Re-enrollment may help put participants on the path to better retirement outcomes, but some common Misperceptions could be preventing plan sponsors from leveraging this strategy.

**WHAT'S HOLDING PLAN SPONSORS BACK?**

1. **"IF I CONDUCT A RE-ENROLLMENT, MY PARTICIPANTS WILL PUSH BACK."**

   - 61% of participants would rather push the easy button.
   - 86% of participants are supportive or neutral toward employers conducting a re-enrollment.

2. **"A RE-ENROLLMENT IS TOO MUCH OF A FIDUCIARY RISK."**

   - 40% of plan sponsors are not aware of the potential to receive fiduciary protection for assets defaulted into the plan's QDIA during a re-enrollment.

3. **"MY PLAN IS WELL DIVERSIFIED AT AN AGGREGATE LEVEL, SO EVERYTHING IS FINE."**

   - 72% of participants fall outside of the range of equity exposure generally considered appropriate for their age.
   - Only 1 in 3 participants are confident they know which of their 401(k) plan investment options they should invest in.

4. **"I ADDED TARGET DATE FUNDS (TDFs) TO THE PLAN'S LINEUP, BUT THERE'S NOTHING I CAN DO ABOUT MY PARTICIPANTS NOT TAKING ACTION."**

   - 49% to 97% target date fund utilization rates.

   For more re-enrollment resources or to explore our 2019 Defined Contribution Plan Sponsor Survey Findings further, visit jpmorgan.com/dcresearch.
DID YOU KNOW?

A plan re-enrollment is a process by which participants are notified that their existing assets and future contributions will be invested in the plan’s qualified default investment alternative (QDIA), which may be a target date fund based on their date of birth. All participants’ assets are automatically moved into the QDIA on a certain date unless the participant makes a new investment election during a specified time period.

Before conducting a re-enrollment, a plan sponsor must engage in a prudent process for determining whether a re-enrollment is appropriate for the plan and its participants.

PARTICIPANT BENEFITS
• Potential for improved asset allocation
• Helps new and existing participants

PLAN SPONSOR BENEFITS
• Potential for protection from investing liability
• Better participant experience


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TARGET DATE FUNDS
• Target date funds are funds with the target date being the approximate date when investors plan to retire. Generally, the asset allocation of each fund will change on an annual basis, with the asset allocation becoming more conservative as the fund nears the target retirement date. The principal value of the fund(s) is not guaranteed at any time, including at the target date.

CONFLICTS OF INTEREST: Refer to the Conflicts of Interest section of the Fund’s Prospectus.

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