Buy/Hold Plus Moderately Conservative Strategy

Product Description

The Moderately Conservative Portfolio seeks to provide conservative growth and has a weighting skewed slightly towards fixed income investments. Steady capital appreciation is the predominant goal and the portfolio therefore limits its equity exposure to control volatility. Investors in this model should not expect extensive returns, as the portfolio is focused more on controlling short-term fluctuations than capital growth.

Firm Overview

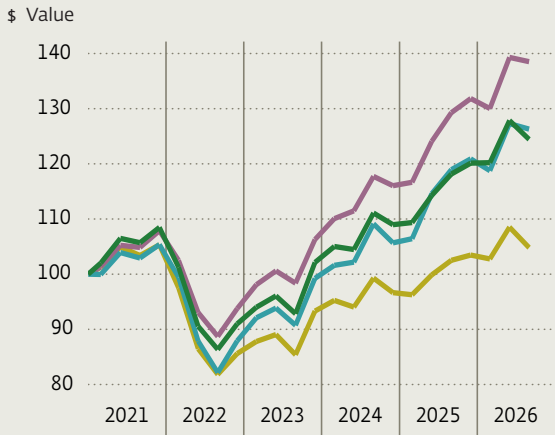
Buy/Hold Plus has been providing investors with simple approaches to sophisticated investing strategies since 2005.

With the belief that no fund company can maintain the best fund in every area of the market, Buy/Hold Plus reviews over 30,000 current investment options from a multitude of investment firms. We then build portfolios for clients from a diversified mix of select investment strategies. These strategies can utilize several differing risk management techniques to meet client goals, ranging from traditional Modern Portfolio Theory, to more modern Buffered ETF techniques.

Today's financial environment is changing more quickly than ever before. As the markets and financial products continue to evolve, more sophisticated investment strategies are required to capitalize on opportunities as they arise. Our philosophy affirms that portfolios should be designed through a combination of the classic, time-tested principles, PLUS the advanced strategic modeling and management techniques of today. All of our portfolios are designed using this philosophy, as we utilize a process of continuous research in the ongoing management of a client's portfolio. The

Continued on Page 3

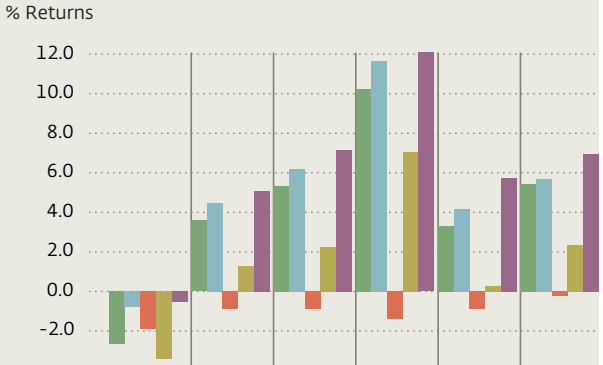
Performance: Growth of $100 [1]



	2021	2022	2023	2024	2025	2026
Product (Gross)	8.48	-16.12	12.23	6.70	10.24	3.58
Benchmark [2]	5.37	-16.57	12.88	6.49	14.41	4.46
Relative Returns	3.11	0.45	-0.65	0.21	-4.17	-0.88
Product (Net)	5.32	-18.72	9.00	3.59	7.05	1.29
Risk Benchmark [3 4]	7.87	-13.09	13.36	9.19	13.61	5.07

Performance Highlights [1] (%)

Total Annualized Return for Periods Ending 09/30/26



	MRQ	YTD	1 Yr	3 Yr	5 Yr	10 Yr
Product (Gross)	-2.68	3.58	5.32	10.26	3.32	5.45
Benchmark [2]	-0.78	4.46	6.19	11.65	4.18	5.67
Relative Returns	-1.90	-0.88	-0.87	-1.40	-0.86	-0.22
Product (Net)	-3.43	1.29	2.23	7.06	0.27	2.36
Risk Benchmark [3 4]	-0.55	5.07	7.16	12.09	5.73	6.93

Risk-Return Statistics [5]

	Product 3 Yr	Product 5 Yr	Bench 5 Yr
Std. Deviation (%)	7.94	9.93	10.23
Sharpe Ratio	0.30	-0.36	0.03
Alpha (%)	-3.25	-3.52	--
Information Ratio	-1.64	-1.48	--
Up Capture (%)	0.76	0.79	--
Down Capture (%)	1.04	1.05	--

Total Return (%)	Product	Bench
Best Qtr(04/20-06/20)	11.29	10.71
Worst Qtr(01/20-03/20)	-13.92	-11.04
Best Year (2009)	17.51	20.21
Worst Year (2022)	-18.72	-16.57

Risk Statistics [5]

	3 Yr	5 Yr
Active Return (%)	-4.59	-3.91
Batting Average (%)	27.78	33.33
Beta	0.91	0.94
Tracking Error	2.82	2.65
R Squared	88.21	93.29

Quick Facts (as of Sep 30, 2026)

Asset Class :	Asset Allocated
Benchmark :	Blend [2]
Risk Benchmark [3] :	Blend [4]
Risk Rating :	Conservative Growth
Risk Score :	38 (out of 100)
Product AUM(MM) :	$2
Portfolio Inception :	December 2005
Current # Holdings :	17
Avg. Annual Turnover :	10%
Website :	WWW.BuyHoldPlus.COM

Benchmark has changed, refer to footnotes for historical changes. [2]

The performance quoted represents past performance. Past performance is not indicative of future results. Performance and performance related statistics presented are as of Sep 30, 2026. [1]
The value of an investment and the return on invested capital will fluctuate over time and, when sold or redeemed, may be worth less than its original cost.
The historical performance results are a composite aggregation of related portfolios calculated by the investment strategy manager and/or other sources such as reporting service providers. [6]
Gross results are shown gross of all fees and trading expenses. Net results reflect the Gross return minus a 3.00% model WRAP fee that includes management fees, platform fees, advisory and other administration fees. If client utilizes a custodian or advisor that separately charges client's account, these fees will not be reflected in the Net performance data. Actual fees will vary depending on, among other things, the applicable fee schedule, the time period, investment performance and account size. All returns reflect the reinvestment of all dividends and interest income. Statistics displayed are calculated using performance that is net of fees. [7]
Benchmark indices reflect the reinvestment of dividends and income and not deductions for fees, expenses or taxes. Indices are unmanaged and not available for direct investment. [8]
All performance results are composite returns as of the date noted showing total returns that are calculated assuming reinvestment of dividends, income and capital appreciation.

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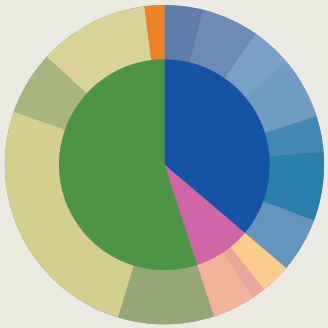
Portfolio Characteristics [9]

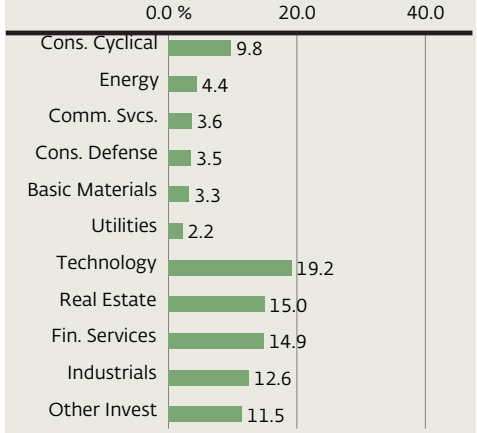
(Actual investor holdings will vary)	
Average Market Cap (MM)	33,115
Median Market Cap (MM)	—
Average Price/Earnings Ratio	20.87
Average Price/Book Ratio	2.39
Return On Equity (1yr)	19.72
Debt to Total Capital	39.78
Current Yield (%)	3.32 [10]
Model Wgt Avg Gross Exp Ratio [11]	0.77%
Model Wgt Avg Net Exp Ratio [12]	0.72%

Asset Allocation



Style (top allocations)	%
Domestic Equity	36.20
Large-Cap Growth	3.90
Large-Cap Value	5.80
Mid-Cap Growth	4.20
Mid-Cap Value	6.20
Small-Cap Growth	3.60
Small-Cap Value	7.00
Real Estate	5.50
International Equity	8.80
Int'l Emerging Mkts	3.10
Foreign Large Cap Growth	1.30
Foreign Large Cap Value	4.40
Fixed Income	55.00
Emerging Markets Bond	9.70
Intermediate Bond	25.70
High Yield	6.40
International Bond	11.20
Cash	2.00

Equity Sector Distribution



Holdings

Security	%
Performance Trust Total Return Bd Inst	17.70
PIMCO International Bond (USD-Hdg) I-3	11.20
Nomura Emerging Markets Debt Corp Ins	9.70
American Funds US Government Sec F-2	8.00
PGIM High Yield Z	6.40
Diamond Hill Select I	6.20
Columbia Dividend Income Inst2	5.80
Hartford International Value Y	4.40
Janus Henderson Enterprise I	4.20
Vanguard MStar Small Cap Value ETF	4.00

Security	%
Fidelity Blue Chip Growth	3.90
Cohen & Steers Realty Shares I	3.60
Oberweis Small-Cap Opportunities Instl	3.60
Fidelity Advisor Emerg Mkts Discv I	3.10
Undiscovered Managers Behavioral Val L	3.00
PGIM Select Real Estate Z	1.90
Morgan Stanley Inst International Opp I	1.30

The data presented is based on a snapshot of the holdings in the portfolio as of Oct 26, 2026 and may change at any time. Other data is calculated based on the reported holdings and data received from third party data sources, as of the most recent date provided to Envestnet. The information is believed to be accurate, however Envestnet cannot guarantee the accuracy, completeness, or timeliness of the data as it has not been independently verified. Specific securities identified and described do not represent all of the securities purchased, sold or recommended for advisory clients, and may not reflect any restriction a client may have placed on a portfolio. The portfolio holdings may vary depending on strategy employed by the investment manager. Holdings information should not be considered a recommendation to buy or sell a particular security. It should not be assumed that any investments in securities identified and described were or will be profitable, and diversification does not ensure a profit or protect against loss.

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result provides a simple approach to sophisticated investing.

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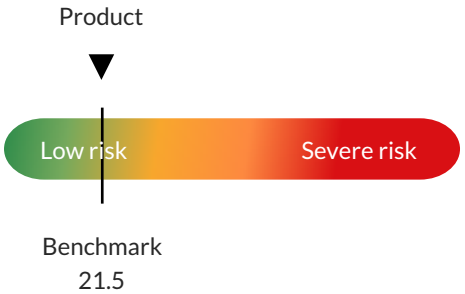
ESG Risk Score [13]

21.4

↓ 0.9% lower risk than benchmark [1]



Product
Coverage Ratio :60% [14]

Benchmark
Coverage Ratio :60% [14]

Alignment Score [15]

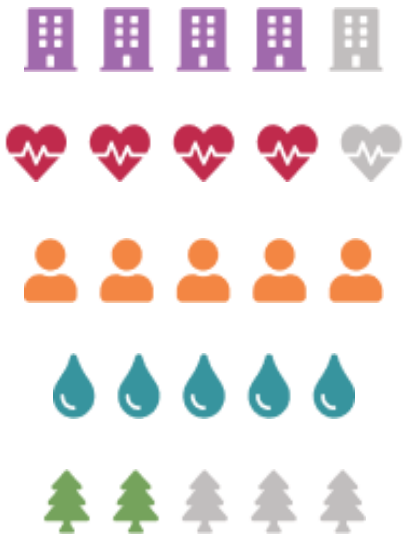
Community Builder
Coverage Ratio : 58% [2]

Wellness Champion
Coverage Ratio : 58% [2]

Diversity Advocate
Coverage Ratio : 47% [2]

Natural Resource Protector
Coverage Ratio : 58% [2]

Climate Actor
Coverage Ratio : 54% [2]



Carbon Intensity [16]

Product
1659.2 metric tCO2e/million $ revenue

Coverage Ratio :60%

Benchmark [17]
2893.4 metric tCO2e/million $ revenue

Coverage Ratio :59%

Sustainable Solutions: Portfolio (%) [18]

Product	Benchmark [17]	
3.4 %	3.4 %	Green Buildings
3.1	3.5	Energy Efficiency
2.1	2.3	Healthcare
0.9	0.4	Sustainable Agriculture
0.7	0.7	Renewable Energy
0.5	0.5	Green Transportation
0.5	0.4	Water
0.2	0.2	Resource Efficiency
0.2	0.2	Financial Inclusion
0.1	0.1	Pollution Prevention
0.0	0.0	Education
0.0	0.0	Affordable Housing

Product
Coverage Ratio :62% [14]

Benchmark
Coverage Ratio :62% [14]

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Controversial Activity: Portfolio (%) [19]

Product | Benchmark [17]

Product	Benchmark	
1.1 %	1.1 %	Customers
0.3	0.3	Operations
0.2	0.2	Society & Community
0.2	0.1	Business Ethics
0.0	0.0	Environmental Supply Chain
0.0	0.0	Public Policy
0.0	0.0	Social Supply Chain
0.0	0.2	Employees
0.0	0.0	Governance
0.0	0.0	Products & Services

Product
Coverage Ratio :62% [14]

Benchmark
Coverage Ratio :62% [14]

Product Involvement: Portfolio (%) [20]

Product | Benchmark [17]

Product	Benchmark	
7.0 %	6.9 %	Animal Testing
4.5	4.8	Oil & Gas
2.1	2.0	Thermal Coal
1.0	1.1	Military Contracting
0.9	0.5	Gambling
0.8	0.8	Nuclear Energy
0.3	0.5	Controversial Weapons
0.3	0.2	Tobacco
0.2	0.2	Pesticides
0.2	0.2	Alcohol
0.1	0.1	GMOs
0.1	0.0	Cannabis
0.1	0.0	Palm Oil
0.1	0.1	Predatory Lending
0.0	0.0	Small Arms
0.0	0.0	Fur & Leather
0.0	0.1	Riot Control
0.0	0.0	Adult Entertainment

Product
Coverage Ratio :62% [14]

Benchmark
Coverage Ratio :62% [14]

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[1] *Note: Performance returns & statistics are calculated using monthly returns data as of date noted.*

[2] *Blend represents a benchmark composed of 51% Bloomberg Macro Multiverse TR, 45% MSCI All Country World Index IMI NR USD, 4% Bloomberg US Treasury Bill 1-3 Mon TR USD (Inception to 12/31/2017), 53% Bloomberg Macro Index Multiverse Iv, 45% MSCI All Country World Index IMI NR USD, 2% Bloomberg US Treasury Bill 1-3 Mon TR USD (1/1/2018 to date)*

[3] *The secondary risk benchmark is shown for informational purposes only. It is based on the overall risk score of the product only. The secondary risk benchmark allows for easier comparison across products within the same risk category, whereas the benchmark serves as a comparison against an individual product. For example, when comparing multiple FSPs in the same risk range the benchmark may be different based on the product, but the secondary risk benchmark will be the same across profiles.*

[4] *Blend represents a benchmark composed of 35.5% Bloomberg Intermediate U.S. Government/Credit TR, 29% Russell 1000 TR, 12% MSCI EAFE GR, 11.5% Bloomberg Global Aggregate Bond TR, 7% Bloomberg 1-3 Govt/Credit Bond TR, 3% Russell 2000 TR, 2% MSCI EM TRG USD (Inception to 3/30/2019), 35.2% Bloomberg Intermediate U.S. Government/Credit TR, 29.5% Russell 1000 TR, 11.6% Bloomberg Global Aggregate Bond TR, 11.2% MSCI EAFE GR, 7.2% Bloomberg 1-3 Govt/Credit Bond TR, 2.7% MSCI EM TRG USD, 2.6% Russell 2000 TR (3/31/2019 - 9/15/2022), 35.4% Bloomberg Intermediate U.S. Government/Credit TR, 29.4% Russell 1000 TR, 11.4% Bloomberg Global Aggregate Bond TR, 11% MSCI EAFE GR, 7.2% Bloomberg 1-3 Govt/Credit Bond TR, 2.8% MSCI EM TRG USD, 2.8% Russell 2000 TR (9/16/2022 to date)*

[5] ***Alpha** - Alpha measures the returns an investment's non-systematic returns above the benchmark return. Typically the benchmark represents the market's returns. Alpha helps you evaluate performance of the investment in comparison with the market as a whole and how much change in value you can attribute to a portfolio manager's investment decisions. It does not measure the amount of return caused by market volatility (market risk or systematic risk), which is indicated by beta. A positive Alpha indicates the fund or composite has performed better than the market, implying that the manager has added value above the benchmark. An alpha of zero means the fund or composite perfectly tracks the benchmark. A negative Alpha indicates a fund or composite has under-performed compared with the benchmark. **Beta** - Beta measures the systematic risk, or volatility, of an investment compared with a benchmark or the market as a whole. Beta of an investment can help you estimate how much risk it adds to a portfolio. By definition, the beta of the market is 1.00. A beta of 1.10 shows that the portfolio has performed 10% better than its benchmark in up markets and 10% worse in down markets, assuming all other factors remain constant. Conversely, a beta of 0.85 indicates that the portfolio's excess return is expected to perform 15% worse than the benchmark's excess return during up markets and 15% better during down markets. **Down Capture Ratio** - Measures an investment manager's overall performance in down markets by comparing the manager's portfolio performance with performance of a benchmark. If the ratio is less than one, the portfolio's returns decreased less than the benchmark's returns. If the ratio is more than one, the portfolio's returns decreased more than the benchmark's returns. The lower the number, the better the manager did at protecting the portfolio's investment during a down market period. **Information Ratio** - Measures how consistently a manager beats a benchmark. It measures the how much a portfolio's returns exceed a benchmark's returns compared with the volatility of returns. It is calculated as the quotient of the annualized excess return and the annualized standard deviation of excess return divided by the tracking error. **R-squared** - Measures correlation and is used to evaluate the percentage of an investment's movement that can be explained by benchmark movement. Rsquared ranges between 0 and 1, and reflects the percentage of a fund or composite's variability that is explained by benchmark variability. The higher the Rsquared, the more useful the beta and alpha statistics. For example, an R-squared of 1 indicates that the regression model for the fund or composite and the benchmark has perfect predictability. An R-squared measure of 0.25 means that the regression model only explains 25% of the variability. **Sharpe Ratio** - Measures the risk of an investment compared with the reward. The Sharpe ratio uses standard deviation and excess return to determine the reward per unit of risk. The higher the ratio, the better the portfolio's historical risk-adjusted performance. You can use the Sharpe ratio to compare two portfolios directly with regard to how much excess return each portfolio achieved for a certain level of risk. **Standard Deviation** - The statistical measurement of dispersion about an average, which depicts how widely a stock or portfolio's returns varied over a certain period of time. Investors use the standard deviation of historical performance to try to predict the range of returns that is most likely for a given investment. When a stock or portfolio has a high standard deviation, the predicted range of performance is wide, implying greater volatility. **Tracking Error** - Measures how much price behavior of a position or a portfolio diverges from the price behavior of a benchmark. It measures the degree to which a manager's performance has historically deviated from its benchmark return and is measured in standard deviations. High tracking error suggests a portfolio that performs significantly different from its benchmark. **Up Capture Ratio** - Measures an investment manager's overall performance in up markets by comparing the manager's portfolio performance with performance of a benchmark. If the ratio is greater than one, the portfolio's returns outperformed compared to the benchmark's returns. If the ratio is less than one, the portfolio's returns underperformed compared to the benchmark's returns. The higher the number, the better the manager did at beating the market's returns during an up market period.*

[6] *The information is believed to be accurate, however Envestnet cannot guarantee the accuracy, completeness, or timeliness of the data as it has not been independently verified by Envestnet. The performance results of any account may vary, perhaps significantly, from the composite performance presented depending on the circumstances related to that account.*

[7] *For example, if $100,000 were invested and experienced a 10% annual return compounded monthly for 10 years, its ending value, without giving effect to the deduction of advisory fees, would be $270,704 with annualized compounded return of 10.47%. If an advisory fee of 0.95% of the average market value of the account were deducted monthly for the 10-year period, the annualized compounded return would be 9.43% and the ending dollar value would be $246,355. For a description of all fees, costs and expenses, please refer to your financial advisor's Disclosure Brochure. Net performance will not reflect any commissions or markup/markdowns incurred in connection with any stepped-out trades. Past performance is not indicative of future results.*

[8] *Reported benchmarks are not intended as direct comparisons to the performance of the portfolio. Instead, they are intended to represent the performance of certain sectors of the overall securities market (e.g. equities, bonds, etc.). Respectively, the volatility and performance of the reported benchmark may be greater than or less than the volatility and performance of the investment portfolio.*

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[10] *Yield is an indication of the current estimated dividends and interest vs. the current market value of the holdings. The yield represents the current amount of income that is being generated from the portfolio without liquidating the principal or capital gains on the portfolio. However, the yield will fluctuate daily and current or past performance is not a guarantee of future results. For managed portfolios, when calculating the current yield, all cash positions are weighted and included with a yield of 0.0%.*

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[11] *The Model Weighted Average Gross Expense Ratio is the average of each mutual fund's and/or ETF's gross expense ratio that has been adjusted for it's relative weighting in the model. If the model holds a security that does not have an expense ratio, the security is weighted as 0. The data used to calculate the Model Weighted Average Gross Expense Ratio is obtained from a third-party data provider and is believed to be accurate, but has not been verified by Envestnet. The Model Weighted Average Gross Expense Ratio will only be shown if fund expense ratios are available on all mutual funds and ETFs used in the model.*

[12] *The Model Weighted Average Net Expense Ratio is the average of each mutual fund's and/or ETF's net expense ratio that has been adjusted for its relative weighting in the model. If the model holds a security that does not have an expense ratio, the security is weighted as 0. It reflects expense waivers or reimbursements from the fund companies, which may not be permanent. The data used to calculate the Model Weighted Average Net Expense Ratio is obtained from a third-party data provider and is believed to be accurate, but has not been verified by Envestnet. The Model Weighted Average Net Expense Ratio will only be shown if fund expense ratios are available on all mutual funds and ETFs used in the model.*

[13] *ESG risk measures the degree to which the portfolio's economic value may be at risk because of holdings exposure to and management of environmental, social, and governance (ESG) issues. Some examples of ESG issues could include energy use, worker safety, and diversity efforts. ESG Risk Score is based on a scale of 0 to 100, where a lower score indicates the portfolio faces lower financial risks from ESG issues and a higher score indicates higher financial risk.*

[14] *Coverage represents the percentage of portfolio assets that report sustainability data on which the presented metric is based. A lower coverage indicates that the portfolio may not fully represent the metric being displayed. Portfolio metrics are calculated using an asset-weighted average of company-level data from Sustainalytics for each covered security. Cash and currency are excluded, as well as short positions, derivatives, synthetic holdings, and any fixed income and equity securities issued by companies that do not have sustainability data. As a result, this information is subject to change. Company ratings are current as of the most recent month end.*

[15] *Alignment scores reflect the extent to which an investment product or portfolio is in alignment with a particular theme. The alignment score is comprised of metrics across ESG Risk, Carbon Risk, Controversies, Product Involvement, and Sustainable Solutions. The components of each alignment score were selected based on their relevance and applicability to the theme. Each metric is standardized on a scale of 1 to 100. The alignment score is the weighted aggregate of these individual metrics, multiplied by the portfolio weight of each holding in a portfolio. It is interpreted relative to a universe of products on the Envestnet platform that have an alignment score calculated. These products include mutual funds, exchange-traded funds, and separately managed accounts. The universe is comprehensive and does not represent a specific theme or investment strategy. This allows for a broad comparison of products where applicable data is available.*

[16] *Carbon intensity measures the carbon emissions that are attributable to each underlying holding in the portfolio. Emissions include direct emissions from a company's internal operations as well as indirect emissions from the generation of purchased energy. Carbon Intensity is measured as metric tons of Co2 equivalent per Million USD revenue.*

[17] *The benchmark indicates a blend composed of 5.80% iShares Russell 1000 Value ETF, 3.90% iShares Russell 1000 Growth ETF, 7.00% iShares Russell 2000 Value ETF, 3.10% iShares Core MSCI Emerging Markets ETF, 4.40% iShares MSCI EAFE Value ETF, 3.60% iShares Russell 2000 Growth ETF, 4.20% iShares Russell Mid-Cap Growth ETF, 6.20% iShares Russell Mid-Cap Value ETF, 11.20% SPDR® Blmbg Intl Trs Bd ETF, 6.40% iShares Broad USD High Yield Corporate Bond ETF, 25.70% iShares Core US Aggregate Bond ETF, 5.50% iShares Core US REIT ETF, 9.70% iShares JP Morgan USD Em Mkts Bd ETF and 1.30% iShares MSCI EAFE Growth ETF.*

[18] *Sustainable solutions measures the portfolio's exposure to companies with revenue streams that are aligned with creating a more equitable and sustainable economy.*

[19] *Controversial activity measures the portfolio's exposure to companies involved in severe incidents that impact the environment or society and pose risks to the company involved.*

[20] *Product involvement measures the portfolio's exposure to companies that are involved in a range of controversial business products, services, and activities, generally using revenue as a proxy.*

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Envestnet leverages Sustainalytics data and research methodology to provide portfolio reporting across five areas of research: ESG Risk, Sustainable Solutions, Product Involvement, Controversies, and Carbon, including risk and emissions. These same metrics are also leveraged by Envestnet in creating a proprietary impact alignment score. Each of these areas of research is defined and expanded upon above. Sustainalytics, a Morningstar Company, provides analytical environmental, social and governance (ESG) research, ratings and data. Sustainalytics is unaffiliated with Envestnet.

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Glossary

Active Return: The difference between the actual return on an investment and the benchmark against which it is measured. Active returns can help you assess an investment's performance. Actively managed mutual funds employ managers who work to generate high active returns.

Alpha: Alpha measures the returns an investment's non-systematic returns above the benchmark return. Typically the benchmark represents the market's returns. Alpha helps you evaluate performance of the investment in comparison with the market as a whole and how much change in value you can attribute to a portfolio manager's investment decisions. It does not measure the amount of return caused by market volatility (market risk or systematic risk), which is indicated by beta. A positive Alpha indicates the fund or composite has performed better than the market, implying that the manager has added value above the benchmark. An alpha of zero means the fund or composite perfectly tracks the benchmark. A negative Alpha indicates a fund or composite has under-performed compared with the benchmark.

Annualized Returns: The return an investment provides each year over a period of time, expressed as a time-weighted percentage. The rate of annual return is measured against the initial amount of the investment and represents a geometric mean rather than a simple arithmetic mean.

Asset Class: Asset Class generally describes a specific group of assets or investments.

All Cap : A stock mutual fund that invests in equity securities without regard to whether a company is characterized as having a small, medium or large market capitalization.

Alternative : An investment that is not one of the three traditional asset types (stocks, bonds and cash) and generally has low correlations to stocks and bonds. Alternative investments include hedge funds, managed futures, market neutral/long-short funds and derivatives contracts.

Alternative Fixed Income : Seeks to exploit inefficiencies in the fixed income markets. Strategies can exclude long/short credit, long/short duration, long/short interest rates and other uncorrelated fixed income strategies (credit strips, non-traditional bonds). Portfolios will tend to have fixed income market betas in the range of -0.2 to 0.5 compared to the BarCap Aggregate Bond index.

Balanced : A portfolio allocation and management method aimed at balancing risk and return. Such portfolios are generally divided roughly equally between equities and fixed-income securities.

Bank Loan : Bank-loan portfolios primarily invest in floating-rate bank loans. In exchange for their credit risk, these loans offer high interest payments that typically float above a short-term debt instrument.

Bear Market : Portfolio investment that seeks to exploit a view of securities or markets that are overvalued by having a relative high net short beta to equity market betas. or implement a tactical view to potentially profit from a declining equity market Portfolios will tend to have equity market betas in the range of -0.4 to -1.5 to the S&P 500.

Cash : Cash can be cash in the bank, certificates of deposit, currency, money market holdings, fixed-income securities that mature in less than 12 months, commercial paper and repurchase agreements.

Commodity : A generic term for any item or product that can be traded by investors on a market. More specifically, it refers to natural materials and their derived products such as metals, agricultural products and energy products.

Deferred Income Annuity : An annuity contract during the time period prior to annuitization. The contract owner determines the point at which accumulated principal and earnings are converted into a stream of income.

Digital Assets : Digital Assets are investments that have investment exposure to blockchain technology, that creates their source of value as an asset class. Securities in this asset class will invest the majority of their assets into bitcoin or other coin based securities, or other decentralized currencies. Risk and return exposure is derived from access to digital assets through actual or derivative exposures and overall risk.

Emerging Markets Bond : Emerging-markets bond portfolios invest the majority of their assets in foreign bonds from developing countries. Investments may include both sovereign and/or corporate debt. Most investment in emerging-markets debt is via countries located in Latin America, Eastern Europe. Africa, the Middle East, and Asia.

Equity Market Neutral : Seeks to construct a portfolio of long and short equities market by balancing out net long and net short equity exposure across the portfolio so that the net equity market exposure is around 0%. Some managers implement this by singling out stock picking ability and targeting zero equity beta. Techniques used include statistical arbitrage, quantitative trading strategies and relative value trades as well as fundamental analysis. In attempting to reduce systematic risk, these funds put the emphasis on issue selection, with profits dependent on their ability to sell short and buy long the correct securities. Managers in this space can use economic leverage via derivative contracts.

Event Driven : A strategy that purchases securities throughout the capital structure in order to benefit from certain events that will impact the price of a security. Examples include merger arbitrage, sector arbitrage, capital structure arbitrage, spin-offs, re-structuring, debt exchanges, management changes, etc. Managers in this space can invest in securities throughout the capital structure in order to express an investment thesis and can use derivatives in order to obtain economic leverage.

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Fixed Annuity : An annuity contract providing a specified rate of interest paid on the amount invested during the accumulation phase and a specified payment amount during the annuitization phase. The issuing company assumes the investment risk.

Fixed Indexed Annuity : An annuity contract on which credited interest is based upon the performance of a stock market index, such as the S&P 500, rather than an interest rate. The principal investment is protected from losses in the equity market, while gains add to the annuity's returns.

Fixed Rate Subaccount : This asset class represents an investment with a fixed rate of return within an annuity.

Foreign Large Cap Core : This asset class represents stocks that are domiciled outside of the US with market capitalization in the top 70% of each economically integrated market around the world. A core portfolio invests in a combination of growth and value stocks. While these portfolios can invest in US domiciled stocks, they typically make up less than 20% of the portfolio.

Foreign Large Cap Growth : This asset class represents stocks that are domiciled outside of the US with market capitalization in the top 70% of each economically integrated market around the world. The growth style is defined as stocks that are fast growing with higher valuations than other large international stocks. While these portfolios can invest in US domiciled stocks, they typically make up less than 20% of the portfolio.

Foreign Large Cap Value : This asset class represents stocks that are domiciled outside of the US with market capitalization in the top 70% of each economically integrated market around the world. The value style is defined as stocks that are trading at low valuations compared to their industry and peers. While these portfolios can invest in US domiciled stocks, they typically make up less than 20% of the portfolio.

Foreign Small Mid Cap Core : Foreign Small Mid Core portfolios generally invest in the stock of companies which are domiciled outside of the US and are small from a market capitalization standpoint. These portfolios generally invest in stocks that land in the bottom 30% of the capitalization range of each economically integrated market (Asia ex-Japan, Europe). The core style will have a combination of traits of both growth and value styles. While these portfolios can invest in US domiciled stocks, they typically make up less than 20% of the portfolio.

Foreign Small Mid Cap Growth : Foreign Small Mid Growth portfolios generally invest in the stock of companies which are domiciled outside of the US and are small from a market capitalization standpoint. These portfolios generally invest in stocks that land in the bottom 30% of the capitalization range of each economically integrated market (Asia ex-Japan, Europe). The growth style is generally defined as stocks which are experiencing higher growth (based on earnings, sales, cash flow, etc.) and are generally trading at higher valuations due to that higher growth. While these portfolios can invest in US domiciled stocks, they typically make up less than 20% of the portfolio.

Foreign Small Mid Cap Value : Foreign Small Mid Value portfolios generally invest in the stock of companies which are domiciled outside of the US and are small from a market capitalization standpoint. These portfolios generally invest in stocks that land in the bottom 30% of the capitalization range of each economically integrated market (Asia ex-Japan, Europe). The value style is generally defined as stocks which are trading at low valuations. While these portfolios can invest in US domiciled stocks, they typically make up less than 20% of the portfolio.

Global Equity : This asset class represents investments in companies that operate in any market in the world.

Global Macro : Macro managers invest in a broad range of securities and indices including, but not limited to, equities, fixed income, rates, currencies, commodities, credit, etc. and can use derivatives and economic leverage to express these views. The majority of macro strategies have a top down view and are trying to determine if broad asset classes are under or overvalued. Managers can use both discretionary as well as systematic techniques to find opportunities.

Hedged Equity : Strategy that seeks to reduce overall equity portfolio volatility by hedging and varying net equity market exposure by going long and short individual equities, equity ETFs and derivative products. Money managers will tend to have equity market betas in the range of 0.4-0.8 compared to the S&P 500. Strategies include long/short equity or using options to hedge equity market risk

High Yield : A collective investment strategy that invests in bonds with low credit ratings. Because of the risky nature of high-yield bonds, high-yield funds have greater volatility than the average bond fund.

Inflation-Protected Bond : A special type of Treasury note or bond that offers protection from inflation. Like other Treasuries, an inflation-indexed security pays interest every six months and pays the principal when the security matures. The difference is that the coupon payments and underlying principal are automatically increased to compensate for inflation as measured by the consumer price index (CPI)

Infrastructure : Direct infrastructure funds are directly exposed to infrastructure projects and listed companies that are closely affiliated with a specific infrastructure project, or a pool of related infrastructure products. These types of projects include physical entities and could include structures like bridges, wind farms, data farms, solar, wind and other energy related projects.

Int'l Developed Mkts : This asset class invests in companies located in foreign countries with developed economies and market such as Japan, Western Europe and Australia. Foreign investing may involve special risks such as currency fluctuation, political uncertainty and different accounting standards.

Int'l Emerging Mkts : This asset class represents companies that operate industrializing or emerging regions of the world. Foreign investing may involve special risks such as currency fluctuation, political uncertainty and different accounting standards.

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Intermediate Bond : This asset class represents fixed income securities with typical average maturity of 4 to 10 years.

Intermediate Muni : This asset class represents municipal bond securities with typical average maturity of 5 to 12 years. See "Fixed Income Sectors" for more information on Municipal Bonds.

International Bond : Bonds that are issued in a country by a non-domestic entity. International bonds include Eurobonds, foreign bonds and global bonds. Foreign investing may involve special risks such as currency fluctuation, political uncertainty and different accounting standards.

Inverse : These funds seek to generate returns equal to an inverse fixed multiple of short-term returns of an associated index. The compounding of short-term returns results in performance that does not correspond to those of investing in the index with external leverage. Many of these portfolios seek to generate a multiple typically negative 1 to negative 3 times the daily or weekly return of the reference index. Some strategies employ derivatives to obtain this exposure.

Large-Cap Core : This asset class represents companies with market capitalizations above approximately $10 billion that may demonstrate above average consistency in earnings growth and reasonable market valuations. The market capitalization of large cap companies may change over time and is not authoritatively defined.

Large-Cap Growth : This asset class represents companies with market capitalizations above approximately $10 billion that may exhibit above average growth potential, often demonstrated by accelerating revenue and earnings growth.

Large-Cap Value : This asset class represents companies with market capitalizations above approximately $10 billion that often exhibit relatively low P/E ratios or are undervalued by other objective measures, such as price-to-book ratios. The market capitalization of large cap companies may change over time and is not authoritatively defined.

Leveraged : Leveraged portfolios seek to achieve overall exposure to the market consistently larger than the sum of fund assets. This exposure may be 1 to 3 times a reference index. This is achieved through borrowed cash invested in securities that can provide income or capital appreciation in excess of the borrowing costs. Some strategies employ derivatives to obtain this exposure. Leveraged portfolios may also invest in other highly volatile asset classes or derivative exposures. This may include speculative securities or securities tied to cryptocurrencies or other assets where the store of value of the underlying asset or commodity is hard to value.

Long Bond : This asset class represents fixed income securities with typical average maturity greater than 10 years.

Long Muni : This asset class represents municipal bond securities with typical average maturity greater than 12 years. See "Fixed Income Sectors" for more information on Municipal Bonds.

Long/Short Credit : Long-short portfolios hold sizable stakes in both long and short positions in bonds and related derivatives. Some funds that fall into this category will shift their exposure to long and short positions depending on their macro outlook or the opportunities they uncover through bottoms up research. Funds in this institutional category use individual short positions rather than derivatives to obtain short exposure.

Managed Futures : Portfolio investment directly into derivatives contracts such as futures, forward and options. Many managers will position investment in trend following or momentum based trading strategies. Managed futures generally manage their clients assets using a proprietary trading system or discretionary method that may involve going long or short in futures contracts in areas such as metals , grains , equity indexes, soft commodities , as well as foreign currency and U.S government bond futures. Managed Futures portfolios can have both volatile and uncorrelated returns to equity and fixed income markets but have positive correlation to volatility in general (i.e. the VIX). Portfolios will tend to have market betas in the range of -0.3 to 0.3 to both fixed income and equity market indexes.

Mid-Cap Core : This asset class represents companies with market capitalizations typically between $2 to $10 billion that may demonstrate above average consistency in earnings growth and reasonable market valuations. The market capitalization of mid cap companies may change over time and is not authoritatively defined.

Mid-Cap Growth : This asset class represents companies with market capitalizations typically between $2 to $10 billion that often exhibit above average growth potential, often demonstrated by accelerating revenue and earnings growth. The market capitalization of mid cap companies may change over time and is not authoritatively defined.

Mid-Cap Value : This asset class represents companies with market capitalizations typically between $2 to $10 billion that often exhibit relatively low P/E ratios or are undervalued by other objective measures, such as price-to-book ratios. The market capitalization of mid cap companies may change over time and is not authoritatively defined.

Multi year Guaranteed Annuity : An annuity contract that is a hybrid of a fixed annuity and Certificate of Deposit. This annuity guarantees a fixed rate for the entire duration of the contract term. The main components of determining the fixed rate is insurance company, market interest rates, and the chosen contract term.

Multi-Strategy : A strategy whereby a money manager is diversifying across multiple alternative investment strategies within a portfolio to seek different sources of returns. Portfolios will tend to have equity market betas in the range of 0.3 to 0.7 compared to the S&P 500.

Private Credit : Private credit is a way for businesses to raise capital through private markets in exchange for fixed payments. As an asset class, private credit is where the investor lends money to a company in exchange for interest payments and can impose covenants and/or collateralization that secures the loan. They are deemed to be private, because unlike publicly offered company stocks and bonds, these loans (credit) are not available to the general public.

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Private Equity : Private equity is ownership or interest in stock equity that is not publicly listed or traded. Private equity investment comes from firms that purchase stakes in private companies or acquire control of public companies with plans to take them private and delist them from stock exchanges.

Private Real Estate : Private real estate investing involves the acquisition, financing and direct ownership and holding of the title to an individual property or portfolios of properties. It also includes indirect ownership and holding of a securitized or other divided or undivided interest in a property or portfolio of properties. These investments typically can be structured as an individually managed account, a commingled fund, real estate holding company, real estate holding corporation, actively managed real estate operating company or similar types of structures.

REITs : A security that sells like a stock on the major exchanges and invests in real estate directly, either through properties or mortgages.

Registered Index-Linked Annuity : An individual index-linked annuity contract registered as a security. The contract offers the ability to participate in index-linked market gains, while providing a level of protection against index-linked market losses.

Short Bond : This asset class represents fixed income securities with typical average maturity of less than 4 years.

Short Muni : This asset class represents municipal bond securities with typical average maturity less than 5 years. See "Fixed Income Sectors" for more information on Municipal Bonds.

Single Premium Immediate Annuity : Also known as a SPIA, or an immediate annuity. This type of product provides an immediate annuity payment that generally starts payment one month after a premium is paid and continues for as long as the annuitant (buyer) is alive or for a specific period of time. The longer an annuitant lives, the better their return will be.

Small-Cap Core : This asset class represents companies with market capitalizations typically of up to $2 billion that may demonstrate above average consistency in earnings growth and reasonable market valuations. The market capitalization of small cap companies may change over time and is not authoritatively defined.

Small-Cap Growth : This asset class represents companies with market capitalizations typically of up to $2 billion that may exhibit above average growth potential, often demonstrated by accelerating revenue and earnings growth. The market capitalization of small cap companies may change over time and is not authoritatively defined.

Small-Cap Value : This asset class represents companies with market capitalizations typically of up to $2 billion that often exhibit relatively low P/E ratios or are undervalued by other objective measures, such as price-to-book ratios. The market capitalization of small cap companies may change over time and is not authoritatively defined.

Structured Fixed : Structured fixed annuities are a hybrid of fixed, indexed, and variable annuities. Structured annuities allow the policyholder to capture much more of the upside of the index than an indexed annuity. The tradeoff is that unlike an indexed annuity, a structured annuity merely protects some of the downside and can cause a policyholder to lose money, similar to a variable annuity.

Structured – High Market Sensitivity : Structured note or similar securities that have high sensitivity to equity and bond markets market movements. This style is tied to the PMC Global Equity CMA for risk calculation purposes.

Structured – Low Market Sensitivity : Structured note or similar securities that have low sensitivity to equity and bond markets market movements. This style is tied to the PMC High Yield CMA for risk calculation purposes.

Structured – Medium Market Sensitivity : Structured note or similar securities that have medium sensitivity to equity and bond markets market movements. This style is tied to the PMC Balanced CMA for risk calculation purposes.

Structured – Minimal Market Sensitivity : Structured note or similar securities that are minimally sensitive to equity and bond market movements. This style is tied to the PMC Short Bond CMA for risk calculation purposes.

Average Annual Turnover: The percentage rate at which the portfolio replaces its investment holdings on an annual basis.

Average Credit Quality: Average Credit Quality gives a snapshot of the portfolio's overall credit quality. A bond's average quality is a reflection of the amount of risk a manager is willing to incur, and management style in general. It is an average of each bond's credit rating, adjusted for its relative weighting in the portfolio.

Average Effective Duration: Average Effective Duration is a measure of a portfolio's interest-rate sensitivity - the longer a fund's duration, the more sensitive the portfolio is to shifts in interest rates. Duration is determined by a formula that includes coupon rates and bond maturities. Small coupons tend to increase duration, while shorter maturities and higher coupons shorten duration. The relationship between portfolios with different durations is straightforward: A portfolio with a duration of 10 years is twice as volatile as a portfolio with a five-year duration.

Average Effective Maturity: Average Effective Maturity is the weighted average of all the maturities of the bonds in the portfolio, computed by weighting each maturity date, which is the date the security comes due, by the market value of the security.

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Average Market Cap: The simple mathematical average of the market capitalization of each stock in the portfolio.

Average Price/Book: Average P/B is the weighted average of the price/book ratios of all the stocks in a 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. In theory, a high P/B ratio indicates that the price of the stock exceeds the actual worth of the company's assets, while a low P/B ratio indicates that the stock is a bargain.

Average Price/Earnings: Average P/E is the weighted average of the price/earnings ratios of the stocks in a portfolio. The P/E ratio of a stock is calculated by dividing the current price of the stock by its forward earnings per share. In computing the average, each portfolio holding is weighted by the percentage of equity assets it represents, so that larger positions have proportionately greater influence on the final P/E.

Average Return (Positive/Negative Quarters): The simple mathematical average of the set of returns for calendar quarters over which the portfolio had a positive (negative) return.

Batting Average: Measures a manager's ability to consistently beat the returns of the market or a benchmark, expressed as a percentage. Be aware, however, that batting average does not account for the risk taken to achieve the returns. Usually managers must have a batting average of at least 50% to be considered successful.

Benchmark: A standard against which the performance of a security or group of securities can be measured. For example, the Nasdaq may be used as a benchmark against which the performance of a technology stock is compared.

Bloomberg 1-3 Govt/Credit Bond TR : This index is the 1-3 Yr component of the U.S. Government/Credit index. The Government Index includes treasuries (i.e., public obligations of the U.S. Treasury that have remaining maturities of more than one year) and agencies (i.e., publicly issued debt of U.S. Government agencies, quasi-federal corporations, and corporate or foreign debt guaranteed by the U.S. Government). The Credit Index includes publicly issued U.S. corporate and foreign debentures and secured notes that meet specified maturity, liquidity, and quality requirements.

Bloomberg Global Aggregate Bond TR : The Barclays Capital Global Aggregate Index provides a broad-based measure of the global investment-grade fixed income markets.

Bloomberg Intermediate U.S. Government/Credit TR : An unmanaged index based on all publicly issued intermediate government and corporate debt securities with maturities of 1-10 years.

Bloomberg Macro Index Multiverse Iv :

Bloomberg Macro Multiverse TR :

Bloomberg US Treasury Bill 1-3 Mon TR USD :

MSCI All Country World Index IMI NR USD :

MSCI EAFE GR : The index measures the performance of the large and mid cap segments of developed markets, excluding the US & Canada equity securities. It is free float-adjusted market-capitalization weighted. MSCI maintains certain Developed Market indices with the suffix Free, the continued use of the "Free" suffix serves to indicate that these indices have somewhat different histories than their counterpart indices without the "Free" suffix. This is because historically the MSCI Free Indices included adjusted free float calculations to capture investment restrictions once imposed on foreign investors in Singapore, Switzerland, Sweden, Norway and Finland. Today the MSCI Free Indices have the same constituents and performance as those without the Free suffix.

MSCI EM TRG USD : The index measures the performance of the large and mid cap segments of emerging market equity securities. It is free float-adjusted market-capitalization weighted.

Russell 1000 TR : The index measures the performance of the large-cap segment of the US equity securities. It is a subset of the Russell 3000 index and includes approximately 1000 of the largest securities based on a combination of their market cap and current index membership.

Russell 2000 TR : The index measures the performance of the small-cap segment of the US equity universe. It is a subset of the Russell 3000 and includes approximately 2000 of the smallest securities based on a combination of their market cap and current index membership. Russell Investment Group is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Russell Investment Group.

Best Quarter (Worst Quarter): Best Quarter (Worst Quarter) is the best (worst) portfolio performance for any quarter over the most recent five years of reported performance.

Best Year (Worst Year): The highest (lowest) return of an investment for any full, calendar year over the life of the investment.

Beta: Beta measures the systematic risk, or volatility, of an investment compared with a benchmark or the market as a whole. Beta of an investment can help you estimate how much risk it adds to a portfolio. By definition, the beta of the market is 1.00. A beta of 1.10 shows that the portfolio has performed 10% better than its benchmark in up markets and 10% worse in down markets, assuming all other factors remain constant. Conversely, a beta of 0.85 indicates that the portfolio's excess return is expected to perform 15% worse than the benchmark's excess return during up markets and 15% better during down markets.

Blended Average Return (Positive/Negative Quarter): The simple mathematical average of the set of blended benchmark returns for calendar quarters over which the portfolio had a positive (negative) return.

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Debt to Capital Ratio: A measurement of the financial leverage of the stocks held in the portfolio, calculated by dividing each stock's long-term debt by its total capitalization.

Debt to Total Capital: A measure of the financial leverage of the companies held in the portfolio. A company's debt-to-capital ratio is calculated by dividing its long-term debt by its total capitalization.

Deferred Load: Deferred Load is a percentage of an investor's assets that mutual fund may charge as a fee at time of redemption.

Down Capture Ratio: Measures an investment manager's overall performance in down markets by comparing the manager's portfolio performance with performance of a benchmark. If the ratio is less than one, the portfolio's returns decreased less than the benchmark's returns. If the ratio is more than one, the portfolio's returns decreased more than the benchmark's returns. The lower the number, the better the manager did at protecting the portfolio's investment during a down market period.

EPS Growth-Past 5 Years: Change in a company's earnings per share over the past five year time period.

Equity: Interest or ownership in a corporation in the form of stock, either common or preferred.

Exchange Traded Fund (ETF): Similar to mutual funds, ETFs are baskets of securities that can be bought and sold; however, unlike mutual funds, shares of the ETF can be traded at any time during the day that the host exchange is open.

Fixed Income Sectors: The fixed-income securities in an investment's portfolio are mapped into one of 14 sectors, which in turn roll up to five super sectors. These sectors help investors and investment professionals compare and understand the sector exposure of each investment. This data is especially useful for comparing two investments that may be in the same category.

Asset-backed : Asset-backed securities are based on the expected cash flow from such things as auto loans, credit card receivables, and computer leases. The cash flows for asset-backed securities can be fixed (e.g. auto loans have a defined payment schedule and a fixed maturity) or variable (credit card debt is paid at random intervals). These securities typically range in maturity from 2-7 years.

Cash : Cash can be bank deposits (e.g. checking and savings), certificates of deposit, currency, money market holdings, fixed-income securities that mature in less than 12 months, commercial paper and repurchase agreements.

Convertible : Convertible bonds give the owner an opportunity to convert the bond to a certain number of shares of common stock at a certain price.

Foreign Corporate : These securities are issued by corporations that are based outside of the United States. Foreign investing may involve special risks such as currency fluctuation, political uncertainty and different accounting standards.

Foreign Government : These securities are issued by governments that are based outside of the United States. Foreign investing may involve special risks such as currency fluctuation, political uncertainty and different accounting standards.

Inflation Protected : Inflation-protected securities are similar to TIPS, but they are issued by a private entity instead of the US government. These bonds are linked to an index of inflation, and the principal and coupon payments increase when inflation increases.

Mortgage ARM : ARMs are adjustable rate mortgages. These are fixed-income securities that are backed by residential home mortgages, where the interest rate is reset periodically in relation to a benchmark. Most ARMs are from government agencies, such as FNMA and GNMA.

Mortgage CMO : CMOs are collateralized mortgage obligations. They are similar to pass-thru mortgage securities, but investors have more control over whether they will be paid sooner or later. CMOs are structured by time, so that some investors can line-up for the first series of cash flow payments, while others may choose to put themselves at the end of the line. Most CMOs are based on mortgages from government agencies, such as FNMA and GNMA.

Mortgage Pass-thru : These bonds represent a claim to the cash flows associated with a pool of mortgages. The bondholders are entitled to a share of the principal and interest payments paid by the homeowners. The majority of these bonds are issued by a government agency like FNMA, GNMA, or FHLMC. A few private corporations and banks also securitize and package mortgages in this way and those are also included in this sector.

Municipal : Local and state governments issue municipal bonds in order to raise money for operations and development. This financing is sometimes used to build or upgrade hospitals, sewer systems, schools, housing, stadiums, or industrial complexes. Some municipal bonds are backed by the issuing entity while others are linked to a revenue stream, such as from a tollway or a utility. Municipal bonds are exempt from federal tax and often from state and local taxes, too. The tax break allows municipal governments to sell the bonds at a lower interest rate, because the investor gets an additional tax benefit.

TIPS : TIPS are inflation-indexed Treasuries. (The term TIPS derives from their former name, "Treasury Inflation-Protected Securities.") These bonds have principal and coupon payments that are linked to movements in the Consumer Price Index. They are a defensive measure against expectations of inflation (which typically erodes the real yield of conventional bonds). Even if inflation fears are in check, these bonds can benefit when the yields fall on traditional Treasuries.

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US Agency : This sector includes the fixed-income securities that are issued by government agencies, such as the Federal National Mortgage Association (FNMA or Fannie Mae) or the Federal Home Loan Mortgage Corporation (FHLMC or Freddie Mac), to raise capital and finance their operations. These "debentures" are not secured by physical assets, so they differ from most of the mortgage bonds that are issued by these agencies.

US Corporate : This sector includes all fixed-income securities that are issued by corporations domiciled in the United States. Corporate bonds are issued with a wide range of coupon rates and maturity dates.

US Treasury : This sector includes all conventional fixed-rate debt issued by the US government's treasury (excluding TIPS). Some examples of government debt are Treasury bonds and Treasury notes. Treasury bills are included under Cash, because they mature in less than 12 months.

Forecasted Tracking Error: Forecasted tracking error is the projected annualized standard deviation of the difference between the custom model's returns and the returns of its designated benchmark. It measures anticipated deviations arising from the investment decisions made in constructing the model, including, among other things, sector allocation, security selection, and portfolio constraints. The forecasted tracking error is calculated using a multi-factor risk model which analyzes exposures to various risk factors, including market beta, size, value, momentum, and quality.

Front Load: Front Load is a sales charge paid at the time of purchase of an investment such as a mutual fund, limited partnership, annuity, or insurance policy.

Gross Expense Ratio: Gross Expense Ratio is a fund's operating expenses including management fees, transaction costs and other business costs before any expense reimbursement or fee waivers by the fund's management.

IMO Eligibility: This insurance product can be selected directly by an advisor on the ENV platform (Direct), by an Insurance Marketing Organization (IMO Only) or both (Direct and IMO).

ITD: Acronym for Inception to Date

Inception Date: Inception Date is the date on which the portfolio was established and the performance track record was initiated.

Income Yield: Income Yield is the expected dividends and interest of an investment, expressed as a percentage of the current market value of the investment.

Information Ratio: Measures how consistently a manager beats a benchmark. It measures the how much a portfolio's returns exceed a benchmark's returns compared with the volatility of returns. It is calculated as the quotient of the annualized excess return and the annualized standard deviation of excess return divided by the tracking error.

Insurance Exchange: If yes, the insurance product participates in the Insurance Exchange. Insurance products that do not participate in the Insurance Exchange will have limited product information.

Investment Minimum: Investment Minimum is the minimum amount required to initiate an investment in the product.

Investment Objective: Also known as Investment Risk Rating. Investment Objective refers to the outcome desired by an investor or a mutual fund.

Aggressive Growth : A strategy that seeks to provide potentially above-average returns. Portfolios following this strategy are generally fully invested in equity securities. Investors in pursuit of maximizing capital appreciation over a long-term investment horizon should have the resources to withstand the volatility inherent in equity investing.

Capital Preservation : A strategy that seeks to provide relative principal protection by investing primarily in fixed-income securities. This strategy is designed for investors with little or no tolerance for principal volatility and who are willing to accept lower returns in exchange for increased stability.

Conservative : A strategy that seeks to provide portfolio stability and current income with modest portfolio appreciation by investing primarily in fixed-income securities. This strategy is designed for investors with a need for regular income in the form of dividends and interest, as well as some desire for modest growth from the stock portion of their portfolio.

Conservative Growth : A strategy that seeks to provide portfolio growth with current income by investing in a combination of both equity and fixed-income securities in similar weights. This strategy is designed for investors who desire capital appreciation balanced with income and portfolio stability.

Growth : A strategy that seeks to provide portfolio appreciation by investing primarily in equity securities. Generally, only a small percentage of the portfolio is invested in fixed income securities for diversification purposes. This strategy is designed for investors with a relatively long-term investment time horizon as well as the resources to withstand market volatility.

Moderate : A strategy that seeks to provide portfolio appreciation and current income. This portfolio's allocation generally includes both equity and fixed-income securities, with a greater weighting to equities. Investors should have a mid- to long-term investment time horizon and be willing to take on some risk in pursuit of better returns.

Moderate Growth : A strategy that seeks to provide appreciation with modest current income as a secondary objective. This portfolio's allocation is generally heavily weighted to equity securities with a modest investment in fixed-income securities for portfolio diversification. Investors should have a long-term investment time horizon and be willing to take on risk in pursuit of better returns.

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Latest Quarter: The most recently completed calendar quarter in the performance report.

Longest Positive (Negative): Longest Positive (Negative) is the greatest number of consecutive quarters with performance greater than (less than) zero over the most recent five years of reported performance.

MRQ: Acronym for Most Recent Quarter

Managed Account: Also known as discretionary accounts. These are accounts where a money manager has authority to trade and invest on a client's behalf.

Maximum Drawdown: Measures the maximum loss incurred by a portfolio from the top of a peak to the bottom of a trough, giving an estimate of the relative riskiness of different stock screening strategies. It is used to measure the worst-case scenario of investing in a portfolio at the worst possible time by looking at the largest single loss. It doesn't account for how many similar losses have occurred, how long it took to recover from the loss, or the timeframe of the plunge and possible subsequent recovery.
A low maximum drawdown percentage means losses from investments were small; 0% maximum drawdown means no losses at all. A high maximum drawdown percentage means the investment suffered high losses; -100% maximum drawdown means the investment is worthless.

Median Market Cap: The median market value of the holdings held in the portfolio. In cases when the value was not provided directly by the market data provider, a calculation is made. For this calculated value to be shown, at least 70% of the holdings held in the portfolio must have available median market capitalization data. Additionally, holdings which do not have a median market capitalization value are excluded from the calculation.

Mo: Abbreviation for Month

Money Manager: Includes mutual fund managers as well as professional independent managers hired by individuals or institutions to manage their own accounts.

Money Market Fund: A mutual fund that invests in short-term debt obligations such as certificates of deposit, commercial paper or government Treasury Bills.

Multi-Manager Account: An investment strategy that includes a portfolio of separately managed accounts, mutual funds and/or ETFs to match a preset asset allocation model.

Mutual Fund: An investment company that invests money from shareholders into stocks, bonds or other assets according to a stated objective.

Mutual Fund Wrap: An investment strategy that includes a portfolio of mutual funds selected to match a preset asset allocation model.

NAV Total Return: The change in the net asset value of an ETF or mutual fund over a given time period. The NAV return of an ETF can be different than the total return that investors realize because these products can trade at a premium or discount to the price of the fund and to the value of the assets held in the portfolio.

Net Expense Ratio: Net Expense Ratio is a fund's operating expenses including management fees, transaction costs and other business costs after any expense reimbursement or fee waivers by the fund's management.

OID Eligibility: If yes, this insurance product can be selected by an Outsourced Insurance Desk, or OID.

Portfolio: A collection of stocks, bonds, mutual funds and interest bearing securities. Money managers develop model portfolios to achieve a specific goal with minimum risk.

Positive Quarters (Negative Quarters): Positive Quarters (Negative Quarters) is the total number of quarters with performance greater than (less than) zero over the most recent five years of reported performance.

Q Score: Q Score incorporates the Q-Risk Rank and Q-Return Rank into a single measure. PMC's proprietary Quantitative Risk/Return Ranking model uses historical returns to measure an investment manager's ability to deliver consistent, active value with effective risk controls versus its style group peers. Q Score is a normalized percent value that represents a manager's Overall Q-Score versus his style category peers. A Q Score of 99% designates a manager that has a higher Q-Overall Score than 99% of its style category peers in the entire investment manager universe.

Qtr: Abbreviation for Quarter

R-Squared: Measures correlation and is used to evaluate the percentage of an investment's movement that can be explained by benchmark movement. R-squared ranges between 0 and 1, and reflects the percentage of a fund or composite's variability that is explained by benchmark variability. The higher the R-squared, the more useful the beta and alpha statistics.
For example, an R-squared of 1 indicates that the regression model for the fund or composite and the benchmark has perfect predictability. An R-squared measure of 0.25 means that the regression model only explains 25% of the variability.

Relative Return: The relative return is the difference between the return that an asset achieves over a certain period of time (absolute return) and the return achieved by the benchmark.

Return on Equity: The percentage a company earns on its shareholders' equity in a given year. For a portfolio, return on equity represents a weighted median figure, such that approximately 50% of the domestic stocks in the portfolio will have a greater return on equity and approximately 50% of these domestic stocks will have a lower return on equity than the weighted median.

Buy/Hold Plus Moderately Conservative Strategy

Risk Score: The Risk Score is a formulaic methodology that seeks to define the relative risk of a portfolio. There are several key components to the process, which include capital markets assumptions, asset class assignments, portfolio standard deviation, and risk score. In order to calculate the risk score of a given portfolio that consists of individual securities or investment strategies defined by a single style, the key objective is to calculate the projected standard deviation of the overall portfolio. Each holding is assigned to an asset class, and portfolio standard deviation is based upon capital markets assumptions for those asset classes. The expected return of a portfolio is the calculation of the weighted average of the expected returns for the underlying assets in a portfolio. The portfolio standard deviation is not only a function of the weighted average of the standard deviations of the assets in the portfolio, but also includes incorporating the degree to which the various asset classes co-vary. Thus, the correlation between assets is an essential component in the calculation of overall portfolio risk. Once these three inputs have been defined (asset class weight, volatility and correlations between the asset classes), we are able to calculate the portfolio standard deviation and assign a Risk Score. The Risk Score presented does not account for concentration risk. The portfolio may have concentrated positions that impute additional risk of loss as a result of having a large portion of the holdings in a particular investment, asset class or market segment relative to the overall portfolio. More information is available on request.

Risk Tolerance: Risk tolerance represents an investor's ability to handle declines in the value of his/her portfolio. The risk tolerance levels available on the managed account platform are low, moderate, and high.

ST Redemption Fees: A fee collected by an investment company from traders practicing mutual fund timing. This stiff penalty is used to discourage short-term, in-and-out trading of mutual fund shares. Generally, the fee is in effect for a holding period from 30 days to one year, but it can be in place for longer periods.

Separately Managed Account: An individual investment or brokerage account managed by independent money managers, for a fee, and according to a stated objective.

Sharpe Ratio: Measures the risk of an investment compared with the reward. The Sharpe ratio uses standard deviation and excess return to determine the reward per unit of risk. The higher the ratio, the better the portfolio's historical risk-adjusted performance. You can use the Sharpe ratio to compare two portfolios directly with regard to how much excess return each portfolio achieved for a certain level of risk.

Sortino Ratio: A risk-adjusted return measure that lets you evaluate an investment's return for a given level of bad risk. It's calculated taking an asset or portfolio's return and subtracting the risk-free rate, and then dividing that amount by the asset's downside deviation. The higher the Sortino ratio, the better the portfolio's historical risk-adjusted performance.

Standard Deviation: The statistical measurement of dispersion about an average, which depicts how widely a stock or portfolio's returns varied over a certain period of time. Investors use the standard deviation of historical performance to try to predict the range of returns that is most likely for a given investment.
When a stock or portfolio has a high standard deviation, the predicted range of performance is wide, implying greater volatility.

State Availability: Shows the states where the insurance product is registered for business.

State Availability (OID): Shows the states where the insurance product is registered for business by an Outsourced Insurance Desk, or OID.

Total Return: Total Return is the rate of return of an investment over a given period of time. Total return includes capital appreciation, interest, capital gains, dividends and distributions realized over this time period.

Tracking Error: Measures how much price behavior of a position or a portfolio diverges from the price behavior of a benchmark. It measures the degree to which a manager's performance has historically deviated from its benchmark return and is measured in standard deviations. High tracking error suggests a portfolio that performs significantly different from its benchmark.

Trailing Earnings/Share Growth: The annualized rate of net-income-per-share growth over the trailing one-year period for the stocks held in the portfolio.

Treynor Ratio: Also called the reward-to-volatility ratio, the Treynor ratio measures how much more an investment's returns earned beyond what a risk-free investment could have earned, per each unit of market risk. The higher the Treynor Ratio, the better the portfolio's historical risk-adjusted performance.
To represent risk-free returns, we use the default index, 90 Day T-Bill - Default Cash Index (Zero Risk).

Turnover: Also called Turnover Ratio, this is a measure of the portfolio manager's trading activity which is computed by taking the lesser of purchases or sales (excluding all securities with maturities of less than one year) and dividing by average monthly net assets. This figure is calculated on the lesser of purchases or sales. A $100 million fund that is rapidly growing may buy another $100 million in securities, but have a zero percent turnover if it does not sell any of its holdings.

Up Capture Ratio: Measures an investment manager's overall performance in up markets by comparing the manager's portfolio performance with performance of a benchmark. If the ratio is greater than one, the portfolio's returns outperformed compared to the benchmark's returns. If the ratio is less than one, the portfolio's returns underperformed compared to the benchmark's returns. The higher the number, the better the manager did at beating the market's returns during an up market period.

YTD: Acronym for Year To Date