

Our Guild This Month

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

August 2006

Destination Funds

What are Destination Funds and how should they be used?

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. So, instead of personally selecting and allocating individual stock and bond funds to create your own portfolio, the fund adjusts toward a more conservative asset allocation as you get closer to your retirement date. The fund you choose will be managed for you by expert fund managers.

The fund titles are loosely based on your desired year of retirement. If you are 30 years old and plan to retire anytime between 2030 and 2039, you may elect to choose the Desti-

nation Fund 2035 because it most closely reflects your investment strategy. At this period in your life, you are probably more interested in growing your retirement account. This particular fund would be considered having a growth objective. Normally in growth portfolios, there is more fluctuation (volatility) than a more conservative portfolio. The proportion invested in each of these will depend upon your retirement date.

For example: The Destination 2015 is geared toward those individuals that are retiring between 2010 and 2019. There is still a growth component, but it has been decreased to be more moderate with safer investments.

Each of the Destination Funds will continue to

evolve as you draw nearer to your retirement date. The allocations become slightly more conservative each year until reaching the final Retirement date.

As a general rule, people with the more time until retirement have a more aggressive portfolio. A younger investor can accept more risk than an older investor for a very simple reason: a longer time horizon. A 28-year-old has more than 25 years to accumulate a retirement fund, which means he or she has time to ride out market fluctuations.

This is not true for the person closer to retirement. A 60-year-old, with fewer than 10 years until retirement, doesn't have

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If you have any questions or comments, please contact:

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Important Dates:

ALL Transactions *must* be received by 10:00 am.

Transfers or Terminations:
Tuesday, August 29, 2006

Contributions:
Thursday, August 31,
2006

Northern CA Regional Meeting



CDG will be hosting a Northern California Regional Meeting Septem-

ber 28th from 6:30 p.m. to 8:30 p.m. at the Moorpark Hotel in San Jose. Please RSVP to Layla Shirazi at 800.851.0008.

Ferguson Wellman Capital Management Chief Executive Officer and Principal Jim Rudd will

speak about the U.S. economy — interest rates, the equity market, opportunities and risks.

Please share this information with colleagues — all are welcome to attend. Hope to see you there!

CDG

California Dentists' Guild
Established 1966

News & Notes

Please visit us at Booth #2246 at CDA San Francisco. The meeting runs from September 15-17 at the Moscone Center. We look forward to seeing you there!

Upcoming Events

8/27	Punjabi Dental Society
8/27	Southern CA Academy of General Denistry
9/6	San Fernando Valley Dental Society
9/12	Los Angeles Dental Society
9/12	Sacramento Dental Society
9/14	Santa Clara Dental Society
9/15-17	CDA San Francisco Booth #2246
9/22	Tri-County Dental Society
9/24	Punjabi Dental Society
9/28	Northern Regional Meeting Moorpark Hotel, San Jose
11/2	National Hispanic Dental Association's 14th Annual Meeting, LA

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the luxury of letting time smooth out an investment's highs and lows. When it comes time for retirement, the money has to be there. For this reason the older person might choose the Destination Fund 2015.

In addition, Destination Funds are self-balancing. You do not need to rebalance your portfolio as the financial markets fluctuate. Destination Funds are consistently rebalanced to maintain a specific level of risk with your retirement date in mind.

To invest in any of the Destination Funds offered by CDG (D15, D25, D35, D45), please write-in your choice on the Contribution/Transfer Form.

Major Index Close: July 31, 2006
DJIA = 11,185 SPX = 1277 Nasdaq = 2091

Major Index Close: December 31, 2005
DJIA = 10,718 SPX = 1286 Nasdaq = 2205

QUALIFIED PLAN

As of 07/31/06

<i>Fund</i>	<i>Unit Value</i>	<i>Asset Value</i>
TKF	1.7483	1,758,089
HBF	12.2677	1,586,312
SIF	21.6833	3,562,563
FEF	24.4484	5,452,655
LGF	6.5497	1,357,192
SPF	9.6710	3,420,475
LVF	12.3382	1,214,875
VEF	406.6038	33,369,682
MIF	26.3336	5,812,035
REF	28.6930	4,801,999
AAF	167.0760	7,169,084
BIF	15.1193	3,682,817
GMF	11.1444	725,178
SAF	1.0000	6,514,779
CDF	1.0000	6,712,279
D45	9.7585	92,213
D35	9.6123	18,598
D25	9.9251	120,790
D15	9.4508	27,848
SRF	10.0213	<u>236,318</u>

Total Qualified Retirement:

\$87,635,781

IRA

As of 07/31/06

<i>Fund</i>	<i>Unit Value</i>	<i>Asset Value</i>
ITK	1.7427	280,456
IHB	10.8728	250,557
ISV	43.9125	2,444,762
ILG	6.5450	508,868
ISP	17.1749	1,311,823
ILV	14.0529	390,308
IRE	22.0805	1,185,679
IBP	28.8594	1,619,707
ISA	1.0000	1,675,399
IBF	10.3931	<u>285,337</u>

Total IRA:

\$9,952,896

Total Guild:

\$97,588,677