

Issue 113

Our Guild This Month

November 2005

"Dedicated exclusively to the retirement well-being of California dentists and their staffs"

Destination Funds—How Do They Work?

The California Dentists Guild and Comerica are pleased to offer you Destination Funds beginning on January 1, 2006 to *Qualified Plan holders*. There are four funds broken down by the year closest to your goal retirement date. The specific funds will adjust as investors age, inching closer to retirement and becoming more conservative. The fund will begin to hold more fixed income vehicles and less equity selections.

The theory is that as the investor gets closer to retiring, a more conservative portfolio becomes desirable. Younger investors have more time to weather the ups and downs of the stock market and are better able to take advantage of long term market growth. The older investor may wish to begin drawing on his/her retirement portfolio sooner and thus is more adverse to the ups and downs in the market.

All Destination Funds use an asset allocation portfolio seeking growth and income by investing in a diversified selection of mainly indexed stock and bond funds.

Each Destination Fund will adjust toward a more conservative asset allocation as the investor inches toward retirement. The fund adjusts so you don't have to reallocate. You simply invest in the same fund each time you contribute to your retirement.

Destination Fund Product Sheets

Please call the Guild Office if you are interested in receiving Product Sheets for the Destination Funds (as of September 30, 2005).



39th Annual
Meeting of Shareholders 2006
Hotel Mar Monte, Santa Barbara, CA
March 30th —April 2nd

Please come celebrate the Guild's
40th Anniversary with us!

(Look for your Invitation Coming Soon!)

For reservations contact:

(805)963-0744
www.hotelmarmonte.com

Please note: The new fund options will not be on the Contribution/Transfer form until there is a new printing of the forms. In the meantime, please feel free to write in your fund selections using the full name or the ticker symbols.

Please see the next page for more information on Destination Funds.

If you have any questions or comments, please contact:
Elizabeth E. Clark, Executive Director

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Web site: www.cadentistsguild.org

Important Dates:

ALL Transactions *must* be received by 10:00 am
Transfers/Terminations—Monday, November 28, 2005
Contributions—Wednesday, November 30, 2005

Destination Funds—Fund Overviews

Destination 2015: Domestic Equity 51%, Bonds 22%, Cash 18%, International Equity 9%. This is for the investor retiring between 2010 and 2019. The fund invests in stocks of large, medium and small companies, both domestic and international; U.S. government, corporate and mortgage-backed bonds; and principal protection investments. The top ten holdings as of September 30, 2005 were: Exxon Mobil, General Electric, Legg Mason, Peabody Energy, Southwestern Energy, NVR, BP PLC, HSBC Holdings, U.S. Treasury, Federal Home Loan Mortgage.

Destination 2025: Domestic Equity 68%, Bonds 12%, International Equity 12%, Cash 8%. This fund is geared toward the investor retiring between 2020 and 2029. The fund invests in stocks of large, medium and small companies, both domestic and international; U.S. government, corporate and mortgage-backed bonds; and principal protection investments. The top ten holdings as of September 30, 2005 are: Exxon Mobil, General Electric, Legg Mason, Peabody Energy, Southwestern Energy, NVR, BP PLC, HSBC Holdings, U.S. Treasury, Federal Home Loan Mortgage.

Destination 2035: Domestic Equity 85%, International Equity 15%, Bonds 0%, Cash 0%. This fund is geared for the investor expecting to retire between 2030 and 2039. The fund invests in stocks of large, medium and small companies, both domestic and international; U.S. government, corporate and mortgage-backed bonds; and principal protection investments. The top ten holdings as of September 30, 2005 are: Exxon Mobil, General Electric, Legg Mason, Peabody Energy, Southwestern Energy, NVR, BP PLC, HSBC Holdings, U.S. Treasury, Federal Home Loan Mortgage.

Destination 2045: Domestic Equity 80%, International Equity 20%, Bonds 0%, Cash 0%. This fund is geared toward the investor expecting to retire between 2040 and 2049. The fund invests in stocks of large, medium and small companies, both domestic and international; U.S. government, corporate and mortgage-backed bonds; and principal protection investments. The top ten holdings as of September 30, 2005 are: Exxon Mobil, General Electric, Legg Mason, Peabody Energy, Southwestern Energy, NVR, BP PLC, HSBC Holdings, U.S. Treasury, Federal Home Loan Mortgage.

Asset Allocation Fund

The Asset Allocation Fund has been part of the Guild fund menu since 1973. I think it is important to note that the Asset Allocation Fund and the Destination Funds are quite different and serve two totally different purposes.

The Asset Allocation Fund consistently holds 60% equities and 40% fixed income vehicles. Some international issues are included in the 60% of equities.

The Destination Funds will vary depending on the number of years to retirement. Both have stock and fixed income components, but the Asset Allocation Fund is a balanced fund and continues to remain a balanced fund despite the number of years to retireent. It is a wonderful vehicle for those participants that wish to remain in 60% equity position and a 40% fixed income position.

Major Index Close: October 31, 2005
DJIA =10,440 SPX = 1207 Nasdaq = 2120

Major Index Close: September 30, 2005
DJIA =10,569 SPX = 1229 Nasdaq = 2152

QUALIFIED PLAN **As of 10/31/05**

Fund	Unit Value	Asset Value
TKF	1.9492	1,608,678
HBF	12.3407	1,978,993
SIF	20.2738	2,958,112
FEF	20.9047	3,971,460
LGF	6.6215	1,419,898
SPF	9.0841	3,246,543
LVF	11.0824	1,061,747
VEF	384.0438	34,556,498
MIF	24.8016	5,371,903
REF	23.9978	4,296,572
AAF	156.5098	6,967,389
BIF	14.8977	3,649,993
GMF	11.0274	734,263
SAF	1.0000	5,107,045
CDF	1.0000	<u>5,901,935</u>

Total Qualified Retirement: \$82,831,029

IRA **As of 10/31/05**

Fund	Unit Value	Asset Value
ITK	1.9421	302,104
IHB	10.9290	231,605
ISV	42.4541	2,394,629
ILG	6.6169	528,383
ISP	16.1780	1,221,540
ILV	12.6388	341,591
IRE	18.4406	972,095
IBP	27.6024	1,664,604
ISA	1.0000	1,569,018
IBF	10.2365	<u>300,857</u>

Total IRA: \$9,526,426

Total Qualified Retirement: \$82,831,029

Total Guild: \$92,357,455