



City of Phoenix

Working to make investing easier

A new fund lineup for your Plans, coming this December

Simplifying investment decisions

As part of a regular review of investment options and features of the City of Phoenix 457 and 401(a) Plans, the Deferred Compensation Plan Board has approved important changes to the Plans' investment options in conjunction with the Hyas Group LLC, an independent retirement plan consulting firm. These changes will:



Simplify the U.S.
stock fund options



Expand the number
of low-cost funds
that track an index



Introduce retirement
target date funds

Through these changes, participants should be more easily able to identify the investment options most appropriate to their individual goals for retirement.

As you review this brochure, remember:

- No action is required on your part
- You still have full control over the investment options and can make changes at any time
- The self-directed brokerage option remains available for those interested in investments outside of the Plans

The following changes will take effect after the close of the investment markets on December 15, 2016.

Three new U.S. Stock portfolios: The Plans will close and move assets from funds currently available through the Plans into the following options, based on comparable investment categories.

- U.S. Large Cap Stock Portfolio
- U.S. Mid Cap Stock Portfolio
- U.S. Small Cap Stock Portfolio

Expand the number of low-cost funds that track an index: The Plans will make available three low-cost index funds from Vanguard.

- Vanguard Total International Stock Index Fund (international stock asset class)
- Vanguard Extended Market Index Fund (small/mid-cap stock asset class)
- Vanguard Institutional Index Fund (large-cap stock asset class)

The Vanguard Institutional Index Fund will replace the Dreyfus Basic S&P 500 Stock Index Fund. All assets and deferrals into the Dreyfus fund will be moved to the Vanguard fund.

Retirement target date funds: The Plans will close and move assets and deferrals directed to Nationwide Investor Destinations Funds into the American Funds Target Date Retirement Fund that corresponds most closely to the year in which you will turn age 65. These funds automatically adjust their asset mix to become more conservative as the target date approaches.

The DCP Board approved adding these funds to make it easier for employees to choose a suitable investment option that generally does not require a lot of attention. However, as with all investments, participants should periodically monitor assets held in target-date funds and make adjustments, as investing prudence and their long-term goals suggest. For more information, please see pages 5 and 6.

Fixed Income funds: There will be **no changes** affecting assets invested in and deferrals directed to options in these funds.

Your easy-to-understand visual guide

The following table shows how assets and deferrals will be moved after the markets close on December 15, 2016.

Current Investment Menu			DCP Board Approved Investment Menu		
Fund	Ticker	Expense Ratio	Fund	Ticker	Expense Ratio*
Fixed Income					
City of Phoenix Stable Income		0.27%	No change		0.27%
Metropolitan West TR	MWTSX	0.39%	No change	MWTSX	0.39%
PIMCO All Asset Institutional	PAAIX	0.86%	No change	PAAIX	0.86%
U.S. Large Cap Stock					
Allianz NFJ Dividend Value Instl	NFJEX	0.70%	US Large Cap Stock: 50% JH Disciplined Large Value 50% T. Rowe Price Instl Large Growth	JDVWX TRLGX	0.64%
AF Growth Fund of America R6	RGAGX	0.30%			
Fidelity Contrafund	FCNTX	0.66%			
Dreyfus Basic S&P 500 Stock Index	DSPIX	0.20%	Vanguard Institutional Index	VINIX	0.04%
U.S. Small/Mid Cap Stock					
MFS Midcap Value R6	MVCKX	0.84%	US Mid Cap Stock: 50% MFS Mid Value R6 50% AMG TimeSquare Mid Growth Instl	MVCKX TMDIX	0.91%
AMG TimesSquare Mid Cap Growth Instl	TMDIX	1.04%			
T. Rowe Price Small Cap Value Inv	PRSVX	0.81%	US Small Cap Stock: 50% AMG Managers /LMCG Small Cap Growth 50% T. Rowe Price Small Value Instl	ACWIX PRVIX	0.97%
Morgan Stanley Inst Small Co Gr I	MSSGX	1.04%			
No current Index option			New Index option - Vanguard Extended Market Index Adm	VEXAX	0.09%
International					
AF EuroPacific Growth R6	RERGX	0.50%	No change	RERGX	0.50%
No current Index option			New Index option - Vanguard Total International Stock Index Adm	VTIAX	0.12%

Current Investment Menu

DCP Board Approved Investment Menu

Fund	Ticker	Expense Ratio	Fund	Ticker	Expense Ratio*
Asset Allocation					
Nationwide ID Conservative Instl	GIMCX	0.51%	American Funds Target Retirement Date fund nearest the year you turn age 65. See table on the next page		0.36% - 0.47%
Nationwide ID Mod-Conservative Instl	GMIMX	0.50%			
Nationwide ID Moderate Instl	GMDIX	0.50%			
Nationwide ID Mod-Aggressive Instl	GMIAX	0.49%			
Nationwide ID Aggressive Instl	GAIDX	0.47%			

*Represents the average expense ratio, where applicable.

Investing involves market risk, including possible loss of principal. No investment strategy or program can guarantee a profit or avoid loss. Actual results will vary depending on your investment and market experience.

Bond funds have the same interest rate, inflation and credit risks that are associated with the underlying bonds owned by the fund.

International funds involve risks not associated with investing solely in the U.S., such as currency fluctuation, political risk, differences in accounting and the limited availability of information.

Small company funds invest in companies that may have less liquidity than those investing in larger, established companies and may be subject to greater price volatility and risk than the overall stock market.

Stable value fund values reflect the fluctuating value of the bonds and other investment options held by the fund. Therefore, an investor could lose money investing in stable value funds.

Target date funds are designed for people who plan to retire during or near a specific year. These funds use a strategy that automatically shifts more risky investments to a higher percentage of more conservative investments over time in order to better protect investors as they approach retirement. In addition to a target date fund's fees, investors in the fund pay a proportionate share of its underlying funds. There is no guarantee that a target date fund will achieve its objectives or provide enough retirement income at or through retirement.

Before investing in any fund, carefully consider its investment objectives, risks, charges, and expenses. This and other information is contained in the fund prospectus, which is available from our website, www.phoenixdcp.com, or by calling (602) 266-2733. Read the prospectus carefully before investing.

Your guide to retirement target date funds

Participants who have an account balance in the Nationwide Destination funds who do not make an investment election prior to December 15, 2016 will have assets and deferrals moved to the fund with the “target date” that is closest to the year in which the participant turns age 65.

Birth Date Range	Year Turning Age 65	Defaults to:	Expense Ratio	Ticker
1/1/1993 and later	2058 and later	American Funds 2060 Target Date Retirement Fund®	0.47%	RFUTX
1/1/1988 – 12/31/1992	2053 – 2057	American Funds 2055 Target Date Retirement Fund®	0.47%	RFKTX
1/1/1983 – 12/31/1987	2048 – 2052	American Funds 2050 Target Date Retirement Fund®	0.44%	RFITX
1/1/1978 – 12/31/1982	2043 – 2047	American Funds 2045 Target Date Retirement Fund®	0.43%	RFHTX
1/1/1973 – 12/31/1977	2038 – 2042	American Funds 2040 Target Date Retirement Fund®	0.43%	RF GTX
1/1/1968 – 12/31/1972	2033 – 2037	American Funds 2035 Target Date Retirement Fund®	0.43%	RFFTX
1/1/1963 – 12/31/1967	2028 – 2032	American Funds 2030 Target Date Retirement Fund®	0.42%	RFETX
1/1/1958 – 12/31/1962	2023 – 2027	American Funds 2025 Target Date Retirement Fund®	0.40%	RFDTX
1/1/1953 – 12/31/1957	2018 – 2022	American Funds 2020 Target Date Retirement Fund®	0.38%	RRCTX
1/1/1948 – 12/31/1952	2013 – 2017	American Funds 2015 Target Date Retirement Fund®	0.36%	RFJTX
On or before 12/31/1947	2012 and earlier	American Funds 2010 Target Date Retirement Fund®	0.36%	RFTTX

Net prospectus expense ratios as of the most recent prospectus dated January 1, 2016. Expense ratio is one aspect of plan fees and expenses. The investment adviser is currently reimbursing a portion of other expenses for each share class of American Funds 2060 Target Date Retirement Fund. The reimbursement will be in effect through at least January 1, 2017, unless modified or terminated by the investment adviser. Net expense ratios reflect the reimbursement, without which the expenses would have been higher. The expense ratios for American Funds 2060 Target Date Retirement Fund are estimated. The expense ratios are as of each fund’s prospectus available at the time of publication and include the weighted average expenses of the underlying funds. Please see the funds’ most recent prospectus for details.

Our simplified fund lineup will offer more diversified options and lower cost.





www.phoenixdcp.com



800-891-4749

Or visit the Nationwide office: 4747 N. Seventh Street, Suite 418 | 602-266-2733



City of Phoenix

Investing involves market risk, including possible loss of principal. No investment strategy or program can guarantee a profit or avoid loss. Actual results will vary depending on your investment and market experience.

Plan Service Representatives are Registered Representatives of Nationwide Investment Services Corporation, member FINRA. Nationwide representatives cannot offer investment, tax or legal advice. Consult your own counsel before making retirement plan decisions.

Nationwide and the Nationwide N & Eagle are service marks of Nationwide Mutual Insurance Company. © 2016 Nationwide

NRM-14953AZ-PX.1 (10/16)