap | 4% | 4% | 2% | 2% | 2% |
| Mid-cap | 8% | 6% | 4% | 4% | 2% |
| Large-cap | 46% | 41% | 34% | 25% | 18% |
| Bonds | 7% | 17% | 29% | 38% | 40% |
| Capital preservation | 3% | 8% | 11% | 17% | 30% |

Note: In the Asset Allocation Tool on NYSDCP.com, Small cap and Mid cap are listed separately.

The Asset Allocation Tool presented is available through a license agreement between Wilshire Associates and Nationwide. Its sole purpose is to assist you in determining your general attitudes towards investment risk. This questionnaire does not consider all factors necessary in making an investment decision (e.g., personal and financial information and investment objective). In no way should this questionnaire be viewed as investment advice or establishing any kind of advisory relationship with Wilshire Associates. Wilshire Associates does not endorse and/or recommend any specific financial product that may be used in conjunction with the asset allocation models that are presented. Please consult with your financial professional and obtain the financial product's prospectus (or its equivalent) and read it carefully prior to investing.

Account Executives are Registered Representatives of Nationwide Investment Services Corporation, member FINRA, Columbus, Ohio.
NRM-0164NY-NY.1 (03/24)