



CUSO FINANCIAL
SERVICES, LP

MEMBER FINRA/SIPC

Investment Portfolio

Prepared for:

Coastal Member
August 31, 2016

Prepared by:

Coastal Wealth Management

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Portfolio Snapshot

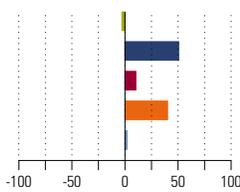
Coastal Member: IRA Portfolio

Portfolio Value
\$100,000.00

Benchmark
S&P 500 TR USD (USD)

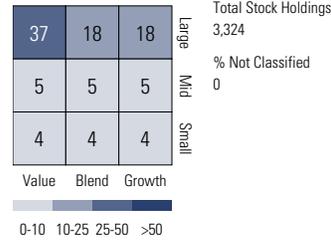
Analysis 08-31-2016

Asset Allocation

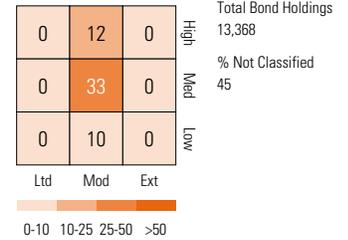


	Portfolio Net %	Bmark Net %
Cash	-2.84	0.00
US Stocks	50.57	99.41
Non-US Stocks	10.21	0.59
Bonds	40.15	0.00
Other/Not Clsfd	1.92	0.00
Total	100.00	100.00

Morningstar Equity Style Box %

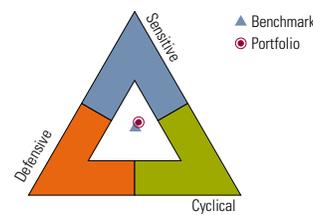


Morningstar Fixed Income Style Box %

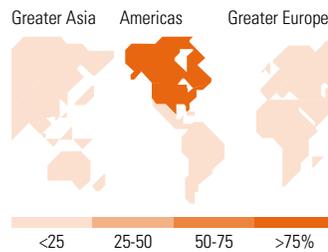


Stock Analysis 08-31-2016

Stock Sectors



World Regions



	Portfolio (%)	Bmark (%)
Cyclical	31.02	30.96
Basic Matls	3.16	2.77
Consumer Cycl	10.58	11.13
Financial Svs	13.77	14.57
Real Estate	3.51	2.49
Sensitive	47.92	40.88
Commun Svs	3.33	4.14
Energy	5.76	7.01
Industrials	8.58	10.89
Technology	30.25	18.84
Defensive	21.06	28.16
Consumer Def	7.78	10.12
Healthcare	11.07	14.80
Utilities	2.21	3.24
Not Classified	0.00	0.00

	Portfolio (%)	Bmark (%)
Americas	84.30	99.41
North America	83.76	99.41
Latin America	0.54	0.00
Greater Europe	10.72	0.53
United Kingdom	3.63	0.20
Europe-Developed	6.26	0.33
Europe-Emerging	0.23	0.00
Africa/Middle East	0.60	0.00
Greater Asia	4.98	0.05
Japan	1.34	0.00
Australasia	0.25	0.00
Asia-Developed	1.64	0.05
Asia-Emerging	1.75	0.00
Not Classified	0.00	0.00

Performance 08-31-2016

Investment Activity Graph — Portfolio Initial Mkt Val: \$52,946 Final Mkt Val: \$100,000
— Benchmark



Trailing Returns	3 Mo	1 Yr	3 Yr	5 Yr	10 Yr
Portfolio Return	3.56	8.10	6.53	7.94	6.70
Benchmark Return	4.10	12.55	12.30	14.69	7.51
+/- Benchmark Return	-0.54	-4.45	-5.77	-6.75	-0.81

Best/Worst Time Periods	Best %		Worst %	
	3 Months	17.05 (Mar 2009-May 2009)	-21.84 (Sep 2008-Nov 2008)	
1 Year	37.03 (Mar 2009-Feb 2010)	-25.65 (Mar 2008-Feb 2009)		
3 Years	19.59 (Mar 2009-Feb 2012)	-0.73 (Jul 2007-Jun 2010)		

Portfolio Yield (08-31-2016)	Yield %
12-Month Yield	2.16

Portfolio-Level Performance Disclosure

The portfolio-level performance shown is hypothetical and for illustrative purposes only. Investor returns will differ from the results shown. The performance data reflects monthly portfolio rebalancing.

Holdings 08-31-2016

Top 8 holdings out of 8

- Fidelity Freedom® 2030 (USD)
- PIMCO Total Return A (USD)
- American Funds American Balanced A (USD)
- American Funds Tax-Exempt Bond A (USD)
- Franklin Mutual Global Discovery A (USD)
- International Business Machines Corp (USD)
- SPDR® S&P 500 ETF (USD)
- Vanguard Small Cap Index Inv (USD)

Symbol	Type	Holding Value \$	% Assets
FFFEX	MF	20,000	20.00
PTTAX	MF	20,000	20.00
ABALX	MF	10,000	10.00
AFTEX	MF	10,000	10.00
TEDIX	MF	10,000	10.00
IBM	ST	10,000	10.00
SPY	ETF	10,000	10.00
NAESX	MF	10,000	10.00

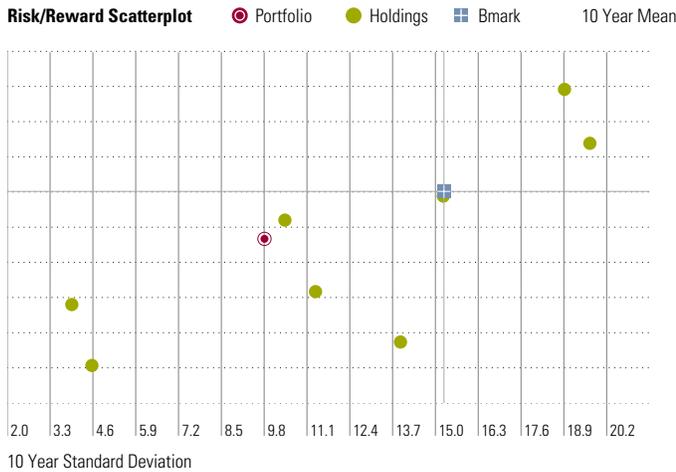
Portfolio Snapshot

Coastal Member: IRA Portfolio

Portfolio Value
\$100,000.00

Benchmark
S&P 500 TR USD (USD)

Risk Analysis 08-31-2016



Risk and Return Statistics

	3 Yr		5 Yr		10 Yr	
	Portfolio	Bmark	Portfolio	Bmark	Portfolio	Bmark
Standard Deviation	7.10	10.88	7.71	11.72	9.81	15.26
Mean	6.53	12.30	7.94	14.69	6.70	7.51
Sharpe Ratio	0.94	1.18	1.06	1.31	0.64	0.51

MPT Statistics

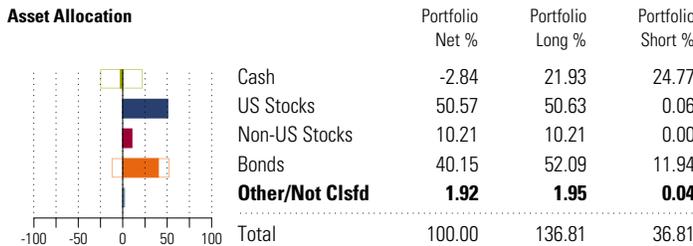
	3 Yr Portfolio	5 Yr Portfolio	10 Yr Portfolio
Alpha	-1.02	-1.23	1.41
Beta	0.62	0.63	0.62
R-Squared	90.13	92.71	93.85

Portfolio-Level Performance Disclosure

The portfolio-level performance shown is hypothetical and for illustrative purposes only. Investor returns will differ from the results shown. The performance data reflects monthly portfolio rebalancing.

Fundamental Analysis 08-31-2016

Asset Allocation



Market Maturity

	Portfolio	Bmark
% of Stocks		
Developed Markets	97.23	100.00
Emerging Markets	2.77	0.00
Not Available	0.00	0.00
Valuation Multiples	Portfolio	Bmark
Price/Earnings	17.45	19.79
Price/Book	2.38	2.76
Price/Sales	1.54	1.94
Price/Cash Flow	10.06	12.35

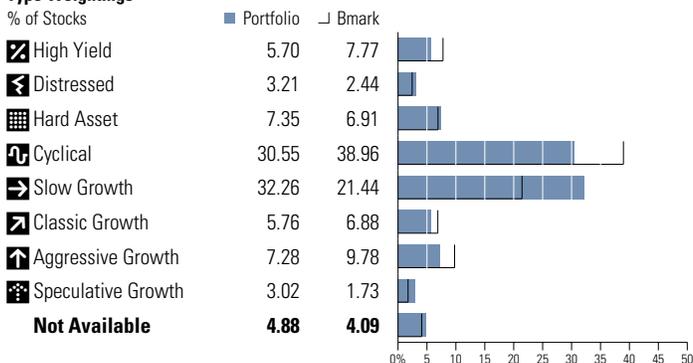
Geometric Avg Capitalization (\$Mil)

Portfolio	37,143.05
Benchmark	76,156.02

Credit Quality Breakdown

	% of Bonds
AAA	16.64
AA	12.61
A	12.48
BBB	7.26
BB	1.30
B	1.96
Below B	0.45
NR	47.30

Type Weightings



Profitability

	Portfolio 2016-08	Bmark 2016-08
% of Stocks		
Net Margin	11.82	13.13
ROE	26.74	21.29
ROA	5.79	6.76
Debt/Capital	45.73	41.79

Interest Rate Risk

	Bonds	% Not Available
Avg Eff Maturity	9.09	55.56
Avg Eff Duration	5.62	0.98
Avg Wtd Coupon	4.20	0.00

Fund Statistics

Potential Cap Gains Exposure	10.08
Avg Net Expense Ratio	0.65
Avg Gross Expense Ratio	0.65

Portfolio Snapshot

Coastal Member: IRA Portfolio

Portfolio Value
\$100,000.00

Benchmark
S&P 500 TR USD (USD)

Standardized and Tax Adjusted Returns

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An investment in a money-market vehicle is not insured or guaranteed by the FDIC or any other government agency. The current yield quotation reflects the current earnings of the money market more closely than the total return quotation. Although money markets seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in them.

Standardized Returns assume reinvestment of dividends and capital gains. They depict performance without adjusting for the effects of taxation, but are adjusted to reflect sales charges and ongoing fund expenses.

If adjusted for taxation, the performance quoted would be significantly reduced. For variable annuities, additional expenses will be taken into account, including M&E risk charges, fund-level expenses such as management fees and operating fees, contract-level administration fees, and charges such as surrender, contract, and sales charges.

After-tax returns are calculated using the highest individual federal marginal income tax rates, and do not reflect the impact of state and local taxes. Actual after-tax returns depend on the investor's tax situation and may differ from those shown. The after-tax returns shown are not relevant to investors who hold their fund shares through tax-deferred arrangements such as 401(k) plans or an IRA. After-tax returns exclude the effects of either the alternative minimum tax or phase-out of certain tax credits. Any taxes due are as of the time the distributions are made, and the taxable amount and tax character of each distribution are as specified by the fund on the dividend declaration date. Due to foreign tax credits or realized capital losses, after-tax returns may be greater than before-tax returns. After-tax returns for exchange-traded funds are based on net asset value.

Annualized returns 06-30-2016

Standardized Returns (%)	7-day Yield Subsidized	7-day Yield Unsubsidized	1Yr	5Yr	10Yr	Since Inception	Inception Date	Max Front Load %	Max Back Load %	Net Exp Ratio %	Gross Exp Ratio %
American Funds American Balanced A	—	—	0.18	8.47	6.47	10.53	07-25-1975	5.75	NA	0.58	0.58
American Funds Tax-Exempt Bond A	—	—	3.33	4.94	4.39	6.58	10-03-1979	3.75	NA	0.54	0.54
Fidelity Freedom® 2030	—	—	-2.05	5.97	4.64	6.41	10-17-1996	NA	NA	0.75	0.75
Franklin Mutual Global Discovery A	—	—	-11.36	4.61	5.04	8.71	11-01-1996	5.75	NA	1.24	1.24
PIMCO Total Return A	—	—	0.01	2.52	5.41	5.83	01-13-1997	3.75	NA	—	0.86
SPDR® S&P 500 ETF-NAV	—	—	3.90	11.97	7.33	8.96	01-22-1993	NA	NA	0.09 ¹	0.11
SPDR® S&P 500 ETF-Market	—	—	3.99	11.98	7.31	8.92	01-22-1993	NA	NA	0.09 ¹	0.11
Vanguard Small Cap Index Inv	—	—	-3.01	9.75	7.61	10.52	10-03-1960	NA	NA	0.20	0.20
Barclays Municipal 10 Yr 8-12 TR USD			8.29	5.54	5.67	—	—				
Barclays Municipal California Exempt TR			7.70	6.10	5.38	—	—				
Barclays Municipal TR USD			7.65	5.33	5.13	—	—				
Barclays US Agg Bond TR USD			6.00	3.76	5.13	—	—				
Morningstar Agg Tgt Risk TR USD			-1.70	6.87	5.76	—	—				
Morningstar Lifetime Mod 2030 TR USD			0.74	6.86	6.00	—	—				
Morningstar Mod Tgt Risk TR USD			1.56	5.80	5.75	—	—				
Morningstar US Large Cap TR USD			3.71	12.10	7.38	—	—				
Morningstar US Small Cap TR USD			-3.77	9.16	7.41	—	—				
MSCI ACWI Ex USA NR USD			-10.24	0.10	1.87	—	—				
MSCI ACWI NR USD			-3.73	5.38	4.26	—	—				
MSCI EAFE NR USD			-10.16	1.68	1.58	—	—				
Russell 1000 TR USD			2.93	11.88	7.51	—	—				
Russell 2000 TR USD			-6.73	8.35	6.20	—	—				
S&P 500 TR USD			3.99	12.10	7.42	—	01-30-1970				
USTREAS T-Bill Auction Ave 3 Mon			0.19	0.08	0.95	—	—				

1. Contractual waiver; Expires 02-01-2017

Annualized returns 06-30-2016

Return after Tax (%)	On Distribution					On Distribution and Sales of Shares			
	1Yr	5Yr	10Yr	Since Inception	Inception Date	1Yr	5Yr	10Yr	Since Inception
American Funds American Balanced A	-1.33	7.31	5.35	7.74	07-25-1975	0.97	6.38	4.81	7.45
American Funds Tax-Exempt Bond A	3.33	4.94	4.39	6.53	10-03-1979	3.25	4.62	4.24	6.44
Fidelity Freedom® 2030	-3.44	4.54	3.33	5.17	10-17-1996	-0.25	4.32	3.33	4.90
Franklin Mutual Global Discovery A	-13.37	2.78	3.64	6.88	11-01-1996	-5.10	3.28	3.67	6.58
PIMCO Total Return A	-2.05	0.90	3.47	3.68	01-13-1997	0.62	1.37	3.54	3.73
SPDR® S&P 500 ETF-NAV	3.15	11.11	6.72	8.33	01-22-1993	2.39	9.15	5.70	7.50
Vanguard Small Cap Index Inv	-3.52	9.27	7.23	8.94	10-03-1960	-1.49	7.56	6.06	8.58

Portfolio Snapshot

Coastal Member: IRA Portfolio

Portfolio Value
\$100,000.00

Benchmark
S&P 500 TR USD (USD)

Non-Load Adjusted Returns

Total 8 holdings as of 08-31-2016	Symbol	Type	Holdings Date	% of Assets	Holding Value \$	7-day Yield	1 Yr Ret %	3 Yr Ret %	5 Yr Ret %	10 Yr Ret %
Fidelity Freedom® 2030 (USD)	FFEX	MF	07-2016	20.00	20,000	—	7.41	7.22	8.17	4.94
PIMCO Total Return A (USD)	PTTAX	MF	06-2016	20.00	20,000	—	4.39	3.58	3.34	5.58
American Funds American Balanced A (USD)	ABALX	MF	06-2016	10.00	10,000	—	10.95	9.41	11.00	7.02
American Funds Tax-Exempt Bond A (USD)	AFTEX	MF	06-2016	10.00	10,000	—	6.59	6.57	5.29	4.54
Franklin Mutual Global Discovery A (USD)	TEDIX	MF	06-2016	10.00	10,000	—	3.98	5.45	8.99	5.80
International Business Machines Corp (USD)	IBM	ST	—	10.00	10,000	—	11.48	-1.60	0.91	9.25
SPDR® S&P 500 ETF (USD)	SPY	ETF	09-2016	10.00	10,000	—	12.38	12.17	14.56	7.43
Vanguard Small Cap Index Inv (USD)	NAESX	MF	08-2016	10.00	10,000	—	9.23	9.65	13.78	8.33

Performance Disclosure

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See Disclosure Page for Standardized Returns.

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American Funds American Balanced A (USD)

Morningstar Analyst Rating™ **Overall Morningstar Rating™** **Standard Index** **Category Index** **Morningstar Cat**
Silver **★★★★** Morningstar Mod Morningstar Mod US OE Allocation--
 05-10-2016 829 US OE Allocation--50% Tgt Risk TR USD Tgt Risk TR USD 50% to 70% Equity

Performance 08-31-2016					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2014	1.49	3.35	0.61	3.14	8.85
2015	0.77	-0.37	-3.55	5.04	1.72
2016	1.77	3.09	—	—	6.70
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	4.57	7.27	9.69	6.38	10.53
Std 06-30-2016	0.18	—	8.47	6.47	10.53
Total Return	10.95	9.41	11.00	7.02	10.69
+/- Std Index	2.72	3.26	3.71	1.20	—
+/- Cat Index	2.72	3.26	3.71	1.20	—
% Rank Cat	3	3	3	8	—
No. in Cat	933	829	718	491	—

	Subsidized	Unsubsidized
7-day Yield	—	—
30-day SEC Yield	—	—

Performance Disclosure
 The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

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Fees and Expenses	
Sales Charges	
Front-End Load %	5.75
Deferred Load %	NA

Fund Expenses	
Management Fees %	0.23
12b1 Expense %	0.24
Gross Expense Ratio %	0.58

Risk and Return Profile			
	3 Yr	5 Yr	10 Yr
	829 funds	718 funds	491 funds
Morningstar Rating™	4★	4★	4★
Morningstar Risk	Avg	Avg	Avg
Morningstar Return	+Avg	+Avg	+Avg

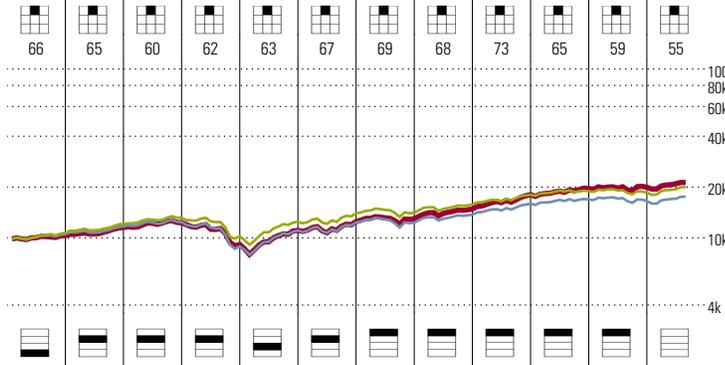
	3 Yr	5 Yr	10 Yr
Standard Deviation	7.42	8.16	10.43
Mean	9.41	11.00	7.02
Sharpe Ratio	1.24	1.31	0.62

MPT Statistics	Standard Index	Best Fit Index Morningstar US Large Cap TR USD
Alpha	2.95	1.25
Beta	1.02	0.66
R-Squared	88.62	94.67

12-Month Yield	—
Potential Cap Gains Exp	24.03%

Operations

Family:	American Funds
Manager:	Multiple
Tenure:	19.7 Years
Objective:	Balanced
Base Currency:	USD



Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	08-16
NAV/Price	17.82	19.02	19.31	13.78	16.21	17.93	18.21	20.40	24.42	24.75	23.83	25.06
Total Return %	3.12	11.81	6.60	-25.73	21.08	13.02	3.82	14.19	21.73	8.85	1.72	6.70
+/- Standard Index	-3.93	-1.15	-2.04	-3.54	-0.69	0.68	3.23	2.15	7.42	3.96	3.52	-1.05
+/- Category Index	-3.93	-1.15	-2.04	-3.54	-0.69	0.68	3.23	2.15	7.42	3.96	3.52	-1.05
% Rank Cat	79	36	41	28	70	30	8	13	7	19	4	—
No. of Funds in Cat	985	1041	1103	1206	1177	1074	963	936	877	866	940	946

Portfolio Analysis 06-30-2016

Asset Allocation %	Net %	Long %	Short %	Share Chg since 03-2016	Share Amount	Holdings:	% Net Assets
Cash	7.22	7.22	0.00			122 Total Stocks , 1,363 Total Fixed-Income, 82% Turnover Ratio	
US Stocks	50.93	50.93	0.00			Microsoft Corp	2.93
Non-US Stocks	4.48	4.48	0.00		51 mil	Philip Morris International Inc	2.29
Bonds	34.91	34.91	0.00		20 mil	Comcast Corp Class A	2.19
Other/Not Clsfd	2.46	2.46	0.00		3 mil	Amazon.com Inc	2.04
Total	100.00	100.00	0.00		8,110	Berkshire Hathaway Inc A	1.96

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
Value Blend Growth	P/E Ratio TTM	21.3	1.21	1.09
	P/C Ratio TTM	13.3	1.40	1.15
	P/B Ratio TTM	2.7	1.31	1.13
	Geo Avg Mkt Cap \$mil	103899	3.96	2.12

Fixed-Income Style	Avg Eff Maturity	Avg Eff Duration	Avg Wtd Coupon	Avg Wtd Price
Ltd Mod Ext	—	5.90	—	104.74

Credit Quality Breakdown 06-30-2016		Bond %
AAA		70.57
AA		4.55
A		13.64
BBB		11.00
BB		0.00
B		0.00
Below B		0.00
NR		0.24

Regional Exposure	Stock %	Rel Std Index
Americas	92.5	1.33
Greater Europe	6.4	0.45
Greater Asia	1.1	0.07

13 mil	The Home Depot Inc	1.92
35 mil	Coca-Cola Co	1.78
10 mil	UnitedHealth Group Inc	1.55
20 mil	E.I. du Pont de Nemours & Co	1.44
1,213 mil	US Treasury Note 1.375%	1.38
21 mil	Merck & Co Inc	1.36
19 mil	JPMorgan Chase & Co	1.33
5 mil	Lockheed Martin Corp	1.31
9 mil	Boeing Co	1.28
23 mil	Wells Fargo & Co	1.21

Sector Weightings	Stocks %	Rel Std Index
Cyclical	33.1	0.85
Basic Materials	5.6	1.06
Consumer Cyclical	12.2	1.07
Financial Services	15.0	0.93
Real Estate	0.3	0.05
Sensitive	39.1	1.06
Communication Services	5.2	1.23
Energy	10.1	1.51
Industrials	9.3	0.82
Technology	14.4	1.00
Defensive	27.8	1.15
Consumer Defensive	14.5	1.57
Healthcare	12.7	1.17
Utilities	0.7	0.16

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American Funds Tax-Exempt Bond A (USD)

Morningstar Analyst Rating™ Overall Morningstar Rating™ **Standard Index** **Category Index** **Morningstar Cat**
Bronze ★★★★★ Barclays Barclays Municipal US OE Muni National
 06-13-2016 308 US OE Muni National Municipal TR USD 10 Yr 8-12 TR USD Intern

Performance 08-31-2016					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2014	3.59	2.70	1.62	1.44	9.67
2015	1.02	-0.88	1.45	1.50	3.12
2016	1.55	2.67	—	—	4.40
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	2.59	5.22	4.48	4.14	6.55
Std 06-30-2016	3.33	—	4.94	4.39	6.58
Total Return	6.59	6.57	5.29	4.54	6.67
+/- Std Index	-0.29	0.10	0.48	-0.34	—
+/- Cat Index	-0.75	0.09	0.42	-0.83	—
% Rank Cat	27	14	13	14	
No. in Cat	339	308	268	177	

	Subsidized	Unsubsidized
7-day Yield	—	—
30-day SEC Yield	—	—

Performance Disclosure
 The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.
 The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost.
 Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-421-4225 or visit www.americanfunds.com.

Fees and Expenses

Sales Charges

Front-End Load % **3.75**

Deferred Load % **NA**

Fund Expenses

Management Fees % 0.24

12b1 Expense % 0.25

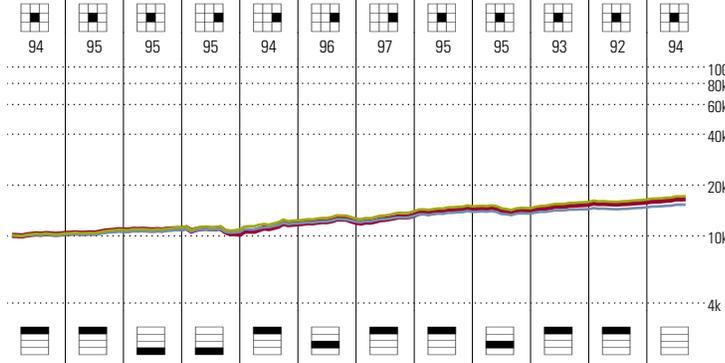
Gross Expense Ratio % **0.54**

Risk and Return Profile

	3 Yr	5 Yr	10 Yr
Morningstar Rating™	4★	4★	4★
Morningstar Risk	Avg	+Avg	+Avg
Morningstar Return	+Avg	+Avg	+Avg

	3 Yr	5 Yr	10 Yr
Standard Deviation	2.37	3.43	4.57
Mean	6.57	5.29	4.54
Sharpe Ratio	2.67	1.50	0.79

MPT Statistics	Standard Index	Best Fit Index
	Barclays Municipal	California Exempt
	TR	TR
Alpha	0.34	0.04
Beta	0.96	0.92
R-Squared	97.59	97.68
12-Month Yield	—	—
Potential Cap Gains Exp	—	6.57%



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	08-16	History
NAV/Price	12.45	12.53	12.24	10.89	12.04	11.82	12.52	13.16	12.37	13.11	13.09	13.39	NAV/Price
Total Return %	3.35	4.76	1.72	-7.09	15.24	2.08	10.22	8.91	-2.73	9.67	3.12	4.40	Total Return %
+/- Standard Index	-0.17	-0.08	-1.64	-4.62	2.33	-0.30	-0.48	2.13	-0.17	0.61	-0.19	-0.14	+/- Standard Index
+/- Category Index	0.61	0.05	-2.57	-8.61	5.39	-1.97	-2.10	3.21	-0.56	0.95	-0.64	-0.26	+/- Category Index
% Rank Cat	5	7	83	87	13	58	19	9	66	11	18	—	% Rank Cat
No. of Funds in Cat	247	261	269	258	246	245	251	272	284	311	327	342	No. of Funds in Cat

Portfolio Analysis 06-30-2016

Asset Allocation %	Net %	Long %	Short %	Share Chg since 03-2016	Share Amount	Holdings:	% Net Assets
Cash	5.75	5.75	0.00			0 Total Stocks, 3,362 Total Fixed-Income, 14% Turnover Ratio	
US Stocks	0.00	0.00	0.00				
Non-US Stocks	0.00	0.00	0.00	⊕	103 mil	Buckeye Ohio Tob Settlement Fi To	0.76
Bonds	94.25	94.25	0.00	⊗	60 mil	Los Angeles Cnty Calif Trans 3%	0.45
Other/Not Clsfd	0.00	0.00	0.00		53 mil	Wisconsin St Gen Fd Annual App Gen	0.44
Total	100.00	100.00	0.00		60 mil	Washington St Health Care Facs Rev	0.44
					59 mil	Tobacco Settlement Fing Corp N Ass	0.42
					52 mil	Michigan Tob Settlement Fin Au Tob	0.39
					34 mil	Illinois St Toll Hwy Auth 5%	0.30
				⊖	38 mil	Buckeye Ohio Tob Settlement Fi Tob	0.29
					33 mil	Grand Parkway Transn Corp Tex Toll	0.28
					30 mil	Houston Tex Util Sys Rev For I Com	0.28
				⊗	33 mil	Black Belt Engy Gas Dist 4%	0.27
					27 mil	Orlando & Orange Cnty Expwy Au Rev	0.24
				⊕	28 mil	Chicago Ill Tran Auth 5.25%	0.24
					28 mil	Illinois Fin Auth 6.875%	0.24
				⊕	27 mil	Illinois Fin Auth 5%	0.24

Equity Style

Value	Blend	Growth
Large		
Mid		
Small		

Portfolio Statistics

	Port Avg	Rel Index	Rel Cat
P/E Ratio TTM	—	—	—
P/C Ratio TTM	—	—	—
P/B Ratio TTM	—	—	—
Geo Avg Mkt Cap \$mil	—	—	—

Fixed-Income Style

Ltd	Mod	Ext
High		
Mid		
Low		

Portfolio Statistics

	Port Avg	Rel Index	Rel Cat
Avg Eff Maturity	—	—	—
Avg Eff Duration	—	5.60	—
Avg Wtd Coupon	—	—	—
Avg Wtd Price	—	113.46	—

Credit Quality Breakdown 06-30-2016

	Bond %
AAA	13.30
AA	36.20
A	28.60
BBB	12.70
BB	0.90
B	2.80
Below B	0.10
NR	5.40

Regional Exposure

	Stock %	Rel Std Index
Americas	—	—
Greater Europe	—	—
Greater Asia	—	—

Sector Weightings

	Stocks %	Rel Std Index
Cyclical	—	—
Basic Materials	—	—
Consumer Cyclical	—	—
Financial Services	—	—
Real Estate	—	—
Sensitive	—	—
Communication Services	—	—
Energy	—	—
Industrials	—	—
Technology	—	—
Defensive	—	—
Consumer Defensive	—	—
Healthcare	—	—
Utilities	—	—

Operations

Family:	American Funds	Base Currency:	USD	Purchase Constraints:	—
Manager:	Multiple	Ticker:	AFTEX	Incept:	10-03-1979
Tenure:	36.9 Years	Minimum Initial Purchase:	\$250	Type:	MF
Objective:	Municipal Bond - National	Min Auto Investment Plan:	\$50	Total Assets:	\$13,755.90 mil

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Fidelity Freedom® 2030 (USD)

Morningstar Analyst Rating™ Overall Morningstar Rating™ **Standard Index** **Category Index** **Morningstar Cat**
Bronze ★★★ Morningstar Mod Morningstar US OE Target-Date
 02-03-2016 199 US OE Target-Date 2030 Tgt Risk TR USD Lifetime Mod 2030 2030
 TR USD

Performance 08-31-2016					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2014	1.04	4.19	-1.57	1.98	5.67
2015	3.04	0.65	-7.59	4.17	-0.16
2016	-0.07	1.82	—	—	6.39
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	7.41	7.22	8.17	4.94	6.59
Std 06-30-2016	-2.05	—	5.97	4.64	6.41
Total Return	7.41	7.22	8.17	4.94	6.59
+/- Std Index	-0.82	1.08	0.89	-0.87	—
+/- Cat Index	-1.21	0.00	-0.72	-1.16	—
% Rank Cat	41	21	44	34	—
No. in Cat	239	199	162	73	—

	Subsidized	Unsubsidized
7-day Yield	—	—
30-day SEC Yield	—	—

Performance Disclosure
 The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

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Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-544-8544 or visit www.advisor.fidelity.com.

Fees and Expenses	
Sales Charges	
Front-End Load %	NA
Deferred Load %	NA

Fund Expenses	
Management Fees %	NA
12b1 Expense %	NA
Gross Expense Ratio %	0.75

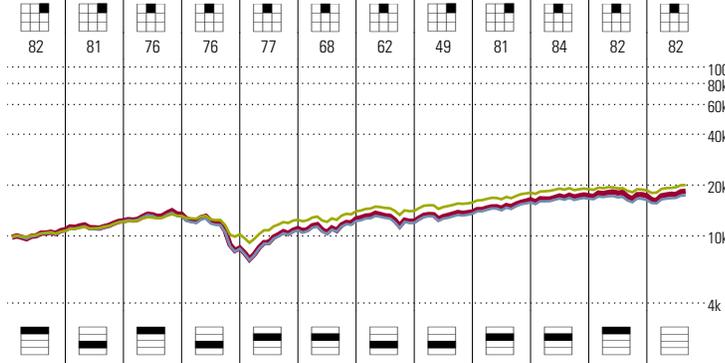
Risk and Return Profile			
	3 Yr	5 Yr	10 Yr
	199 funds	162 funds	73 funds
Morningstar Rating™	3★	3★	3★
Morningstar Risk	High	+Avg	Avg
Morningstar Return	+Avg	Avg	Avg

	3 Yr	5 Yr	10 Yr
Standard Deviation	9.62	10.21	13.94
Mean	7.22	8.17	4.94
Sharpe Ratio	0.76	0.81	0.36

MPT Statistics	Standard Index	Best Fit Index
		Morningstar Agg Tgt
		Risk TR USD
Alpha	-1.01	0.49
Beta	1.37	0.88
R-Squared	94.26	97.63

12-Month Yield	—
Potential Cap Gains Exp	10.79%

Operations	
Family:	Fidelity Investments
Manager:	Multiple
Tenure:	5.3 Years
Objective:	Asset Allocation



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	08-16
15.02	16.03	16.52	9.76	12.39	13.77	12.84	14.23	16.30	16.13	15.21	15.82	NAV/Price
8.86	12.90	9.27	-36.93	30.57	14.04	-3.15	13.47	18.13	5.67	-0.16	6.39	Total Return %
1.82	-0.06	0.64	-14.74	8.80	1.71	-3.74	1.43	3.82	0.78	1.63	-1.36	+/- Standard Index
-1.47	-4.75	-0.44	-3.23	0.95	-2.00	-1.92	-1.21	-1.51	-0.34	2.13	-1.85	+/- Category Index
1	66	14	60	31	40	64	55	48	33	9	—	% Rank Cat
58	87	130	169	200	200	205	208	222	228	237	253	No. of Funds in Cat

Portfolio Analysis 07-31-2016

Asset Allocation %	Net %	Long %	Short %	Share Chg since 06-2016	Share Amount	Holdings:	% Net Assets
Cash	3.78	3.84	0.06			2,420 Total Stocks, 2,290 Total Fixed-Income, 16% Turnover Ratio	
US Stocks	53.34	53.34	0.00				
Non-US Stocks	28.46	28.48	0.01	⊖	89 mil	Fidelity® Series Investment Grade	9.86
Bonds	13.77	13.77	0.00	⊖	59 mil	Fidelity® Series Emerging Markets	9.06
Other/Not Clsfd	0.64	0.64	0.00	⊖	74 mil	Fidelity® Series Equity-Income	8.56
Total	100.00	100.07	0.07	⊖	61 mil	Fidelity® Series International Gro	8.16
				⊖	91 mil	Fidelity® Series International Val	8.07
				⊖	61 mil	Fidelity® Series Growth Company	7.69
				⊖	51 mil	Fidelity® Series Growth & Income	6.44
				⊖	49 mil	Fidelity® Series All-Sector Equity	6.22
				⊖	50 mil	Fidelity® Series Stk Selec Lg Cp V	5.62
				⊕	36 mil	Fidelity® Series Intrinsic Opps	5.02
				⊖	40 mil	Fidelity® Series Blue Chip Growth	4.37
				⊖	29 mil	Fidelity® Series Opportunistic Ins	4.17
				⊖	28 mil	Fidelity® Series Small Cap Opps	3.40
				⊖	34 mil	Fidelity® Series High Income	3.00
				⊖	15 mil	Fidelity® Series 100 Index	1.98

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
Value Blend Growth	P/E Ratio TTM	17.9	1.01	0.96
	P/C Ratio TTM	10.6	1.11	1.00
	P/B Ratio TTM	2.2	1.07	0.97
	Geo Avg Mkt Cap \$mil	29924	1.14	0.79

Fixed-Income Style	Avg Eff Maturity	Avg Eff Duration	Avg Wtd Coupon	Avg Wtd Price
Ltd Mod Ext	—	4.87	—	102.10
High Med Low				

Credit Quality Breakdown 05-31-2016		Bond %
AAA		38.52
AA		1.77
A		14.95
BBB		18.31
BB		10.47
B		10.89
Below B		4.30
NR		0.79

Regional Exposure	Stock %	Rel Std Index
Americas	68.3	0.98
Greater Europe	17.2	1.21
Greater Asia	14.4	0.88

Sector Weightings	Stocks %	Rel Std Index
Cyclical	36.6	0.93
Basic Materials	3.6	0.68
Consumer Cyclical	13.4	1.18
Financial Services	16.4	1.01
Real Estate	3.1	0.50
Sensitive	37.4	1.02
Communication Services	3.5	0.82
Energy	6.6	0.99
Industrials	9.5	0.84
Technology	17.7	1.23
Defensive	26.1	1.08
Consumer Defensive	10.0	1.08
Healthcare	13.6	1.25
Utilities	2.5	0.62

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Franklin Mutual Global Discovery A (USD)

Morningstar Analyst Rating™ Overall Morningstar Rating™ **Standard Index** **Category Index** **Morningstar Cat**
Silver **★★★★** MSCI ACWI Ex MSCI ACWI NR US OE World Stock
 04-14-2016 942 US OE World Stock USA NR USD USD

Performance 08-31-2016					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2014	2.11	3.95	-1.98	0.93	5.01
2015	3.14	-0.47	-9.56	3.80	-3.63
2016	-1.49	1.69	—	—	5.16
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	-2.00	3.39	7.71	5.18	8.90
Std 06-30-2016	-11.36	—	4.61	5.04	8.71
Total Return	3.98	5.45	8.99	5.80	9.23
+/- Std Index	1.06	3.42	5.68	3.76	—
+/- Cat Index	-3.27	-1.28	0.67	1.41	—
% Rank Cat	65	66	40	23	—
No. in Cat	1126	942	735	424	—

	Subsidized	Unsubsidized
7-day Yield	—	—
30-day SEC Yield	—	—

Performance Disclosure
 The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

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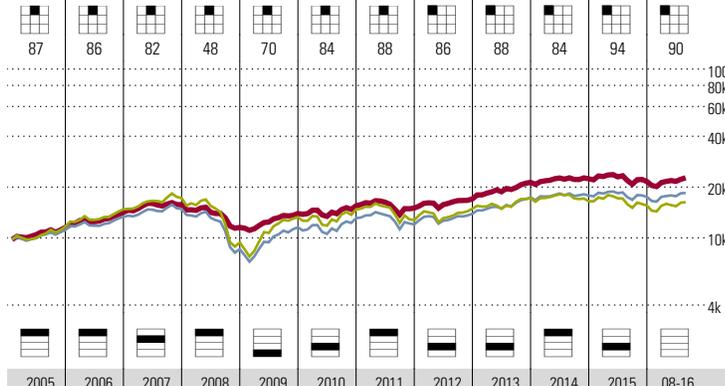
Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-342-5236 or visit www.franklintempleton.com.

Fees and Expenses	
Sales Charges	
Front-End Load %	5.75
Deferred Load %	NA

Fund Expenses	
Management Fees %	0.80
12b1 Expense %	0.25
Gross Expense Ratio %	1.24

Risk and Return Profile			
	3 Yr	5 Yr	10 Yr
Morningstar Rating™	2★	3★	5★
Morningstar Risk	-Avg	Low	Low
Morningstar Return	-Avg	Avg	+Avg
	3 Yr	5 Yr	10 Yr
Standard Deviation	10.19	10.80	11.36
Mean	5.45	8.99	5.80
Sharpe Ratio	0.56	0.85	0.48

MPT Statistics	Standard Index	Best Fit Index
	MSCI ACWI NR	MSCI ACWI NR
	USD	USD
Alpha	3.79	-0.23
Beta	0.70	0.84
R-Squared	83.03	92.26
12-Month Yield	—	—
Potential Cap Gains Exp	—	15.64%



Investment Style	
Equity	
Stock %	
Growth of \$10,000	
Franklin Mutual Global Discovery A	22,694
Category Average	18,438
Standard Index	16,260
Performance Quartile (within category)	
History	
NAV/Price	
Total Return %	
+/- Standard Index	
+/- Category Index	
% Rank Cat	
No. of Funds in Cat	

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	08-16
26.04	30.15	32.09	22.30	26.72	29.19	27.14	28.27	33.24	32.81	28.86	30.35	
15.29	23.02	10.96	-26.73	20.89	11.08	-2.99	13.34	25.26	5.01	-3.63	5.16	
-1.33	-3.64	-5.69	18.79	-20.56	-0.07	10.71	-3.49	9.98	8.87	2.03	0.63	
4.46	2.06	-0.70	15.46	-13.73	-1.59	4.35	-2.79	2.46	0.85	-1.26	-0.78	
22	19	45	2	92	65	20	73	51	24	72	—	
438	491	581	647	755	865	893	936	1040	1158	1208	1163	

Portfolio Analysis 06-30-2016									
Asset Allocation %	Net %	Long %	Short %	Share Chg since 03-2016	Share Amount	Holdings:	% Net Assets		
Cash	3.82	4.54	0.72			110 Total Stocks, 29 Total Fixed-Income, 22% Turnover Ratio			
US Stocks	51.03	51.62	0.59						
Non-US Stocks	39.79	39.79	0.00	⊖	10 mil	Microsoft Corp	2.45		
Bonds	2.84	2.84	0.00	⊖	9 mil	Merck & Co Inc	2.40		
Other/Not Clsfd	2.52	2.65	0.13	⊖	5 mil	Medtronic PLC	2.16		
Total	100.00	101.45	1.45	⊖	15 mil	Royal Dutch Shell PLC Class A	1.99		
				⊖	5 mil	Novartis AG ADR	1.88		
				⊖	6 mil	British American Tobacco PLC	1.79		
				⊖	3 mil	Chubb Ltd	1.76		
				⊖	4 mil	Eli Lilly and Co	1.67		
				⊖	3 mil	Stryker Corp	1.55		
				⊖	7 mil	Wells Fargo & Co	1.51		
				⊖	11 mil	NN Group NV	1.47		
				⊕	15 mil	Symantec Corp	1.42		
				⊖	16 mil	RELX PLC	1.41		
				⊖	80 mil	Koninklijke KPN NV	1.36		
				⊖	5 mil	JPMorgan Chase & Co	1.35		

Equity Style			Portfolio Statistics			
Value	Blend	Growth	Port Avg	Rel Index	Rel Cat	
Large	Mid	Small	P/E Ratio TTM	16.1	1.01	0.83
			P/C Ratio TTM	8.5	1.05	0.71
			P/B Ratio TTM	1.3	0.86	0.60
			Geo Avg Mkt Cap \$mil	41148	1.43	0.93

Fixed-Income Style		
Ltd	Mod	Ext
		High
		Mid
		Low

Credit Quality Breakdown		Bond %
AAA		—
AA		—
A		—
BBB		—
BB		—
B		—
Below B		—
NR		—

Regional Exposure		Stock %	Rel Std Index
Americas		57.1	5.40
Greater Europe		36.5	0.76
Greater Asia		6.4	0.15

Sector Weightings			Stocks %	Rel Std Index
Cyclical			39.1	0.88
Basic Materials			2.7	0.34
Consumer Cyclical			12.3	1.09
Financial Services			24.1	1.12
Real Estate			0.0	0.00
Sensitive			34.5	1.06
Communication Services			7.0	1.32
Energy			7.6	1.19
Industrials			5.3	0.50
Technology			14.6	1.42
Defensive			26.4	1.15
Consumer Defensive			9.7	0.87
Healthcare			15.0	1.75
Utilities			1.7	0.52

Operations		Incept:	
Family:	Franklin Templeton Investments	Ticker:	TEDIX
Manager:	Multiple	Minimum Initial Purchase:	\$1,000
Tenure:	6.8 Years	Min Auto Investment Plan:	\$50
Objective:	World Stock	Minimum IRA Purchase:	\$250
Base Currency:	USD	Purchase Constraints:	—
		Type:	MF
		Total Assets:	\$22,102.20 mil

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International Business Machines Corp(USD) IBM

International Business Machines Corp is an IT products and services company. It offers consulting and IT implementation services, cloud and cognitive offerings, and enterprise systems and software.

Last Close \$ \$158.11
Sales \$Mil \$80,261
Mkt Cap \$Mil \$151,129
Industry Information Technology Services
Currency USD

1 New Orchard Road
 Armonk, NY 10504
 Phone: +1 914 499-1900
 Website: <http://www.ibm.com>

Growth Rates Compound Annual

Grade: C	1 Yr	3 Yr	5 Yr	10 Yr
Revenue %	-11.9	-7.4	-3.9	-1.1
Operating Income %	-15.3	-9.4	-2.9	5.3
Earnings/Share %	-12.8	-2.6	3.4	10.7
Dividends %	17.7	14.9	14.9	20.4
Book Value/Share %	23.3	-4.4	-4.7	-3.5
Stock Total Return	14.8	-2.7	0.0	8.8
+/- Industry	1.6	-9.0	-8.2	-0.6
+/- Market	-1.9	-13.3	-15.6	1.6

Profitability Analysis

Grade: A	Current	5 Yr Avg	Ind	Mkt
Return on Equity %	81.1	81.6	32.2	21.3
Return on Assets %	10.3	12.6	9.3	6.8
Revenue/Employee \$K	194.9	220.5	—	858.0
Fixed Asset Turns	7.4	7.4	10.3	7.0
Inventory Turns	22.8	21.8*	17.8	9.1
Gross Margin %	48.9	49.0	36.1	44.3
Operating Margin %	16.3	19.9	13.0	17.3
Net Margin %	14.9	15.4	10.1	13.1
Free Cash Flow/Rev %	17.9	14.3	35.2	16.2
R&D/Rev %	6.4	6.1	2.6	—

Financial Position (USD)

Grade: B	12-15 \$Mil	06-16 \$Mil
Cash	7686	10017
Inventories	1551	1685
Receivables	28554	26547
Current Assets	42504	43524
Fixed Assets	10727	11092
Intangibles	35507	41570
Total Assets	110495	118056
Payables	8875	7759
Short-Term Debt	6461	4887
Current Liabilities	34269	33584
Long-Term Debt	33428	39638
Total Liabilities	96233	102323
Total Equity	14262	15733

Valuation Analysis

	Current	5 Yr Avg	Ind	Mkt
Price/Earnings	12.9	12.9	17.1	19.8
Forward P/E	11.1	—	—	16.9
Price/Cash Flow	8.2	11.0	3.6	12.3
Price/Free Cash Flow	10.7	14.5	4.7	42.2
Dividend Yield %	3.4	2.3	1.9	2.3
Price/Book	9.6	10.7	5.5	2.8
Price/Sales	1.9	2.0	1.7	3.7
PEG Ratio	2.1	—	—	2.5

*3Yr Avg data is displayed in place of 5 Yr Avg

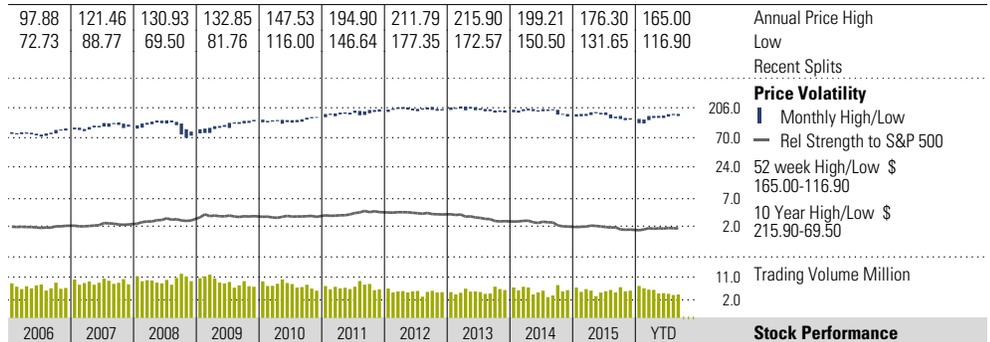
Morningstar Rating

★★★
 As of 09-29-2016

Fair Value
Uncertainty
 High

Fair Value \$145.00
Economic Moat Narrow

Style Large Value
Sector Technology



2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	YTD	Stock Performance
97.88	121.46	130.93	132.85	147.53	194.90	211.79	215.90	199.21	176.30	165.00	Annual Price High
72.73	88.77	69.50	81.76	116.00	146.64	177.35	172.57	150.50	131.65	116.90	Low
											Recent Splits
											Price Volatility
											Monthly High/Low
											Rel Strength to S&P 500
											52 week High/Low \$
											165.00-116.90
											10 Year High/Low \$
											215.90-69.50
											Trading Volume Million
											11.0
											2.0

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	TTM	Financials (USD)
19.5	12.8	-20.4	58.1	14.0	27.3	6.0	-0.1	-12.2	-11.1	17.9	Total Return %
3.7	7.3	16.6	31.6	-1.0	25.2	-10.0	-32.5	-25.9	-12.5	10.9	+/- Market
-4.4	13.4	10.1	-11.4	-8.6	27.4	-2.2	-19.3	-11.8	-13.5	7.8	+/- Industry
1.1	1.4	2.3	1.6	1.7	1.6	1.7	2.0	2.7	3.6	3.4	Dividend Yield %
146262	149646	112699	170869	180220	213886	214032	197772	158920	132904	151129	Market Cap \$Mil
91424	98786	103630	95758	99871	106916	102874	98367	92793	81741	80261	Revenue \$Mil
41.9	42.2	44.1	45.7	46.1	46.9	49.0	49.5	50.0	49.8	48.9	Gross Margin %
11929	13516	15938	17012	18151	20286	21082	20312	18532	15689	13090	Oper Income \$Mil
13.1	13.7	15.4	17.8	18.2	19.0	20.5	20.7	20.0	19.2	16.3	Operating Margin %
9492	10418	12334	13425	14833	15855	16604	16483	12022	13190	11931	Net Income \$Mil
6.06	7.18	8.93	10.01	11.52	13.06	14.37	14.94	15.59	13.60	12.27	Earnings Per Share \$
1.10	1.50	1.90	2.15	2.50	2.90	3.30	3.70	4.25	5.00	5.30	Dividends \$
1554	1451	1382	1341	1287	1214	1155	1103	1010	983	969	Shares Mil
22.75	20.57	10.06	17.34	18.77	19.16	16.88	18.85	14.39	13.77	16.46	Book Value Per Share \$
15019	16094	18812	20773	19549	19846	19586	17485	16868	17008	18603	Oper Cash Flow \$Mil
-5166	-5505	-4887	-4077	-4754	-4667	-4717	-4140	-4183	-4151	-4260	Cap Spending \$Mil
9853	10589	13925	16696	14795	15179	14869	13345	12685	12857	14343	Free Cash Flow \$Mil

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	TTM	Profitability
9.1	9.3	10.7	12.3	13.3	13.8	14.1	13.4	9.9	11.6	10.3	Return on Assets %
30.8	36.6	58.8	74.4	64.9	73.4	85.2	79.2	69.4	101.0	81.1	Return on Equity %
0.87	0.88	0.90	0.88	0.90	0.93	0.87	0.80	0.76	0.72	0.70	Asset Turnover
10.4	10.6	11.9	14.0	14.9	14.8	16.1	16.8	13.0	16.1	14.9	Net Margin %
3.6	4.2	8.1	4.8	4.9	5.8	6.3	5.5	9.9	7.7	7.5	Financial Leverage

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	06-16	Financial Health (USD)
13780	23039	22689	21932	21846	22857	24088	32856	34991	33428	39638	Long-Term Debt \$Mil
28506	28470	13465	22637	23046	20138	18860	22792	11868	14262	15733	Total Equity \$Mil
0.48	0.81	1.69	0.97	0.95	1.14	1.28	1.44	2.95	2.34	2.52	Debt/Equity
4569	8867	6569	12933	7554	8805	5808	11196	7796	8235	9940	Working Capital \$Mil

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	TTM	Valuation
16.8	15.1	9.4	13.1	12.7	14.6	13.3	13.1	10.4	9.5	12.9	Price/Earnings
—	0.0	0.0	0.0	0.0	—	0.0	0.0	0.0	0.0	0.7	P/E vs. Market
1.7	1.6	1.1	1.8	1.9	2.1	2.1	2.1	1.7	1.6	1.9	Price/Sales
4.3	5.3	8.4	7.5	7.8	9.6	11.4	10.0	11.1	10.0	9.6	Price/Book
10.1	9.7	6.2	8.5	9.7	11.6	11.3	12.1	9.5	7.6	8.2	Price/Cash Flow

Quarterly Results (USD)

	Sep	Dec	Mar	Jun
Revenue \$Mil				
Most Recent	19280.0	22059.0	18684.0	20238.0
Previous	22397.0	24113.0	19590.0	20813.0
Rev Growth %				
Most Recent	-13.9	-8.5	-4.6	-2.8
Previous	-4.0	-12.0	-11.9	-13.5
Earnings Per Share \$				
Most Recent	3.02	4.57	2.09	2.61
Previous	3.46	5.50	2.44	3.58

Close Competitors

	Mkt Cap \$Mil	Rev \$Mil	P/E	ROE%
Oracle Corp	160610	37194	18.8	19.0
Cisco Systems Inc	157401	49247	14.9	17.4

Major Fund Holders

	% of shares
Vanguard Total Stock Mkt Idx	1.84
Vanguard 500 Index Inv	1.25
Vanguard Institutional Index I	1.02

PIMCO Total Return A (USD)

Morningstar Analyst Rating™ **Overall Morningstar Rating™** **Standard Index** **Category Index** **Morningstar Cat**
Bronze **★★★** **Barclays US Agg** **Barclays US Agg** **US OE Intermediate-**
 05-19-2016 **956 US OE Intermediate-Term** **Bond TR USD** **Bond TR USD** **Term Bond**

Performance 08-31-2016					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2014	1.20	2.27	-0.46	1.22	4.29
2015	2.12	-1.93	-0.18	0.38	0.34
2016	1.70	1.97	—	—	4.52
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	0.48	2.27	2.55	5.18	5.82
Std 06-30-2016	0.01	—	2.52	5.41	5.83
Total Return	4.39	3.58	3.34	5.58	6.03
+/- Std Index	-1.57	-0.79	0.10	0.70	—
+/- Cat Index	-1.57	-0.79	0.10	0.70	—
% Rank Cat	83	76	56	13	
No. in Cat	1070	956	846	603	

	Subsidized	Unsubsidized
7-day Yield	—	—
30-day SEC Yield	—	—

Performance Disclosure
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Fees and Expenses

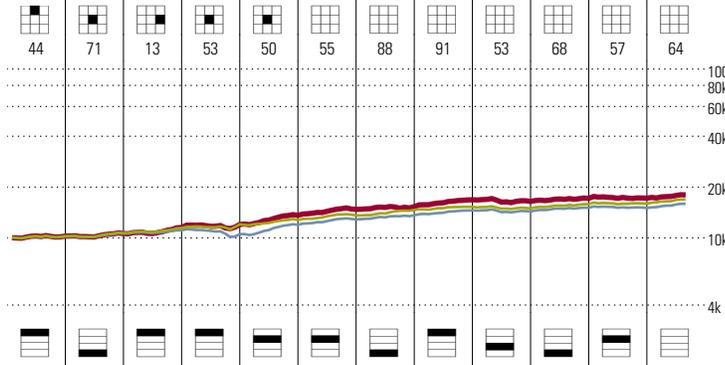
Sales Charges	Front-End Load %	Deferred Load %
	3.75	NA
Fund Expenses		
Management Fees %	0.60	
12b1 Expense %	0.25	
Gross Expense Ratio %	0.86	

Risk and Return Profile

	3 Yr	5 Yr	10 Yr
	956 funds	846 funds	603 funds
Morningstar Rating™	1★	2★	4★
Morningstar Risk	+Avg	High	Avg
Morningstar Return	Low	-Avg	+Avg

	3 Yr	5 Yr	10 Yr
Standard Deviation	3.13	3.62	3.96
Mean	3.58	3.34	5.58
Sharpe Ratio	1.11	0.90	1.17

MPT Statistics	Standard Index	Best Fit Index
		Barclays US Agg
		Bond TR USD
Alpha	-0.84	-0.84
Beta	1.02	1.02
R-Squared	72.97	72.97
12-Month Yield	—	—
Potential Cap Gains Exp	—	2.57%



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	08-16
NAV/Price	10.50	10.38	10.69	10.14	10.80	10.85	10.87	11.24	10.69	10.66	10.07	10.34
Total Return %	2.41	3.51	8.57	4.32	13.33	8.36	3.74	9.93	-2.30	4.29	0.34	4.52
+/- Standard Index	-0.02	-0.83	1.60	-0.92	7.40	1.81	-4.10	5.72	-0.28	-1.68	-0.21	-1.33
+/- Category Index	-0.02	-0.83	1.60	-0.92	7.40	1.81	-4.10	5.72	-0.28	-1.68	-0.21	-1.33
% Rank Cat	19	76	2	14	48	31	89	15	74	80	30	—
No. of Funds in Cat	1043	1092	1097	1135	1123	1164	1195	1165	1079	1038	1042	1086

Portfolio Analysis 06-30-2016

Asset Allocation %	Net %	Long %	Short %	Share Chg since 03-2016	Share Amount	Holdings:	% Net Assets
Cash	-27.34	96.09	123.43			0 Total Stocks, 7,121 Total Fixed-Income, 478% Turnover Ratio	
US Stocks	0.00	0.00	0.00	★	16,321 mil	Fin Fut Us 5yr Cbt 09/30/16	23.01
Non-US Stocks	0.00	0.00	0.00	★	8,608 mil	Fin Fut Us 10yr Cbt 09/21/16	13.21
Bonds	120.96	180.66	59.70	★	9,407 mil	Irs Usd 2.75000 12/16/15-30y Cme	-13.14
Other/Not Clsfd	6.38	6.49	0.11	★	6,260 mil	FNMA	7.75
Total	100.00	283.23	183.23	★	5,000 mil	Irs Usd 1.75000 05/06/16-2y Cme	-5.88

Equity Style

Value	Blend	Growth
Large		
Mid		
Small		

Portfolio Statistics

	Port Avg	Rel Index	Rel Cat
P/E Ratio TTM	—	—	—
P/C Ratio TTM	—	—	—
P/B Ratio TTM	—	—	—
Geo Avg Mkt Cap \$mil	—	—	—

Fixed-Income Style

Ltd	Mod	Ext
High		
Mid		
Low		

Fixed-Income Metrics

	Port Avg	Rel Index	Rel Cat
Avg Eff Maturity	—	9.09	—
Avg Eff Duration	—	5.73	—
Avg Wtd Coupon	—	—	—
Avg Wtd Price	—	—	—

Credit Quality Breakdown

	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR	—

Regional Exposure

	Stock %	Rel Std Index
Americas	—	—
Greater Europe	—	—
Greater Asia	—	—

Investment Style

Fixed-Income
Bond %

Growth of \$10,000

- PIMCO Total Return A: 17,967
- Category Average: 15,914
- Standard Index: 16,863

Performance Quartile (within category)

History

	NAV/Price	Total Return %	+/- Standard Index	+/- Category Index	% Rank Cat	No. of Funds in Cat
2005	10.50	2.41	-0.02	-0.02	19	1043
2006	10.38	3.51	-0.83	-0.83	76	1092
2007	10.69	8.57	1.60	1.60	2	1097
2008	10.14	4.32	-0.92	-0.92	14	1135
2009	10.80	13.33	7.40	7.40	48	1123
2010	10.85	8.36	1.81	-4.10	31	1164
2011	10.87	3.74	-4.10	5.72	89	1195
2012	11.24	9.93	5.72	-0.28	15	1165
2013	10.69	-2.30	-0.28	-1.68	74	1079
2014	10.66	4.29	-1.68	-0.21	80	1038
2015	10.07	0.34	-0.21	-1.33	30	1042
08-16	10.34	4.52	-1.33	-1.33	—	1086

Sector Weightings

	Stocks %	Rel Std Index
Cyclical	—	—
Basic Materials	—	—
Consumer Cyclical	—	—
Financial Services	—	—
Real Estate	—	—
Sensitive	—	—
Communication Services	—	—
Energy	—	—
Industrials	—	—
Technology	—	—
Defensive	—	—
Consumer Defensive	—	—
Healthcare	—	—
Utilities	—	—

Operations

Family:	Pimco	Ticker:	PTTAX	Incept:	01-13-1997
Manager:	Multiple	Minimum Initial Purchase:	\$1,000	Type:	MF
Tenure:	2.0 Years	Min Auto Investment Plan:	\$250	Total Assets:	\$85,798.22 mil
Objective:	Corporate Bond - General	Minimum IRA Purchase:	\$1,000		
Base Currency:	USD	Purchase Constraints:	—		

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SPDR® S&P 500 ETF (USD)

Overall Morningstar Rating™ Standard Index Category Index Morningstar Cat

★★★★
1,395 Large Blend

S&P 500 TR USD

Russell 1000 TR USD

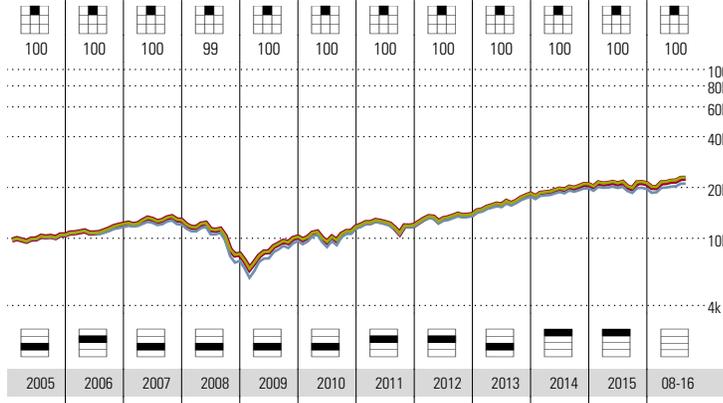
Large Blend

Performance 08-31-2016

Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2014	1.77	5.18	1.10	4.90	13.53
2015	0.92	0.26	-6.42	7.03	1.34
2016	1.29	2.42	—	—	7.70

Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Std Mkt 06-30-16	3.99	—	11.98	7.31	8.92
Std NAV 06-30-16	3.90	—	11.97	7.33	8.96
Mkt Total Ret	12.38	12.17	14.56	7.43	9.02
NAV Total Ret	12.41	12.17	14.55	7.42	9.06
+/- Std Index	-0.15	-0.13	-0.14	-0.09	—
+/- Cat Index	0.71	0.15	-0.05	-0.23	—

% Rank Cat	35	20	27	76
No. in Cat	69	46	39	18



Investment Style
Equity
Stock %

Growth of \$10,000

- SPDR® S&P 500 ETF: 22,663
- Category Average: 21,059
- Standard Index: 22,896

Performance Quartile (within category)

History

Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	08-16
Mkt Total Ret %	4.83	15.85	5.14	-36.81	26.37	15.06	1.89	15.99	32.31	13.46	1.25	7.73
NAV Total Ret %	4.79	15.69	5.39	-36.97	26.42	14.93	2.06	15.84	32.21	13.53	1.34	7.70
+/- Standard Index	-0.13	-0.11	-0.10	0.03	-0.04	-0.13	-0.05	-0.17	-0.18	-0.16	-0.04	-0.12
+/- Category Index	-1.48	0.22	-0.38	0.63	-2.01	-1.16	0.56	-0.59	-0.90	0.29	0.43	-0.14
% Rank Cat	61	37	62	56	67	64	35	46	61	23	24	—
No. of Funds in Cat	24	31	56	63	47	48	41	45	53	54	64	80
Avg Prem/Discount %	-0.01	0.04	0.00	-0.04	-0.03	-0.01	-0.02	-0.02	0.00	0.00	-0.01	—

30-day SEC Yield

	Subsidized	Unsubsidized
30-day SEC Yield	—	—

Performance Disclosure

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Fees and Expenses

Fund Expenses

Management Fees %	0.06
Expense Ratio %	0.11
12b1 Expense %	NA

Risk and Return Profile

	3 Yr	5 Yr	10 Yr
Morningstar Rating™	5★	4★	4★
Morningstar Risk	-Avg	-Avg	-Avg
Morningstar Return	+Avg	+Avg	+Avg

	3 Yr	5 Yr	10 Yr
Standard Deviation NAV	10.86	11.69	15.23
Standard Deviation MKT	10.91	11.74	15.24
Mean NAV	12.17	14.55	7.42
Mean MKT	12.17	14.56	7.43
Sharpe Ratio	1.11	1.22	0.49

MPT Statistics

	Standard Index	Best Fit Index
NAV	S&P 500 TR USD	S&P 500 TR USD
Alpha	-0.10	-0.10
Beta	1.00	1.00
R-Squared	100.00	100.00

12-Month Yield	—
Potential Cap Gains Exp	—
Leveraged	No
Leverage Type	—
Leverage %	100.00
Primary Prospectus Benchmark	S&P 500 TR USD

Portfolio Analysis 09-28-2016

Asset Allocation % 09-15-2016

	Net %	Long %	Short %
Cash	0.38	0.38	0.00
US Stocks	99.23	99.23	0.00
Non-US Stocks	0.39	0.39	0.00
Bonds	0.00	0.00	0.00
Other/Not Clsfd	0.00	0.00	0.00
Total	100.00	100.00	0.00

Equity Style

Value	Blend	Growth	Large	Mid	Small
Value	High	Low	High	Med	Small
Blend	High	Low	High	Med	Small
Growth	High	Low	High	Med	Small

Portfolio Statistics

	Port Avg	Rel Index	Rel Cat
P/E Ratio TTM	19.8	1.00	1.00
P/C Ratio TTM	12.3	1.00	0.96
P/B Ratio TTM	2.8	1.00	7.35
Geo Avg Mkt Cap \$mil	76357	1.00	0.73

Fixed-Income Style

Ltd	Mod	Ext	High	Med	Low
Ltd	High	Low	High	Med	Low
Mod	High	Low	High	Med	Low
Ext	High	Low	High	Med	Low

Credit Quality Breakdown

	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR	—

Regional Exposure

	Stock %	Rel Std Index
Americas	99.6	1.00
Greater Europe	0.3	0.61
Greater Asia	0.1	1.11

Top Holdings 09-23-2016

Share since 09-2016	Share Amount	Holdings: 505 Total Stocks, 0 Total Fixed-Income, 3% Turnover Ratio	% Net Assets
+	56 mil	Apple Inc	3.23
+	81 mil	Microsoft Corp	2.38
+	43 mil	Exxon Mobil Corp	1.83
+	29 mil	Johnson & Johnson	1.73
+	4 mil	Amazon.com Inc	1.69
+	24 mil	Facebook Inc A	1.58
+	20 mil	Berkshire Hathaway Inc B	1.47
+	93 mil	General Electric Co	1.43
+	64 mil	AT&T Inc	1.35
+	38 mil	JPMorgan Chase & Co	1.29
+	3 mil	Alphabet Inc A	1.28
+	28 mil	Procter & Gamble Co	1.25
+	3 mil	Alphabet Inc C	1.23
+	42 mil	Verizon Communications Inc	1.14
+	47 mil	Wells Fargo & Co	1.11

Sector Weightings

	Stocks %	Rel Std Index
Cyclical	30.4	0.98
Basic Materials	2.7	0.99
Consumer Cyclical	11.0	0.99
Financial Services	14.2	0.98
Real Estate	2.5	1.00
Sensitive	41.4	1.01
Communication Services	4.5	1.08
Energy	7.1	1.02
Industrials	10.8	0.99
Technology	19.0	1.01
Defensive	28.2	1.00
Consumer Defensive	9.9	0.98
Healthcare	14.9	1.01
Utilities	3.3	1.03

Operations

Family:	SPDR State Street Global Advisors	Ticker:	SPY	Prem/Discount:	-0.04
Manager:	Management Team	Incept:	01-22-1993	Mkt Price:	217.38
Tenure:	23.7 Years	Expiration Date:	—	Base Currency:	USD
Total Assets:	\$199,070.2 mil	Exchange:	NYSE ARCA	Legal Structure:	Unit Investment Trust
Shares Outstanding:	919.08 mil	NAV:	217.46	Backing Bank:	State Street Global Advisors

Vanguard Small Cap Index Inv (USD)

Morningstar Analyst Rating™ **Overall Morningstar Rating™** **Standard Index** **Category Index** **Morningstar Cat**
Gold **★★★★** **S&P 500 TR USD** **Russell 2000 TR USD** **US OE Small Blend**
 11-10-2015 657 US OE Small Blend

Performance 08-31-2016					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2014	2.56	3.72	-5.51	6.82	7.37
2015	4.75	-0.60	-10.34	3.07	-3.78
2016	0.97	3.95	—	—	10.97
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	9.23	9.65	13.78	8.33	10.59
Std 06-30-2016	-3.01	—	9.75	7.61	10.52
Total Return	9.23	9.65	13.78	8.33	10.59
+/- Std Index	-3.32	-2.66	-0.91	0.82	—
+/- Cat Index	0.64	1.12	0.93	1.29	—
% Rank Cat	34	22	21	15	—
No. in Cat	786	657	561	386	—

	Subsidized	Unsubsidized
7-day Yield	—	—
30-day SEC Yield	—	—

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Fees and Expenses	
Sales Charges	
Front-End Load %	NA
Deferred Load %	NA

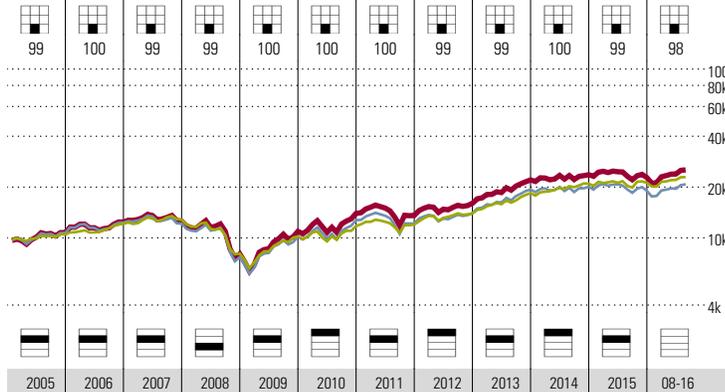
Fund Expenses	
Management Fees %	0.17
12b1 Expense %	NA
Gross Expense Ratio %	0.20

Risk and Return Profile			
	3 Yr	5 Yr	10 Yr
Morningstar Rating™	4★	4★	4★
Morningstar Risk	-Avg	Avg	Avg
Morningstar Return	+Avg	+Avg	+Avg

	3 Yr	5 Yr	10 Yr
Standard Deviation	13.23	14.99	19.69
Mean	9.65	13.78	8.33
Sharpe Ratio	0.76	0.93	0.46

MPT Statistics	Standard Index	Best Fit Index
	Small Cap TR USD	Morningstar US
Alpha	-2.80	0.58
Beta	1.06	0.94
R-Squared	75.39	99.00

12-Month Yield	—
Potential Cap Gains Exp	19.32%



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	08-16
NAV/Price	28.52	32.62	32.58	20.40	27.49	34.75	33.38	38.74	52.69	55.86	53.03	58.56
Total Return %	7.36	15.66	1.16	-36.07	36.12	27.72	-2.80	18.04	37.62	7.37	-3.78	10.97
+/- Standard Index	2.45	-0.14	-4.34	0.93	9.65	12.66	-4.92	2.04	5.23	-6.32	-5.16	3.15
+/- Category Index	2.81	-2.71	2.72	-2.28	8.95	0.87	1.37	1.69	-1.20	2.47	0.63	0.74
% Rank Cat	42	42	30	53	26	25	44	22	49	14	37	—
No. of Funds in Cat	563	608	645	670	649	649	650	662	681	737	780	824

Portfolio Analysis 08-31-2016				Share Chg since 07-2016	Share Amount	Holdings: 1,452 Total Stocks, 5 Total Fixed-Income, 11% Turnover Ratio	% Net Assets
Asset Allocation %	Net %	Long %	Short %				
Cash	1.54	1.54	0.00				
US Stocks	97.79	97.79	0.00				
Non-US Stocks	0.51	0.51	0.00	⊕	2 mil	Ingredion Inc	0.33
Bonds	0.01	0.01	0.00	⊕	7 mil	Duke Realty Corp	0.33
Other/Not Clsfd	0.14	0.14	0.00	⊕	4 mil	Arthur J. Gallagher & Co	0.29
Total	100.00	100.00	0.00	⊕	4 mil	Newfield Exploration Co	0.29
				⊕	3 mil	Broadridge Financial Solutions Inc	0.28
				⊕	2 mil	Regency Centers Corp	0.27
				⊕	927,436	Teleflex Inc	0.27
				⊕	4 mil	UGI Corp	0.26
				⊕	3 mil	Westar Energy Inc	0.26
				⊕	1 mil	Huntington Ingalls Industries Inc	0.26
				⊕	6 mil	Cadence Design Systems Inc	0.26
				⊕	2 mil	Atmos Energy Corp	0.25
				⊕	2 mil	The Valspar Corp	0.25
				⊕	1 mil	Domino's Pizza Inc	0.25
				⊕	2 mil	Packaging Corp of America	0.25

Equity Style			Portfolio Statistics		
Value	Blend	Growth	Port Avg	Rel Index	Rel Cat
Large			P/E Ratio TTM	21.0	1.06
Mid			P/C Ratio TTM	10.0	0.81
Small			P/B Ratio TTM	2.2	0.79
			Geo Avg Mkt Cap \$mil	3137	0.04

Fixed-Income Style			Credit Quality Breakdown		
Ltd	Mod	Ext	Bond %		
High			AAA	—	—
Mid			AA	—	—
Low			A	—	—
			BBB	—	—
			BB	—	—
			B	—	—
			Below B	—	—
			NR	—	—

Regional Exposure		Stock %	Rel Std Index
Americas		99.8	1.00
Greater Europe		0.1	0.22
Greater Asia		0.1	2.20

Sector Weightings			Stocks %	Rel Std Index
Cyclical			45.4	1.47
Basic Materials			5.1	1.86
Consumer Cyclical			13.7	1.23
Financial Services			12.8	0.88
Real Estate			13.8	5.53
Sensitive			36.5	0.89
Communication Services			0.9	0.21
Energy			4.7	0.67
Industrials			16.0	1.47
Technology			14.8	0.79
Defensive			18.2	0.64
Consumer Defensive			4.3	0.43
Healthcare			9.7	0.66
Utilities			4.1	1.27

Operations			
Family:	Vanguard	Base Currency:	USD
Manager:	Multiple	Ticker:	NAESX
Tenure:	0.4 Year	Minimum Initial Purchase:	\$3,000
Objective:	Small Company	Purchase Constraints:	—
		Incept:	10-03-1960
		Type:	MF
		Total Assets:	\$62,560.79 mil

Portfolio Snapshot Report

Disclosure Statement

General

Investment portfolios illustrated in this report can be scheduled or unscheduled. With an unscheduled portfolio, the user inputs only the portfolio holdings and their current allocations. Morningstar calculates returns using the given allocations assuming monthly rebalancing. Taxes, loads, and sales charges are not taken into account.

With scheduled portfolios, the user inputs the date and amount for all investments into and withdrawals from each holding, as well as tax rates, loads, and other factors that would have affected portfolio performance. A hypothetical illustration is one type of scheduled portfolio.

Both scheduled and unscheduled portfolios are theoretical, for illustrative purposes only, and are not reflective of an investor's actual experience. For both scheduled and unscheduled portfolios, the performance data given represents past performance and should not be considered indicative of future results. Principal value and investment return of stocks, mutual funds, and variable annuity/life products will fluctuate, and an investor's shares/units, when redeemed, will be worth more or less than the original investment. Stocks, mutual funds, and variable annuity/life products are not FDIC-insured, may lose value, and are not guaranteed by a bank or other financial institution. Portfolio statistics change over time.

Used as supplemental sales literature, the Portfolio Snapshot report must be preceded or accompanied by the fund/policy's current prospectus or equivalent. In all cases, this disclosure statement should accompany the Portfolio Snapshot report. Morningstar is not itself a FINRA-member firm.

The underlying holdings of the portfolio are not federally or FDIC-insured and are not deposits or obligations of, or guaranteed by any financial institution. Investing in securities involves investment risks, including possible loss of principal and fluctuation in value.

The information contained in this report is from the most recent information available to Morningstar as of the release date, and may or may not be an accurate reflection of the current composition of the securities included in the portfolio. There is no assurance that the weightings, composition and ratios will remain the same.

Items to Note Regarding Certain Underlying Securities

A closed-end fund is an investment company, which typically makes one public offering of a fixed number of shares. Thereafter, shares are traded on a secondary market such as the New York Stock Exchange. As a result, the secondary market price may be higher or lower than the closed-end fund's net asset value (NAV). If these shares trade at a price above their NAV, they are said to be trading at a premium. Conversely, if they are trading at a price below their NAV, they are said to be trading at a discount.

An exchange-traded fund (ETF) is an investment company that typically has an investment objective of striving to achieve a similar return as a particular market index. The ETF will invest in either all or a representative sample of the securities included in the index it is seeking to imitate. Like closed-end funds, an ETF can be traded on a secondary market and thus have a market price that may be higher or lower than its net asset value. If these shares trade at a price above their NAV, they are said to be trading at a premium. Conversely, if they are trading at a price below their NAV, they are said to be trading at a discount.

A money-market fund is an investment company that invests in commercial paper, banker's acceptances, repurchase agreements, government securities, certificates of deposit and other highly liquid securities, and pays money market rates of interest. Money markets are not FDIC-insured, may lose money, and are not guaranteed by a bank or other financial institution. Although the money market seeks to preserve a stable per share value (i.e. \$1.00 per share), it is possible to lose money by investment in the fund.

A unit investment trust (UIT) is an investment company organized under a trust agreement between a sponsor and trustee. UITs typically purchase a fixed portfolio of securities and then sell units in the trust to investors. The major difference between a UIT and a mutual fund is that a mutual fund is actively managed, while a UIT is not. On a periodic basis, UITs usually distribute to the unit holder their pro rata share of the trust's net investment income and net realized capital gains, if any. If the trust is one that invests only in tax-free securities, then the income from the trust is also tax-free. UITs generally make one public offering of a fixed number of units. However, in some cases, the sponsor will maintain a secondary market that allows existing unit holders to sell their units and for new investors to buy units.

Variable annuities are tax-deferred investments structured to convert a sum of money into a series of payments over time. Variable annuity policies have limitations and are not viewed as short-term liquid investments. An insurance company's fulfillment of a commitment to pay a minimum death benefit, a schedule of payments, a fixed investment account guaranteed by the insurance company, or another form of guarantee depends on the claims-paying ability of the issuing insurance company. Any such guarantee does not affect or apply to the investment return or principal value of the separate account and its subaccount. The financial ratings quoted for an insurance company do not apply to the separate account and its subaccount. If the variable annuity subaccount is invested in a money-market fund, it seeks to preserve a stable per share value (i.e. \$1.00 per share), but it is possible to lose money by investment in the fund.

Variable life insurance is a cash-value life insurance that has a variable cashvalue and/or death benefit depending on the investment performance of the subaccount into which premium payments are invested. Unlike traditional life insurance, variable life insurance has inherent risks associated with it, including market volatility, and is not viewed as a short-term liquid investment. For more information on a variable life product, including each subaccount, please read the current prospectus. Please note, the financial ratings noted on the report are quoted for an insurance company and do not apply to the separate account and its subaccount. If the variable life subaccount is invested in a money-market fund, it seeks to preserve a stable per share value (i.e. \$1.00 per share), but it is possible to lose money by investment in the fund.

A bond is a debt security. When an investor purchases a bond, the purchase amount is lent to a government, municipality, corporation or other entity known as an issuer. The issuer promises to pay a specified rate of interest during the life of the bond and repay the face value of the bond when it matures. Individual bond issue data, price evaluations, and effective duration are provided by Interactive Data Corporation.

Pre-inception Returns

The analysis in this report may be based, in part, on adjusted historical returns for periods prior to the fund's actual inception. These calculated returns reflect the historical performance of the oldest share class of the fund, adjusted to reflect the fees and expenses of this share class. These fees and expenses are referenced in the report's list of holdings and again on the standardized returns page. When pre-inception data is presented in the report, the header at the top of the report will indicate this and the affected data elements will be displayed in italics.

While the inclusion of pre-inception data provides valuable insight into the probable long-term behavior of newer share classes of a fund, investors should be aware that an adjusted historical return can only provide an approximation of that behavior. For example, the fee structures of a retail share class will vary from that of an institutional share class, as retail shares tend to have higher operating expenses and sales charges. These adjusted historical returns are not actual returns. Calculation methodologies utilized by Morningstar may differ from those applied by other entities, including the fund itself.

Scheduled Portfolio Trailing Returns

Scheduled Portfolios are customized by the user to account for loads, taxes, cash flows and specific investment dates. Scheduled portfolios use the portfolio's investment history to calculate final market values and returns. For scheduled portfolios, both individual holdings and portfolio returns are internal-rate-of-return calculations that reflect the timing and dollar size of all purchases and sales. For stocks and mutual funds, sales charges and tax rates are taken into account as specified by the user (except in the pre-tax returns, which reflect the impact of sales charges but not taxes). Note that in some scheduled portfolio illustrations, dividends and capital gains distributions, if applicable, are reinvested at the end of the month in which they are made at the month-end closing price. This can cause discrepancies between calculated returns and actual investor experience.

The trailing returns for scheduled portfolios commence at the end of the day on the investment start date. All front-load fees and beginning of period asset-based fees are deducted at the start of the day, therefore these fees will not be incorporated within the trailing return time period that matches the whole investment time period. For example, an investor pays \$10,000 for security A with a 5% front-load and generates a 5-year Hypothetical Illustration that shows an end value of \$12,500. Assuming no cash inflows or outflows aside from the initial investment and end value, the whole investment time period return will be 4.56% ($(12,500 / 10,000)^{(1/5)} - 1$) while the 5-year trailing return will be 5.64% ($(12,500 / 9,500)^{(1/5)} - 1$).

Scheduled Portfolio Returns-Based Performance Data

For scheduled portfolios, the monthly returns used to calculate alphas, betas, R-squareds, standard deviations, Sharpe ratios and best/worst time-period data are internal rates of return.

Important VA Disclosure for Scheduled Portfolios

For variable annuity products, policy level charges (other than front-end loads, if input by the advisor) are not factored into returns. When withdrawals and liquidations are made, increases in value over the purchase price are taxed at the capital gains rate that is currently in effect. This is not reflective of the actual tax treatment for these products, which requires the entire withdrawal to be taxed at the income tax rate. If adjusted for sales charges and the effects of taxation, the subaccount returns would be reduced.

Scheduled Portfolio Investment Activity Graph

The historic portfolio values graphed are those used to track the portfolio when calculating returns.

Unscheduled Portfolio Returns

Monthly total returns for unscheduled portfolios are calculated by applying the ending period holding weightings supplied by the user to an individual holding's monthly returns. When monthly returns are unavailable for a holding (ie. due to it not being in existence during the historical period being reported), the remaining portfolio holdings are re-weighted to maintain consistent proportions. Inception dates are listed in the Disclosure for Standardized and Tax Adjusted Returns. Trailing returns are calculated by geometrically linking these weighted-average monthly returns. Unscheduled portfolio returns thus assume monthly rebalancing. Returns for individual holdings are simple time-weighted trailing

returns. Neither portfolio returns nor holding returns are adjusted for loads or taxes, and if they were, the returns stated would be reduced. The returns stated assume the reinvestment of dividends and capital gains. Mutual fund returns include all ongoing fund expenses. VA/VL returns reflect subaccount level fund expenses, including M&E expenses, administration fees, and actual ongoing fund-level expenses.

Unscheduled Portfolio Investment Activity Graph

The historic performance data graphed is extrapolated from the ending portfolio value based on monthly returns.

Benchmark Returns

Benchmark returns may or may not be adjusted to reflect ongoing expenses such as sales charges. An investment's portfolio may differ significantly from the securities in the benchmark.

Returns for custom benchmarks are calculated by applying user-supplied weightings to each benchmark's returns every month. Trailing returns are calculated by geometrically linking these weighted-average monthly returns. Custom benchmark returns thus assume monthly rebalancing.

Standardized Returns

For mutual funds, standardized return is total return adjusted for sales charges, and reflects all ongoing fund expenses. Following this disclosure statement, standardized returns for each portfolio holding are shown.

For money-market mutual funds, standardized return is total return adjusted for sales charges and reflects all ongoing fund expenses. Current 7-day yield more closely reflects the current earnings of the money-market fund than the total return quotation.

For VA subaccounts, standardized return is total return based on the inception date within the separate account and is adjusted to reflect recurring and non-recurring charges such as surrender fees, contract charges, maximum front-end load, maximum deferred load, maximum M&E risk charge, administration fees and actual ongoing fund-level expenses.

For ETFs, the standardized returns reflect performance, both at market price and NAV price, without adjusting for the effects of taxation or brokerage commissions. These returns are adjusted to reflect all ongoing ETF expenses and assume reinvestment of dividends and capital gains. If adjusted, the effects of taxation would reduce the performance quoted.

The charges and expenses used in the standardized returns are obtained from the most recent prospectus and/or shareholder report available to Morningstar. For mutual funds and VAs, all dividends and capital gains are assumed to be reinvested. For stocks, stock acquired via divestitures is assumed to be liquidated and reinvested in the original holding.

Non-Standardized Returns

For mutual funds, total return is not adjusted for sales charges and reflects all ongoing fund expenses for various time periods. These returns assume reinvestment of dividends and capital gains. If adjusted for sales charges and the effects of taxation, the mutual fund returns would be reduced. Please note these returns can include pre-inception data and if included, this data will be represented in italics.

For money-market funds, total return is not adjusted for sales charges and reflects all ongoing fund expenses for various time periods. These returns assume reinvestment of dividends and capital gains. If adjusted for sales charges and the effects of taxation, the money-market returns would be reduced.

For VA and VL subaccounts, non-standardized returns illustrate performance that is adjusted to reflect recurring and non-recurring charges such as surrender fees, contract charges, maximum front-end load, maximum deferred load, maximum M&E risk charge, administrative fees and underlying fund-level expenses for various time periods. Non-standardized performance returns assume reinvestment of dividends and capital gains. If adjusted for the effects of taxation, the subaccount returns would be significantly reduced. Please note these returns can include pre-inception data and if included, this data will be represented in italics.

Investment Advisory Fees

The investment(s) returns do not necessarily reflect the deduction of all investment advisory fees. Client investment returns will be reduced if additional advisory fees are incurred such as deferred loads, redemption fees, wrap fees, or other account charges.

Asset Allocation

The weighting of the portfolio in various asset classes, including "Other", is shown in this graph and table. "Other" includes security types that are not neatly classified in the other asset classes, such as convertible bonds and preferred stocks. "Not classified" represents the portion of the portfolio that Morningstar could not classify at all, due to missing data.

In the graph and table, allocation to the classes is shown for long positions, short positions, and net (long positions net of short) positions. These new portfolio statistics help investors look "under the hood" of a portfolio. These statistics summarize what the managers are buying and how they are positioning the portfolio. When short positions are captured in these portfolio statistics, investors get a more robust description of the funds' exposure and risk.

Most managed product portfolios hold fairly conventional securities, such as long positions in stocks and bonds. Other portfolios use other investment strategies or securities, such as short positions or derivatives, to reduce transaction costs, enhance returns, or reduce risk. Some of these securities and strategies behave like conventional securities, while others have unique return and risk characteristics.

Most portfolios take long positions in securities. Long positions involve buying the security outright and then selling it later, with the hope that the security price rises over time. In contrast, short positions are taken to benefit from anticipated price declines. In this type of transaction, the investor borrows the security from another investor, sells it and receives cash, and then is obligated to buy it back at some point in the future. If the price falls after the short sale, the investor will have sold high and can now buy low to close the short position and lock in a profit. However, if the price of the security increases after the short sale, the investor will experience losses by buying it at a higher price than the sale price.

The strategy of selling securities short is prevalent in specialized portfolios, such as long-short, market-neutral, bear-market, and hedge funds. Most conventional portfolios do not typically short securities, although they may reserve the right to do so under special circumstances. Funds may also short derivatives, and this is sometimes more efficient than shorting individual securities. Short positions produce negative exposure to the security that is being shorted. This means that when the security rises in value, the short position will fall in value and vice versa. Morningstar's portfolio statistics will capture this negative exposure. For example, if a fund has many short stock positions, the percent of assets in stocks in the asset allocation breakdown may be negative. Funds must provide their broker with cash collateral for the short position, so funds that short often have a large cash position, sometimes even exceeding 100% cash.

Investment Style

The Morningstar Style Box reveals a fund's investment style as of the date noted on this report.

For equity funds, the vertical axis shows the market capitalization of the stocks owned and the horizontal axis shows investment style (value, core, or growth).

For fixed-income funds, the vertical axis shows the credit quality of the bonds owned and the horizontal axis shows interest rate sensitivity as measured by a bond's effective duration.

Morningstar seeks credit rating information from fund companies on a periodic basis (e.g. quarterly). In compiling credit rating information Morningstar accepts credit ratings reported by fund companies that have been issued by all Nationally Recognized Statistical Rating Organizations (NRSROs). For a list of all NRSROs, please visit <http://www.sec.gov/divisions/marketreg/ratingagency.htm>. Additionally, Morningstar accepts foreign credit ratings from widely recognized or registered rating agencies. If two rating organizations/agencies have rated a security, fund companies are to report the lower rating; if three or more organizations/agencies have rated a security, fund companies are to report the median rating, and in cases where there are more than two organization/agency ratings and a median rating does not exist, fund companies are to use the lower of the two middle ratings. PLEASE NOTE: Morningstar, Inc. is not itself an NRSRO nor does it issue a credit rating on the fund. An NRSRO or rating agency ratings can change from time to time.

For credit quality, Morningstar combines the credit rating information provided by the fund companies with an average default rate calculation to come up with a weighted-average credit quality. The weighted-average credit quality is currently a letter that roughly corresponds to the scale used by a leading NRSRO. Bond funds are assigned a style box placement of "low", "medium", or "high" based on their average credit quality. Funds with a low credit quality are those whose weighted-average credit quality is determined to be less than "BBB-"; medium are those less than "AA-", but greater or equal to "BBB-"; and high are those with a weighted-average credit quality of "AA-" or higher. When classifying a bond portfolio, Morningstar first maps the NRSRO credit ratings of the underlying holdings to their respective default rates (as determined by Morningstar's analysis of actual historical default rates). Morningstar then averages these default rates to determine the average default rate for the entire bond fund. Finally, Morningstar maps this average default rate to its corresponding credit rating along a convex curve.

For interest-rate sensitivity, Morningstar obtains from fund companies the average effective duration. Generally, Morningstar classifies a fixed-income fund's interest-rate sensitivity based on the effective duration of the Morningstar Core Bond Index (MCBI), which is currently three years. The classification of Limited will be assigned to those funds whose average effective duration is between 25% to 75% of MCBI's average effective duration; funds whose average effective duration is between 75% to 125% of the MCBI will be classified as Moderate; and those that are at 125% or greater of the average effective duration of the MCBI will be classified as Extensive.

For municipal bond funds, Morningstar also obtains from fund companies the average effective duration. In these cases static breakpoints are utilized. These breakpoints are as follows: (i) Limited: 4.5 years or less; (ii) Moderate: more than 4.5 years but less than 7 years; and (iii) Extensive: more than 7 years. In addition, for non-US taxable and non-US domiciled fixed income funds static duration breakpoints are used: (i) Limited: less than or equal to 3.5 years; (ii) Moderate: greater than 3.5 and less than equal to 6 years; (iii) Extensive: greater than 6 years.

Stock Regions

This section provides the allocation of the portfolio's long stock positions to the world regions, in comparison with a benchmark.

Risk and Return

Standard deviation is a statistical measure of the volatility of a portfolio's returns around its mean.

Mean represents the annualized geometric return for the period shown.

Sharpe ratio uses a portfolio's standard deviation and total return to determine reward per unit of risk.

Alpha measures the difference between a portfolio's actual returns and its expected performance, given its beta and the actual returns of the benchmark index. Alpha is often seen as a measurement of the value added or subtracted by a portfolio's manager.

Beta is a measure of the degree of change in value one can expect in a portfolio given a change in value in a benchmark index. A portfolio with a beta greater than one is generally more volatile than its benchmark index, and a portfolio with a beta of less than one is generally less volatile than its benchmark index.

R-squared reflects the percentage of a portfolio's movements that is explained by movements in its benchmark index, showing the degree of correlation between the portfolio and a benchmark. This figure is also helpful in assessing how likely it is that alpha and beta are statistically significant.

Portfolio Yield

The dividend yield produced for the most recent 12 months is presented.

Fundamental Analysis

The below referenced data elements are a weighted average of the long equity holdings in the portfolio.

The median market capitalization of a subaccount's equity portfolio gives you a measure of the size of the companies in which the subaccount invests.

The Price/Cash Flow ratio is a weighted average of the price/cash-flow ratios of the stocks in a subaccounts portfolio. Price/cash-flow shows the ability of a business to generate cash and acts as a gauge of liquidity and solvency.

The Price/Book ratio is a weighted average of the price/book ratios of all the stocks in the underlying fund's portfolio. The P/B ratio of a company is calculated by dividing the market price of its stock by the company's per-share book value. Stocks with negative book values are excluded from this calculation.

The Price/Earnings ratio is calculated by dividing the market value of the equity assets by the trailing 12 month earnings. The 12 month earnings value comes from multiplying the number of shares and the adjusted trailing 12 months' earnings per share for each equity asset and summing the results.

The Price/Sales ratio is a weighted average of the price/sales ratios of the stocks in the underlying fund's portfolio. The P/S ratio of a stock is calculated by dividing the current price of the stock by its trailing 12 months' revenues per share. In computing the average, Morningstar weights each portfolio holding by the percentage of equity assets it represents.

The return on assets (ROA) is the percentage a company earns on its assets in a given year. The calculation is net income divided by end-of-year total assets, multiplied by 100.

The Return on Equity (ROE) is the percentage a company earns on its shareholders' equity in a given year. The calculation is net income divided by end-of-year net worth, multiplied by 100.

Market Maturity shows the percentage of a holding's long common stocks that are domiciled in developed and emerging markets.

The data elements listed below are a weighted average of the long fixed income holdings in the portfolio.

Average maturity is used for holdings in the taxable fixed-income category. This is a weighted average of all the maturities of the bonds in a portfolio, computed by weighting each maturity date by the market value of the security.

Credit quality breakdowns are shown for corporate-bond holdings and depict the quality of bonds in the underlying portfolio. The report shows the percentage of fixed-income securities that fall within each credit quality rating as assigned by an NRSRO. Bonds not rated by an NRSRO are included in the not rated (NR) category.

Debt as a percentage of capital is calculated by dividing long-term debt by total capitalization (the sum of common equity plus preferred equity plus long-term debt). This figure is not provided for financial companies.

Duration is a time measure of a bond's interest-rate sensitivity.

Net Margin is a measure of profitability. It is equal to annual net income divided by revenues from the same period for the past five fiscal years, multiplied by 100.

Type Weightings divide the stocks in a given holding's portfolio into eight type designations, each of which defines a broad category of investment characteristics. Not all stocks in a given holding's portfolio are assigned a type. These stocks are grouped under NA.

The data elements listed below are a weighted average of the total holdings in the portfolio.

The average expense ratio is the percentage of assets deducted each year for operating expenses, management fees, and all other asset-based costs incurred by the fund, excluding brokerage fees. Please note for mutual funds, variable annuities/life, ETFs and closed-end funds, we use the gross prospectus ratio as provided in the prospectus. Separate accounts and stocks are excluded from the average expense ratio.

Potential capital gains exposure is the percentage of a holding's total assets that represent capital appreciation.

Mutual Fund Detail Report Disclosure Statement

The Mutual Fund Detail Report is to be used as supplemental sales literature, and therefore must be preceded or accompanied by the fund's current prospectus and a disclosure statement. Please read the prospectus carefully. In all cases, this disclosure statement should accompany the Mutual Fund Detail Report. Morningstar is not itself a FINRA-member firm. Portfolio information is based on the most recent information available to Morningstar.

Pre-inception Returns

The analysis in this report may be based, in part, on adjusted historical returns for periods prior to the fund's actual inception. These calculated returns reflect the historical performance of the oldest share class of the fund, adjusted to reflect the fees and expenses of this share class. These fees and expenses are referenced in the report's Performance section.

When pre-inception data is presented in the report, the header at the top of the report will indicate this. In addition, the pre-inception data included in the report will appear in italics.

While the inclusion of pre-inception data provides valuable insight into the probable long-term behavior of newer share classes of a fund, investors should be aware that an adjusted historical return can only provide an approximation of that behavior. For example, the fee structures of a retail share class will vary from that of an institutional share class, as retail shares tend to have higher operating expenses and sales charges. These adjusted historical returns are not actual returns. Calculation methodologies utilized by Morningstar may differ from those applied by other entities, including the fund itself.

Performance

The performance data given represents past performance and should not be considered indicative of future results. Principal value and investment return will fluctuate, so that an investor's shares, when redeemed, may be worth more or less than the original investment. Fund portfolio statistics change over time. The fund is not FDIC-insured, may lose value and is not guaranteed by a bank or other financial institution.

Total Return and Quarterly Return reflects performance without adjusting for sales charges or the effects of taxation, but is adjusted to reflect all actual ongoing fund expenses and assumes reinvestment of dividends and capital gains. If adjusted for sales charges and the effects of taxation, the performance quoted would be reduced.

Standardized Return is reflected as of the quarter-end. It depicts performance without adjusting for the effects of taxation, but is adjusted for sales charges and all ongoing fund expenses, and assumes reinvestment of dividends and capital gains. If adjusted for the effects of taxation, the performance quoted would be reduced. The sales charge used in the calculation was obtained from the fund's most recent prospectus and/or shareholder report available to Morningstar. Standardized Returns never include pre-inception history.

Load-Adjusted Monthly Return is calculated applying the same methodology as Standardized Returns, except that it represents return through month-end. As with Standardized Returns, it reflects the impact of sales charges and ongoing fund expenses, but not taxation. If adjusted for the effects of taxation, the performance quoted would be significantly reduced.

Morningstar % Rank within Morningstar Category does not account for a fund's sales charge (if applicable). Rankings will not be provided for periods less than one year.

Growth of 10,000

This graph compares the growth of an investment of 10,000 (in the base currency of the fund) with that of an index and with that of the average for all funds in its Morningstar category. The total returns are not adjusted to reflect sales charges or the effects of taxation, but are adjusted to reflect actual ongoing fund expenses, and assume reinvestment of dividends and capital gains. If adjusted, sales charges would reduce the performance quoted. The index is an unmanaged portfolio of specified securities and cannot be invested in directly. The index and the category average do not reflect any initial or ongoing expenses. A fund's portfolio may differ significantly from the securities in the index. The index is chosen by Morningstar.

If pre-inception data is included in the analysis, it will be graphed.

Morningstar Analyst Rating

The Morningstar Analyst Rating is not a credit or risk rating. It is a subjective evaluation performed by the mutual fund analysts of Morningstar, Inc. Morningstar evaluates funds based on five key pillars, which are process, performance, people, parent, and price. Morningstar's analysts use this five pillar evaluation to identify funds they believe are more likely to outperform over the long term on a risk-adjusted basis. Analysts consider quantitative and qualitative factors in their research, and the weighting of each pillar may vary. The Analyst Rating ultimately reflects the analyst's overall assessment and is overseen by Morningstar's Analyst Rating Committee. The approach serves not as a formula but as a framework to ensure consistency across Morningstar's global coverage universe.

The Analyst Rating scale ranges from Gold to Negative, with Gold being the highest rating and Negative being the lowest rating. A fund with a Gold rating distinguishes itself across the five pillars and has garnered the analysts' highest level of conviction. A fund with a Silver rating has notable advantages across several, but perhaps not all, of the five pillars—strengths that give the analysts a high level of conviction. A Bronze-rated fund has advantages that outweigh the disadvantages across the five pillars, with sufficient level of analyst conviction to warrant a positive rating. A fund with a Neutral rating isn't seriously flawed across the five pillars, nor does it distinguish itself very positively. A Negative rated fund is flawed in at least one if not more pillars and is considered an inferior offering to its peers. Analyst Ratings are reevaluated at least every 14 months.

For more detailed information about Morningstar's Analyst Rating, including its methodology, please go to <http://corporate.morningstar.com/us/documents/MethodologyDocuments/AnalystRatingforFundsMethodology.pdf>.

The Morningstar Analyst Rating should not be used as the sole basis in evaluating a mutual fund. Morningstar Analyst Ratings are based on Morningstar's current expectations about future events; therefore, in no way does Morningstar represent ratings as a guarantee nor should they be viewed by an investor as such. Morningstar Analyst Ratings involve unknown risks and uncertainties which may cause Morningstar's expectations not to occur or to differ significantly from what we expected.

Risk and Return

The Morningstar Rating is calculated for funds with at least a three-year history. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. The Overall Morningstar Rating for a mutual fund is derived from a weighted average of the performance figures associated with its three-, five- and 10-year (if applicable) Morningstar Rating metrics.

Please note that some Morningstar proprietary calculations, including the Morningstar Rating, may be calculated based on adjusted historical returns (pre-inception returns). If the extended performance rating is in effect, the "stars" are represented as unshaded stars. For each mutual fund with at least a three-year history, Morningstar calculates a Morningstar Rating based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's adjusted monthly performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. This investment's

independent Morningstar Rating metric is then compared against the open-end mutual fund universe's actual performance breakpoints to determine its extended performance rating. The Overall Morningstar Rating for a mutual fund is derived from a weighted average of the actual performance figures associated with its three-, five- and 10-year (if applicable) Morningstar Rating metrics.

Morningstar Return rates a mutual fund's performance relative to other funds in its Morningstar Category. It is an assessment of a fund's excess return over a risk-free rate (the return of the 90-day Treasury Bill), after adjusting for all applicable loads and sales charges, in comparison with the mutual funds in its Morningstar Category. In each Morningstar Category, the top 10% of funds earn a High Morningstar Return (HIGH), the next 22.5% Above Average (+AVG), the middle 35% Average (AVG), the next 22.5% Below Average (-AVG), and the bottom 10% Low (LOW). Morningstar Return is measured for up to three time periods (three-, five-, and 10 years). These separate measures are then weighted and averaged to produce an overall measure for the mutual fund. Funds with less than three years of performance history are not rated.

Morningstar Risk evaluates a mutual fund's downside volatility relative to that of other funds in its Morningstar Category. It is an assessment of the variations in a fund's monthly returns, with an emphasis on downside variations, in comparison with the mutual funds in its Morningstar Category. In each Morningstar Category, the 10% of funds with the lowest measured risk are described as Low Risk (LOW), the next 22.5% Below Average (-AVG), the middle 35% Average (AVG), the next 22.5% Above Average (+AVG), and the top 10% High (HIGH). Morningstar Risk is measured for up to three time periods (three-, five-, and 10 years). These separate measures are then weighted and averaged to produce an overall measure for the mutual fund. Funds with less than three years of performance history are not rated.

If pre-inception returns are included in this analysis, the risk and return profile data calculated on the basis of these returns will appear in italics.

Risk Measures

The risk measures below are calculated for funds with at least a three-year history.

Standard deviation is a statistical measure of the volatility of the fund's returns.

Mean represents the annualized geometric return for the period shown.

The Sharpe ratio uses standard deviation and excess return to determine reward per unit of risk.

Alpha measures the difference between a fund's actual returns and its expected performance, given its level of risk (as measured by beta). Alpha is often seen as a measure of the value added or subtracted by a portfolio manager.

Beta is a measure of a fund's sensitivity to market movements. A portfolio with a beta greater than 1 is more volatile than the market, and a portfolio with a beta less than 1 is less volatile than the market.

R-squared reflects the percentage of a fund's movements that is explained by movements in its benchmark index, showing the degree of correlation between the fund and the benchmark. This figure is also helpful in assessing how likely it is that alpha and beta are statistically significant.

Best Fit index: Alpha, beta, and R-squared statistics are presented for a broad market index and a "Best Fit" index. The Best Fit index identified in this report was determined by Morningstar by calculating R-squared for the fund against

approximately 100 indexes tracked by Morningstar. The index representing the highest R-squared is identified as the Best Fit index. The Best Fit index may not be the fund's benchmark, nor does it necessarily contain the types of securities that may be held by the fund.

Risk measures calculated using pre-inception data, if included in the analysis, will be presented in italics.

Asset Allocation

The weighting of the portfolio in various asset classes, including "Other" is shown in the table. "Other" includes security types that are not neatly classified in the other asset classes, such as convertible bonds and preferred stocks.

In the table, allocation to the classes is shown for long positions, short positions, and net (long positions net of short) positions. These statistics summarize what the managers are buying and how they are positioning the portfolio. When short positions are captured in these portfolio statistics, investors get a more robust description of the funds' exposure and risk.

Most managed product portfolios hold fairly conventional securities, such as long positions in stocks and bonds. Other portfolios use other investment strategies or securities, such as short positions or derivatives, to reduce transaction costs, enhance returns, or reduce risk. Some of these securities and strategies behave like conventional securities, while others have unique return and risk characteristics.

Most portfolios take long positions in securities. Long positions involve buying the security outright and then selling it later, with the hope that the security price rises over time. In contrast, short positions are taken to benefit from anticipated price declines. In this type of transaction, the investor borrows the security from another investor, sells it and receives cash, and then is obligated to buy it back at some point in the future. If the price falls after the short sale, the investor will have sold high and can now buy low to close the short position and lock in a profit. However, if the price of the security increases after the short sale, the investor will experience losses by buying it at a higher price than the sale price.

The strategy of selling securities short is prevalent in specialized portfolios, such as long-short, market-neutral, bear-market, and hedge funds. Most conventional portfolios do not typically short securities, although they may reserve the right to do so under special circumstances. Funds may also short derivatives, and this is sometimes more efficient than shorting individual securities. Short positions produce negative exposure to the security that is being shorted. This means that when the security rises in value, the short position will fall in value and vice versa. Morningstar's portfolio statistics will capture this negative exposure. For example, if a fund has many short stock positions, the percent of assets in stocks in the asset allocation breakdown may be negative. Funds must provide their broker with cash collateral for the short position, so funds that short often have a large cash position, sometimes even exceeding 100% cash.

Note that all other portfolio statistics presented in this report are based on the long holdings of the fund only.

Style Analysis

The Morningstar Style Box reveals a fund's investment style as of the date noted on this report.

For equity funds the vertical axis shows the market capitalization of the stocks owned and the horizontal axis shows investment style (value, blend, or growth).

For fixed-income funds, the vertical axis shows the credit quality of the bonds

owned and the horizontal axis shows interest rate sensitivity as measured by a bond's effective duration.

Morningstar seeks credit rating information from fund companies on a periodic basis (e.g., quarterly). In compiling credit rating information Morningstar accepts credit ratings reported by fund companies that have been issued by all Nationally Recognized Statistical Rating Organizations (NRSROs). For a list of all NRSROs, please visit

<http://www.sec.gov/divisions/marketreg/ratingagency.htm>. Additionally, Morningstar accepts foreign credit ratings from widely recognized or registered rating agencies. If two rating organizations/agencies have rated a security, fund companies are to report the lower rating; if three or more organizations/agencies have rated a security, fund companies are to report the median rating, and in cases where there are more than two organization/agency ratings and a median rating does not exist, fund companies are to use the lower of the two middle ratings. PLEASE NOTE: Morningstar, Inc. is not itself a NRSRO nor does it issue a credit rating on the fund. A NRSRO or rating agency ratings can change from time-to-time.

For credit quality, Morningstar combines the credit rating information provided by the fund companies with an average default rate calculation to come up with a weighted-average credit quality. The weighted-average credit quality is currently a letter that roughly corresponds to the scale used by a leading NRSRO. Bond funds are assigned a style box placement of "low", "medium", or "high" based on their average credit quality. Funds with a low credit quality are those whose weighted-average credit quality is determined to be less than "BBB-"; medium are those less than "AA-", but greater or equal to "BBB-"; and high are those with a weighted-average credit quality of "AA-" or higher. When classifying a bond portfolio, Morningstar first maps the NRSRO credit ratings of the underlying holdings to their respective default rates (as determined by Morningstar's analysis of actual historical default rates). Morningstar then averages these default rates to determine the average default rate for the entire bond fund. Finally, Morningstar maps this average default rate to its corresponding credit rating along a convex curve.

For interest-rate sensitivity, Morningstar obtains from fund companies the average effective duration. Generally, Morningstar classifies a fixed-income fund's interest-rate sensitivity based on the effective duration of the Morningstar Core Bond Index (MCBI), which is currently three years. The classification of Limited will be assigned to those funds whose average effective duration is between 25% to 75% of MCBI's average effective duration; funds whose average effective duration is between 75% to 125% of the MCBI will be classified as Moderate; and those that are at 125% or greater of the average effective duration of the MCBI will be classified as Extensive.

For municipal bond funds, Morningstar also obtains from fund companies the average effective duration. In these cases static breakpoints are utilized. These breakpoints are as follows: (i) Limited: 4.5 years or less; (ii) Moderate: more than 4.5 years but less than 7 years; and (iii) Extensive: more than 7 years. In addition, for non-US taxable and non-US domiciled fixed income funds static duration breakpoints are used: (i) Limited: less than or equal to 3.5 years; (ii) Moderate: greater than 3.5 and less than equal to 6 years; (iii) Extensive: greater than 6 years.

Equity Portfolio Statistics

The referenced data elements below are a weighted average of the long equity holdings in the portfolio.

The Price/Earnings ratio is a weighted average of the price/earnings ratios of the stocks in the underlying fund's portfolio. The P/E ratio of a stock is calculated by dividing the current price of the stock by its trailing 12-months' earnings per share. In computing the average, Morningstar weights each

portfolio holding by the percentage of equity assets it represents.

The Price/Cash Flow ratio is a weighted average of the price/cash-flow ratios of the stocks in a fund's portfolio. Price/cash-flow shows the ability of a business to generate cash and acts as a gauge of liquidity and solvency.

The Price/Book ratio is a weighted average of the price/book ratios of all the stocks in the underlying fund's portfolio. The P/B ratio of a company is calculated by dividing the market price of its stock by the company's per-share book value. Stocks with negative book values are excluded from this calculation.

The geometric average market capitalization of a fund's equity portfolio offers a measure of the size of the companies in which the mutual fund invests.

Fixed-Income Portfolio Statistics

The referenced data elements below are a weighted average of the long fixed income holdings in the portfolio.

Duration is a time measure of a bond's interest rate sensitivity. Average effective duration is a weighted average of the duration of the underlying fixed income securities within the portfolio.

Average effective maturity is a weighted average of all the maturities of the bonds in a portfolio, computed by weighting each maturity date by the market value of the security.

Average weighted coupon is generated from the fund's portfolio by weighting the coupon of each bond by its relative size in the portfolio. Coupons are fixed percentages paid out on a fixed-income security on an annual basis.

Average weighted price is generated from the fund's portfolio by weighting the price of each bond by its relative size in the portfolio. This number reveals if the fund favors bonds selling at prices above or below face value (premium or discount securities, respectively). A higher number indicates a bias toward premiums. This statistic is expressed as a percentage of par (face) value.

Credit quality breakdowns are shown for corporate-bond holdings and depict the quality of bonds in the underlying portfolio. The report shows the percentage of fixed-income securities that fall within each credit quality rating as assigned by a NRSRO. Bonds not rated by a NRSRO are included in the not rated (NR) category.

Turnover Ratio is a decent proxy for how frequently a manager trades his or her portfolio. The inverse of a fund's turnover ratio is the average holding period for a security in the fund. As turnover increases, a fund's brokerage costs typically rise as well.

Operations

Purchase constraints denote if a mutual fund has any of the following qualities: Qualified Access (A), Institutional (T), Closed to New Investments, (C) or Closed to All Investments (L). Because these qualities can all act as restrictions and/or requirements for investment, they are grouped together.

Potential capital gains exposure is the percentage of a mutual fund's total assets that represents capital appreciation.

Fees and Expenses

Prospectus Gross Expense Ratio reflects the annual percentage of a fund's assets paid out in expenses. Expenses include management, 12B-1, transfer agent and all other asset-based fees associated with the fund's daily operations and distribution, with the exception of brokerage commissions. It

does not reflect expenses that have been reimbursed by the investment advisor, reductions from brokerage service arrangements or other expense offset arrangements.

Prospectus Net Expense Ratio reflects actual expenses paid by the fund as well as any voluntary waivers, reductions from brokerage service arrangements and any other expense offset arrangements.

Stock Detail Report Disclosure Statement

Please read this information carefully. In all cases, this disclosure statement should accompany the Stock Detail report. Morningstar is not itself a FINRA-member firm. All data presented is based on the most recent information available to Morningstar. Morningstar gathers data from many sources including third party providers such as Comstock and Reuters. Unless otherwise stated, all data and statistics presented in the report are as of the release date noted within the Detail Report and constitute "as originally reported" information.

Last Close \$

The stock price shown represents the market price of the stock as of the close of trading on the release date noted at the top of the investment detail page.

Market Capitalization \$ mil

The value of a company as determined by the market price of its outstanding common stock. It is calculated by multiplying the market price as of the close of trading as of the last day of the most recent month-end by the number of shares outstanding as of the most recently completed fiscal quarter. It may be used as an indicator of how investors value a company's future prospects.

Morningstar Rating

The Morningstar Rating for stocks is calculated by comparing Morningstar's assessment of a stock's fair value with the stock's current market price. The rating is assigned a five star rating if fair value is 30% or more above the current market price, four star rating if it is 10% to 30% above the current market price, three star rating if fair value is 10% above or below the current market price, two star rating if fair value is 10% to 30% below the current market price, and a one star rating for a fair value of 30% or more below the current market price.

Fair Value Uncertainty

Fair Value Uncertainty is meant to give investors an idea of how tightly we feel we can bound our fair value estimate for any given company. To generate Morningstar Fair Value Uncertainty, analysts consider the following factors: Sales predictability, Operating leverage, Financial leverage, a firm's exposure to contingent events. Based on these factors, analysts classify the stock into one of several uncertainty levels: Low, Medium, High, Very High, or Extreme. The greater the level of uncertainty, the greater the discount to fair value required before a stock can earn 5 stars, and the greater the premium to fair value before a stock earns a 1-star rating.

Fair Value

Each stock's fair value is estimated by utilizing a proprietary discounted cash flow model (DCF). This model assumes that the stock's value is equal to the total of the free cash flows of the company is expected to generate in the future, discounted back to the present at the rate commensurate with the riskiness of the cash flows. As with any DCF model, the ending value is highly sensitive to Morningstar's projections of future growth.

Economic Moat

Economic Moat measures the strength and sustainability of a firm's competitive advantage. Many factors are considered when assigning this rating, including the firm's historical performance, the source of the company's excess economic profits, market share, ability to produce products at lower costs than competitors, governmental protection via patents/copyrights, high customer switching costs, and other various considerations as determined by our Editorial staff. The rating value assigned will be either none, narrow, or wide.

Style

The Morningstar Style consists of nine categories that provide an overview of the investment strategy. The style is comprised of a combination of market capitalization of the security and the investment style (value, blend, or growth).

Stock Grades

The grading system is a letter-based system from A through F, with A being the highest. The Growth Grade shows how well the company's growth compares with the Morningstar universe. Growth is measured by revenue per share. The Profitability Grade shows how well a company's profitability, as measured by return on equity, compares with the Morningstar universe. The Financial Health Grade compares a company's enterprise value with the book value of its liabilities, rewarding those firms that have a low probability of enterprise value falling below the value of liabilities.

Stock Performance

Total Return represents shareholders' gains from a stock over a given period of time (YTD, one month, three month, one-, three-, and five year). Total return includes both capital gains and losses and dividend payments. It is calculated by taking the change in the stock's price as of the close of trading of the respective period, assuming dividends are not reinvested, then dividing by the initial stock price, and expressing the result as a percentage. Returns for periods longer than one year are annualized. Returns do not include brokerage commission or the effects of taxation.

Financials

Earnings per share \$ (EPS), diluted EPS, is calculated by dividing net income net of preferred dividends by a weighted average of total shares outstanding plus additional common shares that would have been outstanding if the dilutive common share would have been issued for the trailing 12 months (TTM).

Dividend per share \$ is the dollar amount of dividends paid out by the company in a particular period to its common shareholders, as reported by the company.

Profitability

Return on Assets (ROA) is the percentage a company earns on its assets in a given year (year 1, 2, etc.). The calculation is net income divided by end-of-year total assets, then multiplied by 100.

Return on Equity (ROE) is the percentage a company earns on its total equity in a given year (Year 1, 2, etc.). The calculation is net income divided by end-of-year net worth, multiplied by 100.

Net Margin is a measure of profitability. It is equal to annual net income divided by revenues from the same period for the past five fiscal years, multiplied by 100.

Asset Turnover represents how many dollars in revenue a company has generated per each dollar of assets. It is calculated by dividing total revenues for the period by total assets for the same period.

Financial leverage is calculated by dividing total assets by total shareholders' equity.

Valuation

Price/Earnings (PE) is the current price divided by the company's trailing 12-month earnings per share.

Price/Book (PB) is the most recent stock price divided by the most recent book value per share.

Price/Sales (PS) is the current price divided by the company's sales per share over the trailing 12 months.

Price/Cash Flow (PC) is the most recent price divided by the cash flow per share of the latest fiscal year.

Growth Rates

All the figures in the Growth section represent the compounded or annualized growth rate. These figures are collected for revenue, net income, EPS, equity per share, and dividends.

Profitability Analysis

The below referenced items are reported as both a current value and a 5-year average figure.

Return on Equity % is the percentage a company earns on its total equity in a given year. The calculation is net income divided by end-of-year net worth.

Return on Assets % is the percentage a company earns on its assets in a given year. The calculation is net income divided by end-of-year total assets.

Revenue/Employee \$K looks at a company's sales in relation to the number of employees it has. This ratio is most useful when compared against other companies in the same industry. Ideally, a company wants the highest revenue per employee possible, as it denotes higher productivity.

Operating Margin % is used to measure pricing strategy and operating efficiency. It is calculated by dividing operating income by net sales. Also known as operating profit margin or net profit margin.

Net Margin % is equal to annual net income divided by revenues.

Free Cash Flow/Rev % is free cash flow divided by sales for the same time period. Free cash flow is calculated by subtracting capital spending from cash flow from operations for the same time period. It is the money left over after investment, and it can be used to pay dividends, buy back stock, or pay down debt.

Valuation Analysis

The below referenced items are reported as both a current value and a 5-year average figure.

Price/Earnings is the stock's price divided by the company's earnings per share.

Forward P/E ratio is the most-recent stock price divided by the mean EPS estimate for the current fiscal year. This number gives some indication of how cheap or expensive a stock is compared with consensus earnings estimates. The lower the forward P/E, the cheaper the stock. Reuters Estimates data is used in the denominator of this calculation.

Price/Cash Flow is the stock's price divided by the cash-flow per share of the latest fiscal year.

Price/Free Cash Flow is the free cash flow divided by its "enterprise value", or

market capitalization plus net debt. This number tells you what cash return you would get if you bought the entire company, including its debt.

Dividend Yield % is a percentage calculated by dividing total dividends by the current market price and multiplying by 100.

Price/Book is the stock price divided by the book value per share.

Price/Sales is the stock's price divided by the company's sales per share.

PEG Ratio is Forward P/E ratio divided by the company's EPS Growth % Five-Year Mean Estimate. The Forward P/E ratio used in the numerator of this ratio is calculated by taking the current share price and dividing by the mean EPS estimate for the current fiscal year. The denominator is the average estimate of long-term EPS growth, derived from all polled analysts' estimates from Reuters Estimates.

Market

Standard & Poor's 500: A market capitalization-weighted index of 500 widely held stocks often used as a proxy for the stock market.

ETF Detail Report Disclosure Statement

The Exchange-traded Fund (ETF) Detail report is supplemental sales literature, and therefore must be preceded or accompanied by the fund's current prospectus or an equivalent statement. Please read this information carefully. In all cases, this disclosure statement should accompany the ETF Detail Report. Morningstar is not itself a FINRA-member firm. All data presented is based on the most recent information available to Morningstar.

ETFs trading on a secondary market may trade at, above, or below their net asset value (NAV). If an ETF's shares trade at a price above their NAV they are said to be trading at a "premium." Conversely, if they are trading at a price below their NAV, they are said to be trading at a "discount."

Holding company depository receipts (HOLDRs) are similar to ETFs, but they focus on narrow industry groups. HOLDRs initially own 20 stocks, which are unmanaged, and can become more concentrated due to mergers, or the disparate performance of their holdings. HOLDRs can only be bought in 100-share increments. Investors may exchange shares of a HOLDR for its underlying stocks at any time.

The market price noted on the Detail Report is the price of the ETF as of the close of trading on the last business day at month-end. This date is listed at the top of the Detail Report.

Performance

The performance data given represents past performance and should not be considered indicative of future results. Principal value and investment return will fluctuate, so that an investor's shares, when sold, may be worth more or less than the original investment. Portfolio statistics change over time. ETFs and HOLDRs are not FDIC-insured, may lose value, and are not guaranteed by a bank or other financial institution.

For ETFs, standardized total return is reflected as of month- and quarter- end time periods. It depicts performance without adjusting for brokerage commissions and the effects of taxation, but is adjusted to reflect all actual ongoing ETF expenses and assumes reinvestment of dividends and capital

gains. If adjusted, the effects of brokerage commissions and taxation would reduce the performance quoted.

For HOLDERS, the standardized total return reflects performance at market price, without adjusting for the effects of taxation or brokerage commissions. These returns are adjusted to reflect all ongoing expenses and assume reinvestment of dividends and capital gains. If adjusted, the effects of taxation would reduce the performance quoted.

The 12-month yield is derived by summing the trailing 12-months' income distributions and dividing the sum by the last month's ending NAV, plus any capital gains distributed over the same period. Income refers only to interest payments from fixed-income securities and dividend payoffs from common stocks.

Growth of 10,000

This graph compares the growth of an investment of 10,000 (in the base currency of the fund) with that of an index and with that of the average for all funds in its Morningstar category. The NAV total returns are not adjusted to reflect the effects of taxation, but they are adjusted to reflect actual ongoing fund expenses and assume reinvestment of dividends and capital gains. If adjusted, the effect of taxation would reduce the performance quoted. Please note, while the investor obtaining an ETF through the secondary market does not obtain it at NAV, the purpose in presenting this graph based on NAV is to provide an illustration of the historical performance of the ETF strategy. In no way should this performance be considered indicative of or a guarantee of the future performance of this ETF nor should it be viewed as a substitute for an actual investor experience.

The index is an unmanaged portfolio of specified securities, and cannot be invested in directly. The index and the category average do not reflect any initial or ongoing expenses. A fund's portfolio may differ significantly from the securities in the index. The index is chosen by Morningstar.

Risk Measures

The risk measures below are calculated for ETFs with at least a three-year history.

Standard deviation is a statistical measure of the volatility of the ETF's NAV returns.

Mean represents the annualized geometric NAV return for the period shown.

The Sharpe ratio uses standard deviation and excess return to determine reward per unit of risk.

Alpha measures the difference between an ETF's NAV returns and its expected performance, given its level of risk as measured by beta. Alpha is often seen as a measure of the value added or subtracted by a portfolio manager.

Beta is a measure of an ETF's sensitivity to market movements. A portfolio with a beta greater than 1 is more volatile than the market, and a portfolio with a beta less than 1 is less volatile than the market.

R-squared reflects the percentage of an ETF's movements that is explained by movements in its benchmark index, showing the degree of correlation between the ETF and the benchmark. This figure is also helpful in assessing how likely it is that alpha and beta are statistically significant.

Best fit index: Alpha, beta, and R-squared statistics are presented for a broad market index and a "Best fit" index. The Best-Fit index identified in this report was determined by Morningstar by calculating R-squared for the fund against

approximately 100 indexes tracked by Morningstar. The index representing the highest R-squared is identified as the best-fit index. The best-fit index may not be the fund's benchmark, nor does it necessarily contain the types of securities that may be held by the fund.

Asset Allocation

The weighting of the portfolio in various asset classes, including "Other" is shown in the table. "Other" includes security types that are not neatly classified in the other asset classes, such as convertible bonds and preferred stocks.

In the table, allocation to the classes is shown for long positions, short positions, and net (long positions net of short) positions. These statistics summarize what the managers are buying and how they are positioning the portfolio. When short positions are captured in these portfolio statistics, investors get a more robust description of the funds' exposure and risk.

Most managed product portfolios hold fairly conventional securities, such as long positions in stocks and bonds. Other portfolios use other investment strategies or securities, such as short positions or derivatives, to reduce transaction costs, enhance returns, or reduce risk. Some of these securities and strategies behave like conventional securities, while others have unique return and risk characteristics.

Most portfolios take long positions in securities. Long positions involve buying the security outright and then selling it later, with the hope that the security price rises over time. In contrast, short positions are taken to benefit from anticipated price declines. In this type of transaction, the investor borrows the security from another investor, sells it and receives cash, and then is obligated to buy it back at some point in the future. If the price falls after the short sale, the investor will have sold high and can now buy low to close the short position and lock in a profit. However, if the price of the security increases after the short sale, the investor will experience losses by buying it at a higher price than the sale price.

The strategy of selling securities short is prevalent in specialized portfolios, such as long-short, market-neutral, bear-market, and hedge funds. Most conventional portfolios do not typically short securities, although they may reserve the right to do so under special circumstances. Funds may also short derivatives, and this is sometimes more efficient than shorting individual securities. Short positions produce negative exposure to the security that is being shorted. This means that when the security rises in value, the short position will fall in value and vice versa. Morningstar's portfolio statistics will capture this negative exposure. For example, if a fund has many short stock positions, the percent of assets in stocks in the asset allocation breakdown may be negative. Funds must provide their broker with cash collateral for the short position, so funds that short often have a large cash position, sometimes even exceeding 100% cash.

Note that all other portfolio statistics presented in this report are based on the long holdings of the fund only.

Style Analysis

The Morningstar Style Box reveals a fund's investment style as of the date noted on this report.

For equity funds the vertical axis shows the market capitalization of the long stocks owned and the horizontal axis shows investment style (value, blend, or growth).

For fixed-income funds, the vertical axis shows the credit quality of the long bonds owned and the horizontal axis shows interest rate sensitivity as measured by a bond's effective duration.

Morningstar seeks credit rating information from fund companies on a periodic basis (e.g., quarterly). In compiling credit rating information Morningstar accepts credit ratings reported by fund companies that have been issued by all Nationally Recognized Statistical Rating Organizations (NRSROs). For a list of all NRSROs, please visit

<http://www.sec.gov/divisions/marketreg/ratingagency.htm>. Additionally, Morningstar accepts foreign credit ratings from widely recognized or registered rating agencies. If two rating organizations/agencies have rated a security, fund companies are to report the lower rating; if three or more organizations/agencies have rated a security, fund companies are to report the median rating, and in cases where there are more than two organization/agency ratings and a median rating does not exist, fund companies are to use the lower of the two middle ratings. PLEASE NOTE: Morningstar, Inc. is not itself an NRSRO nor does it issue a credit rating on the fund. An NRSRO or rating agency ratings can change from time-to-time.

For credit quality, Morningstar combines the credit rating information provided by the fund companies with an average default rate calculation to come up with a weighted-average credit quality. The weighted-average credit quality is currently a letter that roughly corresponds to the scale used by a leading NRSRO. Bond funds are assigned a style box placement of "low", "medium", or "high" based on their average credit quality. Funds with a low credit quality are those whose weighted-average credit quality is determined to be less than "BBB-"; medium are those less than "AA-", but greater or equal to "BBB-"; and high are those with a weighted-average credit quality of "AA-" or higher. When classifying a bond portfolio, Morningstar first maps the NRSRO credit ratings of the underlying holdings to their respective default rates (as determined by Morningstar's analysis of actual historical default rates). Morningstar then averages these default rates to determine the average default rate for the entire bond fund. Finally, Morningstar maps this average default rate to its corresponding credit rating along a convex curve.

For interest-rate sensitivity, Morningstar obtains from fund companies the average effective duration. Generally, Morningstar classifies a fixed-income fund's interest-rate sensitivity based on the effective duration of the Morningstar Core Bond Index (MCBI), which is currently three years. The classification of Limited will be assigned to those funds whose average effective duration is between 25% to 75% of MCBI's average effective duration; funds whose average effective duration is between 75% to 125% of the MCBI will be classified as Moderate; and those that are at 125% or greater of the average effective duration of the MCBI will be classified as Extensive.

For municipal bond funds, Morningstar also obtains from fund companies the average effective duration. In these cases static breakpoints are utilized. These breakpoints are as follows: (i) Limited: 4.5 years or less; (ii) Moderate: more than 4.5 years but less than 7 years; and (iii) Extensive: more than 7 years. In addition, for non-US taxable and non-US domiciled fixed income funds static duration breakpoints are used: (i) Limited: less than or equal to 3.5 years; (ii) Moderate: greater than 3.5 and less than equal to 6 years; (iii) Extensive: greater than 6 years.

Equity Portfolio Statistics

The referenced data elements below are a weighted average of the long equity holdings in the portfolio.

The Price/Earnings ratio is a weighted average of the price/earnings ratios of the stocks in the underlying fund's portfolio. The P/E ratio of a stock is calculated by dividing the current price of the stock by its trailing 12-months' earnings per share. In computing the average, Morningstar weights each portfolio holding by the percentage of equity assets it represents.

The Price/Cash Flow ratio is a weighted average of the price/cash-flow ratios of

the stocks in a fund's portfolio. Price/cash-flow shows the ability of a business to generate cash and acts as a gauge of liquidity and solvency.

The Price/Book ratio is a weighted average of the price/book ratios of all the stocks in the underlying fund's portfolio. The P/B ratio of a company is calculated by dividing the market price of its stock by the company's per-share book value. Stocks with negative book values are excluded from this calculation.

The geometric average market capitalization of a fund's equity portfolio gives you a measure of the size of the companies in which the mutual fund invests.

Fixed-Income Portfolio Statistics

The referenced data elements below are a weighted average of the long fixed income holdings in the portfolio.

Duration is a time measure of a bond's interest rate sensitivity. Average effective duration is a weighted average of the duration of the underlying fixed income securities within the portfolio.

Average effective maturity is a weighted average of all the maturities of the bonds in a portfolio, computed by weighting each maturity date by the market value of the security.

Average weighted coupon is generated from the fund's portfolio by weighting the coupon of each bond by its relative size in the portfolio. Coupons are fixed percentages paid out on a fixed-income security on an annual basis.

Average weighted price is generated from the fund's portfolio by weighting the price of each bond by its relative size in the portfolio. This number reveals if the fund favors bonds selling at prices above or below face value (premium or discount securities, respectively). A higher number indicates a bias toward premiums. This statistic is expressed as a percentage of par (face) value.

Credit quality breakdowns are shown for corporate-bond holdings and depict the quality of bonds in the underlying portfolio. The report shows the percentage of fixed-income securities that fall within each credit quality rating as assigned by an NRSRO. Bonds not rated by an NRSRO are included in the not rated (NR) category.

Investment Risks

International/Emerging Market Equities: Investing in international securities involves special additional risks. These risks include, but are not limited to, currency risk, political risk, and risk associated with varying accounting standards. Investing in emerging markets may accentuate these risks.

Sector Strategies: Portfolios that invest exclusively in one sector or industry involve additional risks. The lack of industry diversification subjects the investor to increased industry-specific risks.

Non-Diversified Strategies: Portfolios that invest a significant percentage of assets in a single issuer involve additional risks, including share price fluctuations, because of the increased concentration of investments.

Small Cap Equities: Portfolios that invest in stocks of small companies involve additional risks. Smaller companies typically have a higher risk of failure, and are not as well established as larger blue-chip companies. Historically, smaller-company stocks have experienced a greater degree of market volatility than the overall market average.

Mid Cap Equities: Portfolios that invest in companies with market capitalization below \$10 billion involve additional risks. The securities of these companies may be more volatile and less liquid than the securities of larger companies.

High-Yield Bonds: Portfolios that invest in lower-rated debt securities (commonly referred to as junk bonds) involve additional risks because of the lower credit quality of the securities in the portfolio. The investor should be aware of the possible higher level of volatility, and increased risk of default.

Tax-Free Municipal Bonds: The investor should note that the income from tax-free municipal bond funds may be subject to state and local taxation and the Alternative Minimum Tax.

Bonds: Bonds are subject to interest rate risk. As the prevailing level of bond interest rates rise, the value of bonds already held in a portfolio declines. Portfolios that hold bonds are subject to declines and increases in value due to general changes in interest rates.

HOLDERS: The investor should note that these are narrow industry-focused products that, if the industry is hit by hard times, will lack diversification and possible loss of investment would be likely. These securities can trade at a discount to market price, ownership is of a fractional share interest, the underlying investments may not be representative of the particular industry, the HOLDER might be delisted from the AMEX if the number of underlying companies drops below nine, and the investor may experience trading halts.

Hedge Funds: The investor should note that hedge fund investing involves specialized risks that are dependent upon the type of strategies undertaken by the manager. This can include distressed or event-driven strategies, long/short strategies, using arbitrage (exploiting price inefficiencies), international investing, and use of leverage, options and/or derivatives. Although the goal of hedge fund managers may be to reduce volatility and produce positive absolute return under a variety of market conditions, hedge funds may involve a high degree of risk and are suitable only for investors of substantial financial means who could bear the entire loss of their investment.

Bank Loan/Senior Debt: Bank loans and senior loans are impacted by the risks associated with fixed income in general, including interest rate risk and default risk. They are often non-investment grade; therefore, the risk of default is high. These securities are also relatively illiquid. Managed products that invest in bank loans/senior debt are often highly leveraged, producing a high risk of return volatility.

Exchange Traded Notes (ETNs): ETNs are unsecured debt obligations. Any repayment of notes is subject to the issuer's ability to repay its obligations. ETNs do not typically pay interest.

Leveraged ETFs: Leveraged investments are designed to meet multiples of the return performance of the index they track and seek to meet their fund objectives on a daily basis (or other time period stated within the prospectus objective). The leverage/gearing ratio is the amount of excess return that a leveraged investment is designed to achieve in comparison to its index performance (i.e. 200%, 300%, -200%, or -300% or 2X, 3X, -2X, -3X). Compounding has the ability to affect the performance of the fund to be either greater or less than the index performance multiplied by the multiple stated within the funds objective over a stated time period.

Short Positions: When a short position moves in an unfavorable way, the losses are theoretically unlimited. The broker may demand more collateral and a manager might have to close out a short position at an inopportune time to limit further losses.

Long-Short: Due to the strategies used by long-short funds, which may include but are not limited to leverage, short selling, short-term trading, and investing in derivatives, these funds may have greater risk, volatility, and expenses than those focusing on traditional investment strategies.

Liquidity Risk: Closed-end fund, ETF, and HOLDER trading may be halted due to market conditions, impacting an investor's ability to sell a fund.

Market Price Risk: The market price of ETFs, HOLDERS, and closed-end funds traded on the secondary market is subject to the forces of supply and demand and thus independent of the NAV. This can result in the market price trading at a premium or discount to the NAV, which will affect an investor's value.

Market Risk: The market prices of ETFs and HOLDERS can fluctuate as a result of several factors, such as security-specific factors or general investor sentiment. Therefore, investors should be aware of the prospect of market fluctuations and the impact it may have on the market price.

Target-Date Funds: Target-date funds typically invest in other mutual funds and are designed for investors who are planning to retire during the target date year. The fund's target date is the approximate date when investors expect to begin withdrawing their money. A target-date fund's investment objective/strategy typically becomes more conservative over time, primarily by reducing its allocation to equity mutual funds and increasing its allocations in fixed-income mutual funds. An investor's principal value in a target-date fund is not guaranteed at any time, including at the fund's target date.

High double- and triple-digit returns: High double- and triple-digit returns were the result of extremely favorable market conditions, which may not continue to be the case. High returns for short time periods must not be a major factor when making investment decisions.

Benchmark Disclosure

Barclays Municipal 10 Yr 8-12 TR USD

A benchmark for long-term, investment-grade, tax-exempt municipal bonds. The maturities of these bonds must be between 8 and 12 years. The returns we publish for the index are total returns, which include reinvestment of dividends.

Barclays Municipal California Exempt TR

Includes investment-grade, tax-exempt, and fixed-rate Bond issued in California. All securities have Long-term maturities (greater than two years) and are selected from issues larger than \$50 million.

Barclays Municipal TR USD

Tracks long-term, investment-grade, tax-exempt municipal bonds. The constituents displayed for this index are from the following proxy: SPDR® Nuveen Barclays Municipal Bond ETF.

Barclays US Agg Bond TR USD

This index is composed of the BarCap Government/Credit Index, the Mortgage-Backed Securities Index, and the Asset-Backed Securities Index. The returns we publish for the index are total returns, which includes the daily reinvestment of dividends. The constituents displayed for this index are from the following proxy: iShares Core US Aggregate Bond.

Morningstar Agg Tgt Risk TR USD

The Morningstar Aggressive Target Risk Index represents a portfolio of global

equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in a static allocation appropriate for U.S. investors who seek above-average exposure to equity market risk and returns.

Morningstar Lifetime Mod 2030 TR USD

The Morningstar Lifetime Moderate 2030 Index represents a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a U.S. investor who is about 20 years away from retirement. The Moderate risk profile is for investors who are comfortable with average exposure to equity market volatility.

Morningstar Mod Tgt Risk TR USD

The Morningstar Moderate Target Risk Index represents a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in a static allocation appropriate for U.S. investors who seek average exposure to equity market risk and returns.

Morningstar US Large Cap TR USD

The Morningstar Large Cap Index tracks the performance of U.S. large-cap stocks. These stocks represent the largest 70 percent capitalization of the investable universe.

Morningstar US Small Cap TR USD

The Morningstar Small Cap Index tracks the performance of U.S. small-cap stocks. These stocks fall between the 90th and 97th percentile in market capitalization of the investable universe. In aggregate, the Small Cap Index represents 7 percent of the investable universe.

MSCI ACWI Ex USA NR USD

The MSCI AC World ex USA is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global developed and emerging markets. The index consists of 48 developed and emerging market country indices. The returns we publish for the index are total returns, which include reinvestment of dividends. The constituents displayed for this index are from the following proxy: iShares MSCI ACWI.

MSCI ACWI NR USD

Description unavailable. The constituents displayed for this index are from the following proxy: iShares MSCI ACWI.

MSCI EAFE NR USD

This Europe, Australasia, and Far East index is a market-capitalization-weighted index of 21 non-U.S., industrialized country indexes.

This disclosure applies to all MSCI indices: Certain information included herein is derived by Morningstar in part from MSCI's Index Constituents (the "Index Data"). However, MSCI has not reviewed any information contained herein and does not endorse or express any opinion such information or analysis. MSCI does not make any express or implied warranties, representations or guarantees concerning the Index Data or any information or data derived therefrom, and in no event will MSCI have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) relating to any use of this information.

Russell 1000 TR USD

Consists of the 1000 largest companies within the Russell 3000 index, which represents approximately 98% of the investable US equity market. Also known as the Market-Oriented Index, because it represents the group of stocks from which most active money managers choose. The constituents displayed for this index are from the following proxy: iShares Russell 1000.

Russell 2000 TR USD

Consists of the 2000 smallest companies in the Russell 3000 Index. The constituents displayed for this index are from the following proxy: iShares Russell 2000.

S&P 500 TR USD

A market capitalization-weighted index composed of the 500 most widely held stocks whose assets and/or revenues are based in the US; it's often used as a proxy for the stock market. TR (Total Return) indexes include daily reinvestment of dividends. The constituents displayed for this index are from the following proxy: iShares Core S&P 500.

USTREAS T-Bill Auction Ave 3 Mon

Three-month T-bills are government-backed, short-term investments considered to be risk-free and as good as cash because the maturity is only three months. Morningstar collects yields on the T-bill on a weekly basis from the Wall Street Journal.