



AIM. FOCUS. INVEST.

Whether retirement is far off or drawing near, aiming for the target of retirement keeps your plan participants' investments sharply focused.

At State Bank & Trust, we apply a long-range perspective to retirement plan investments. Whether your employees choose Target Retirement, Lifestyle, or Managed Allocation Portfolio Funds—or a combination—we offer flexibility and perspective for today's changing environment.

As an independently owned bank, State Bank & Trust acts in the best interests of you, our clients. That's why we use a risk-adjusted return strategy

that won't keep you up at night. Our goal is to provide you and your employees with the resources to successfully build assets for the future.

With State Bank & Trust, you get the investment sophistication and resources of a large, corporate bank combined with the personal service of a neighbor down the street. Your employees benefit from both.

We think State Bank & Trust is a bank like no other. Take a look at what we have to offer you and your plan participants.

Investing Made Simple: Just Point and Click

Target date funds are an ideal choice for those who prefer a no-fuss approach to retirement investing, offering a managed portfolio that moves easily through life stages. By taking advantage of the time left until retirement, investors—your employees—enjoy higher returns associated with more risk in their younger years, steadily moving toward a more conservative asset allocation as retirement approaches. Because Target Retirement Funds are professionally managed by our investment team, employees answer one question: *When do I expect to retire?*

Target Retirement Funds are invested based on the participant's answer. For example, an employee born in 1965 might choose 2030 as his 'target date,' or the year he will move out of the active workforce and into retirement. Funds from investors with similar target dates are pooled together and invested in a mix of stocks, bonds and alternatives carefully chosen based upon the number of years remaining until the target date. Fund managers

actively direct the asset allocation, moving from one with a higher risk/reward profile, such as stocks, in the earlier years, to one focused more on the safety and lower risk of bonds as the target date nears.

Does this mean that the youngest employees are invested 100% in the stock market and those who reach retirement age 100% in bonds? No. At State Bank & Trust, we believe in a balanced approach no matter your age—one that incorporates the advantages, while offsetting the risks, of both stocks and bonds. Our professional fund managers use a risk/return strategy specifically designed to take advantage of market highs while mitigating market lows. Whether designed for employees nearing retirement or the youngest in today's workforce, all of our Target Retirement Funds, excluding the Target Today Fund, incorporate alternative investments—like real estate, precious metals and currency.

Target Retirement Funds bring a clear focus to retirement investing.



Foreground, Background, Light, Shadow...

The Right Mix Makes a Clearer Retirement Snapshot

State Bank & Trust's Target Retirement Funds are invested in a mix of equities (stocks), fixed income instruments (bonds) and alternative investments like precious metals, commodities, currency and real estate.

Depending on the fund, these may range from 75-90% equities/5-20% fixed income/5-15% alternatives for our Target Retirement 2055 fund, to 35% equities/65% fixed income in our Target Today Fund.

Fund managers have discretion within these broad guidelines, based upon their understanding of the markets and current economic conditions.

Below is a graph representing how the investment mix changes over time within a Target Retirement

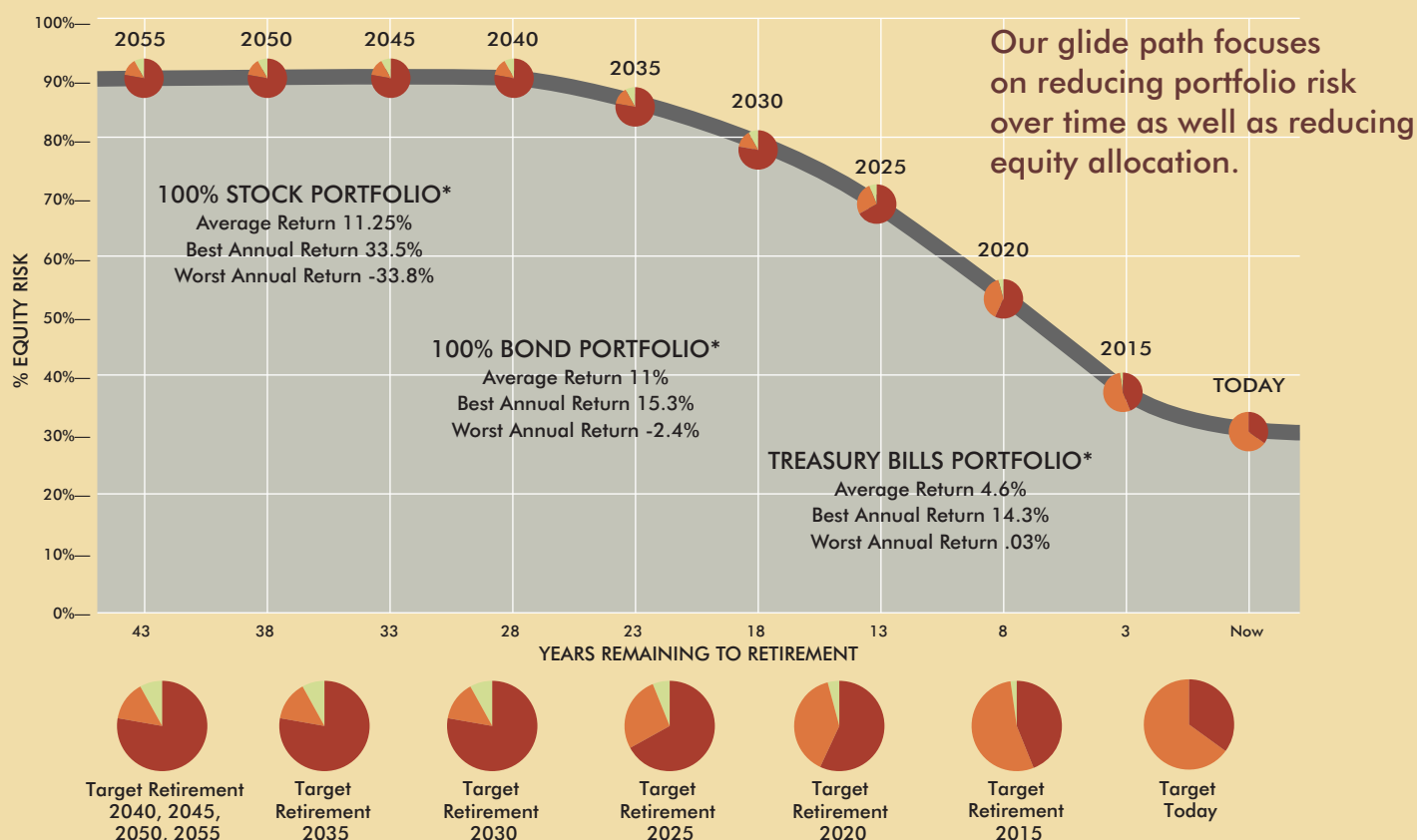
Fund. This is known as the Fund's glide path.

Investors, of course, should understand the glide path before investing.

Note that the fund continues to invest 35% in equities when the target date is reached, and for the 20 years following that date. Some investors decide to leave their money in the fund, withdrawing only what they need each year. Others move their money to an individual account, working with one of our Certified Financial Planners to develop a tailored investment portfolio customized to their individual needs and circumstances. Whether your retirees readjust their aim to a more distant point or focus on the present, State Bank & Trust will be here to support their retirement vision.

TARGET RETIREMENT FUNDS GLIDE PATH

Historical Stocks, Bonds, and Treasury Bills Portfolio Returns 1/1/1981–12/31/2011



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■ Stocks ■ Fixed Income ■ Alternative Assets

* Source: Kmotion Research, 2012

State Bank & Trust's Daily-Valued Common Trust Funds and its Investment Models comprised of two or more Common Trust Funds (e.g., Target Retirement Funds and Lifestyle Funds) are offered exclusively to State Bank & Trust's qualified retirement plan customers. By law, State Bank & Trust's Daily-Valued Common Trust Funds may only accept assets of qualified retirement plans which are (i) pension, profit sharing or stock bonus plan trusts qualified under Section 401(a) of the Internal Revenue Code and (ii) exempt from taxation under Section 501(a) of the Internal Revenue Code. Units of participation in State Bank & Trust's Common Trust Funds are not registered with the SEC or any state securities regulatory authority. State Bank & Trust makes its Common Trust Funds available in reliance upon one or more federal and state exemptions from registration.

Plan Sponsors and Plan Participants should carefully consider each particular Common Trust Fund's or Investment Model's investment objectives, risks, charges and expenses before choosing to invest in a Common Trust Fund. To obtain such information, please contact us by calling 877-451-3150 or, if you are an existing customer, you also may visit our website www.statebanks.com.

Please carefully read all our Common Trust Fund and Investment Model Disclosures before investing.

State Bank & Trust is a Member FDIC. State Bank & Trust Wealth Management Division products and services have no Bank guarantee, are not FDIC insured and may go down in value.

