

Make the Right Choice

Find the Funds for You

Now that you're aware of the importance of kicking in as much as you can to your company-sponsored retirement plan, let's drill down and focus on how to pick the cream of the plan's crop. Fill in the table below — your plan provider ought to be able to cite chapter and verse on every fund in the lineup — and all shall be revealed. OK, maybe not *all*, exactly, but if you fill in these blanks before making your selections, you'll be well on your way to making an informed decision.

Plan Options	Expense Ratio	Manager Tenure	+/- S&P 500 (10 yrs)

Behold — actual data! Use it to zero in on cheaper funds whose managers have been on the case for at least five years and have successful track records of beating the stock market.

For the sake of comparison consider that:

- For the 10 years that ended with April 2006, the S&P delivered an annualized return of 8.94%.
- The typical stock mutual fund has an expense ratio in the vicinity of 1.5%.
- That same fund's manager has been running the show for just a little more than four years.

But what, you ask, if your company's plan isn't exactly flush with outstanding mutual funds? That's no surprise, alas, but read on, McDuff. We're here to help.