

Monitoring Report  
Prepared on: 10/05/2023



**FIDUCIARY FOCUS**  
ADVISORY GROUP

Prepared for:  
**Flight Industrial Company**

# Monitoring Report

Inv. Data as of 06/30/23. Holdings as of 06/30/23. P Proposed R Remove W Watch

Flight Industrial Company

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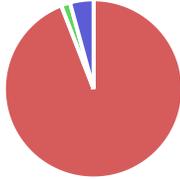
## STATE OF AFFAIRS

**3**  
INVESTMENTS  
TO WATCH/REMOVE

**0.79 %**  
WEIGHTED AVERAGE  
NET EXP RATIO

**32 / 100**  
WEIGHTED AVERAGE  
Fi360 FIDUCIARY SCORE®

## ASSET ALLOCATION



BROAD ASSET CLASS	# INVESTMENTS	\$ ASSETS	% OF TOTAL ASSETS
U.S. Equity	8	1,990,180	94.11
International Equity	1	34,533	1.63
Taxable Bond	1	90,000	4.26
<b>TOTAL</b>	<b>10</b>	<b>2,114,713</b>	<b>100</b>

## INVESTMENTS TO WATCH

The Fi360 Fiduciary Score® is a peer percentile ranking of an investment against a set of quantitative due diligence criteria selected to reflect prudent fiduciary management. All Scores are color coded based on the quartile they fall in (1st - Green; 2nd - Light Green; 3rd - Yellow; 4th - Red).

INVESTMENTS NAME	PEER GROUP	Fi360 SCORE® (PEERS)	\$ ASSETS	
			THIS FUND	% OF TOTAL
PIMCO Real Return A <span>W</span>	Inflation-Protected Bond	<b>67</b> (205)	90,000	4.26
T. Rowe Price New Horizons <span>W</span>	Mid-Cap Growth	<b>70</b> (536)	34,673	1.64

## PROPOSED INVESTMENT CHANGES

INVESTMENTS NAME	TICKER	PEER GROUP	Fi360 SCORE® (PEERS)	\$ ASSETS		NET EXP. RATIO (% RANK)
				THIS FUND	% OF TOTAL	
Virtus NFJ Small-Cap Value Inst <span>R</span>	PSVIX	Small Value	<b>83</b> (459)	(557,656)	26.37	0.82 (19)
Principal SmallCap Value II R6 <span>P</span>	PSMVX	Small Value	<b>0</b> (459)	557,656	26.37	0.94 (33)



## HOLDINGS HISTORY

Based on the historical records available in Fi360, the following table will display up to three years of history for your investments. If an investment did not exist in your account during a given period, there will be an empty box. If the investment did exist, but there was no action for that period, the standard dash will be displayed ie: -. Otherwise, you will see the investment's action selected for that period.

### U.S. EQUITY

INVESTMENT NAME	PEER GROUP	2021				2022				2023	
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Schwab® S&P 500 Index	Large Blend	-	-	-	-	-	-	-	-	-	-
Fidelity® Blue Chip Growth	Large Growth	-	-	-	-	-	-	-	-	-	-
JPMorgan Large Cap Growth I	Large Growth	-	-	-	R						
Vanguard Value Index Inv	Large Value	-	-	-	R						
Vanguard Windsor Investor Shares	Large Value	-	-	-	-	-	-	-	-	-	-
Goldman Sachs Mid Cap Value Instl	Mid-Cap Blend	-	-	-	-	-	-	-	-	-	-
T. Rowe Price New Horizons <span>W</span>	Mid-Cap Growth	-	-	-	-	-	-	-	-	-	W
JPMorgan Mid Cap Value L	Mid-Cap Value	-	-	-	-	-	-	-	-	-	-
T. Rowe Price Small-Cap Stock	Small Growth	-	-	-	-	-	-	-	-	-	-
American Century Small Cap Value R6	Small Value	-	-	-	R						
Principal SmallCap Value II R6 <span>P</span>	Small Value										P
Virtus NFJ Small-Cap Value Inst <span>R</span>	Small Value	-	-	-	-	-	-	W	W	W	R

### INTERNATIONAL EQUITY

INVESTMENT NAME	PEER GROUP	2021				2022				2023	
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Invesco Developing Markets A	Diversified Emerging Mkts	W	W	W	W	W	R				
Fidelity® International Discovery	Foreign Large Growth	-	-	-	-	-	-	-	-	-	-

### TAXABLE BOND

INVESTMENT NAME	PEER GROUP	2021				2022				2023	
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
PIMCO Real Return A <span>W</span>	Inflation-Protected Bond	-	-	-	-	-	-	-	-	-	W



## STANDARDIZED PERFORMANCE DISCLOSURE

**Standardized Returns for the quarter-ended 06/30/2023.** Returns for periods of less than one year are not annualized. Standardized returns assume reinvestment of dividends and capital gains. It depicts 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. Any sales charge used in the calculation was obtained from the fund's most recent prospectus and/or shareholder report. If sales charges are waived (for example, for investors in a qualified retirement plan), the performance numbers may be higher. Please contact your financial advisor for further information on whether loads are waived on the investment options in your account.

**Mutual funds and Exchange Traded Funds (ETFs) are sold by prospectus. Please consider the investment objectives, risks, charges and expenses carefully before investing. The prospectus, and, if available, the summary prospectus, which contains this and other information, can be obtained by calling your financial advisor. Read the prospectus and, if available, the summary prospectus carefully before you invest.** *The performance information shown represents past performance and is not a guarantee of future results. Investment returns and principal value of an investment will fluctuate so that when shares are redeemed, they may be worth more or less than their original cost. Current performance may be higher or lower than the data shown. For the most recent month-end performance and information on expenses, visit [www.fi360.com/directory](http://www.fi360.com/directory).*

For ETFs, the market price used to calculate the Market Value (MKT) return is the midpoint between the highest bid and the lowest offer on the exchange on which the shares of the Fund are listed for trading, as of the time the Fund's NAV is calculated. Whatever day traded, the price of the shares may differ, higher or lower, than the NAV on that day. If you trade your shares at another time, your return may differ.

**Investment and Insurance Products: NOT FDIC Insured / NO Bank Guarantee / MAY Lose Value**

INVESTMENT NAME	INCEPTION	INVESTMENT RETURN % (LOAD ADJUSTED)				LOAD		GROSS EXP. RATIO	12B-1
	PRODUCT	1 YR	5 YR	10 YR	SINCE INCEPT.	FRONT	DEFERRED		
Fidelity® Blue Chip Growth	12/31/1987	34.83	15.36	16.90	12.40	0.00	0.00	0.76	-
Fidelity® International Discovery	12/31/1986	13.82	4.21	5.72	7.22	0.00	0.00	0.98	-
Goldman Sachs Mid Cap Value Instl	08/01/1995	13.38	9.61	9.08	10.53	0.00	0.00	0.83	-
JPMorgan Mid Cap Value L	11/13/1997	10.11	6.93	8.88	11.43	0.00	0.00	0.83	-
PIMCO Real Return A <span>W</span>	01/29/1997	-5.43	1.30	1.27	4.54	3.75	0.00	0.87	0.25
Principal SmallCap Value II R6 <span>P</span>	06/01/2004	14.29	6.65	8.85	7.48	0.00	0.00	0.96	-
Schwab® S&P 500 Index	05/19/1997	19.54	12.28	12.80	8.53	0.00	0.00	0.02	-
T. Rowe Price New Horizons <span>W</span>	06/03/1960	17.46	9.48	13.45	11.59	0.00	0.00	0.79	-
T. Rowe Price Small-Cap Stock	06/01/1956	10.82	7.72	10.24	12.66	0.00	0.00	0.91	-
Vanguard Windsor Investor Shares	10/23/1958	13.28	10.19	10.51	11.24	0.00	0.00	0.38	-
Virtus NFJ Small-Cap Value Inst <span>R</span>	10/01/1991	10.93	2.17	5.26	10.10	0.00	0.00	0.87	-



## MARKET PERFORMANCE OVERVIEW

**Mutual funds and Exchange Traded Funds (ETFs) are sold by prospectus. Please consider the investment objectives, risks, charges and expenses carefully before investing. The prospectus, and, if available, the summary prospectus, which contains this and other information, can be obtained by calling your financial advisor. Read the prospectus and, if available, the summary prospectus carefully before you invest.** The performance information shown represents past performance for the median mutual fund/ETF manager in each peer group and is not a guarantee of future results. Investment returns and principal value of an investment will fluctuate so that when shares are redeemed, they may be worth more or less than their original cost. The performance information shown reflects performance without adjusting for sales charges. If adjusted, the load would reduce the performance quoted. Current performance may be higher or lower than the data shown. For the most recent month-end performance, visit [www.fi360.com/directory](http://www.fi360.com/directory).

For each period, the top 3 performing peer groups will be colored in shades of green. The bottom 3 peer groups will be colored in shades of blue.



## EQUITY

MF/ETF PEER GROUP MEDIAN RETURNS	1-MO	QTR	YTD	1YR	3YR	5YR	10YR
Large Blend	6.47	7.90	14.94	18.28	13.72	11.00	11.61
Large Growth	6.62	11.84	26.11	23.34	9.82	11.68	13.34
Large Value	6.36	3.65	3.90	10.75	14.61	8.12	9.09
Mid-Cap Blend	8.43	4.74	8.45	14.57	13.29	7.47	9.35
Mid-Cap Growth	7.91	5.80	14.80	18.53	6.91	8.76	10.79
Mid-Cap Value	8.55	4.18	5.12	12.10	16.49	6.89	8.62
Small Blend	8.37	4.47	7.72	12.67	13.64	5.21	8.43
Small Growth	8.07	5.07	11.87	14.77	6.92	6.26	9.65
Small Value	8.75	3.74	5.16	10.72	17.74	5.03	7.77
Foreign Large Blend	4.42	2.90	11.15	16.17	8.03	3.94	5.12

## FIXED INCOME

MF/ETF PEER GROUP MEDIAN RETURNS	1-MO	QTR	YTD	1YR	3YR	5YR	10YR
Money Market Taxable	0.39	1.16	2.20	3.48	1.18	1.30	0.75
Short-Term Bond	-0.25	-0.08	1.60	1.36	-0.60	1.19	1.19
Intermediate Core Bond	-0.35	-0.87	2.21	-1.00	-3.84	0.66	1.43
Intermediate Government	-0.65	-1.14	1.53	-2.27	-4.07	0.02	0.76
Long-Term Bond	1.20	-0.68	4.90	-0.58	-6.34	1.31	3.26
High Yield Bond	1.52	1.39	4.76	8.29	2.92	2.69	3.61
Global Bond	0.25	-1.40	1.26	-0.26	-4.59	-1.26	0.14



## HOLDINGS SUMMARY

\$2,114,713

TOTAL ASSETS

10

INVESTMENTS

3

INVESTMENTS TO  
WATCH/REMOVE

### U.S. EQUITY

INVESTMENT NAME	TYPE	TICKER	PEER GROUP	ACTION	\$ ASSETS	% OF TOTAL ASSETS
Schwab® S&P 500 Index	MF	SWPPX	Large Blend	-	34,533	1.63
Fidelity® Blue Chip Growth	MF	FBGRX	Large Growth	-	90,000	4.26
Vanguard Windsor Investor Shares	MF	VWNDX	Large Value	-	34,533	1.63
Goldman Sachs Mid Cap Value Instl	MF	GSMCX	Mid-Cap Blend	-	674,564	31.90
T. Rowe Price New Horizons <span>W</span>	MF	PRNHX	Mid-Cap Growth	Watch	34,673	1.64
JPMorgan Mid Cap Value L	MF	FLMVX	Mid-Cap Value	-	556,666	26.32
T. Rowe Price Small-Cap Stock	MF	OTCFX	Small Growth	-	7,555	0.36
Principal SmallCap Value II R6 <span>P</span>	MF	PSMVX	Small Value	Proposed	0	0.00
Virtus NFJ Small-Cap Value Inst <span>R</span>	MF	PSVIX	Small Value	Remove	557,656	26.37
					<b>1,990,180</b>	<b>94.11</b>

### INTERNATIONAL EQUITY

INVESTMENT NAME	TYPE	TICKER	PEER GROUP	ACTION	\$ ASSETS	% OF TOTAL ASSETS
Fidelity® International Discovery	MF	FIGRX	Foreign Large Growth	-	34,533	1.63

### TAXABLE BOND

INVESTMENT NAME	TYPE	TICKER	PEER GROUP	ACTION	\$ ASSETS	% OF TOTAL ASSETS
PIMCO Real Return A <span>W</span>	MF	PRTNX	Inflation-Protected Bond	Watch	90,000	4.26



## STYLE SUMMARY

This section groups each investment into a style category. The top charts show the number of investments grouped by their current Morningstar Style Box™. The bottom tables include investments within other style categories based on their current peer group. The Morningstar Style Box™ is a nine-square grid that provides a graphical representation of the investment style of mutual funds, exchange traded funds, group retirement plan annuities, variable annuity sub-accounts and separately managed accounts. US and International equities are classified according to market capitalization (the vertical axis) and growth and value factors (the horizontal axis). Fixed income funds are classified according to credit quality of the long bonds owned (the vertical axis) and interest rate sensitivity as measured by a bond's effective duration (the horizontal axis).

### US EQUITY

1	1	1	SMALL MEDIUM LARGE
1	1	1	
1		1	
VALUE	BLEND	GROWTH	

### INTERNATIONAL EQUITY

		1	SMALL MEDIUM LARGE
VALUE	BLEND	GROWTH	

### FIXED INCOME

	1		LOW MEDIUM HIGH
LTD	MOD	EXT	

## TARGET DATE INVESTMENTS

TARGET DATE YEAR	# INVESTMENTS
2000-2010	-
2015	-
2020	-
2025	-
2030	-
2035	-
2040	-
2045	-
2050	-
2055	-
2060	-
2065+	-
Retirement	-

## OTHER STYLE CATEGORIES

STYLE CATEGORY	# INVESTMENTS
Allocation	-
Alternative	-
Commodities	-
Money Market	-
Sector Equity	-
Stable Value	-



## Fi360 FIDUCIARY SCORE® SUMMARY

The Fi360 Fiduciary Score® is a peer percentile ranking of an investment against a set of quantitative due diligence criteria selected to reflect prudent fiduciary management. The Fi360 Fiduciary Score® Average is a one-, three-, five-, or ten-year rolling average of an investment's Fi360 Fiduciary Score®. All Scores are color coded based on the quartile they fall in (1st - Green; 2nd - Light Green; 3rd - Yellow; 4th - Red).

The ID column can be used to reference the investment on the following Scatterplot chart. Investments which do not have both Scores will not have an ID as they cannot be plotted on the chart. If multiple investments have the same Scores, they will be plotted together under 1 ID.

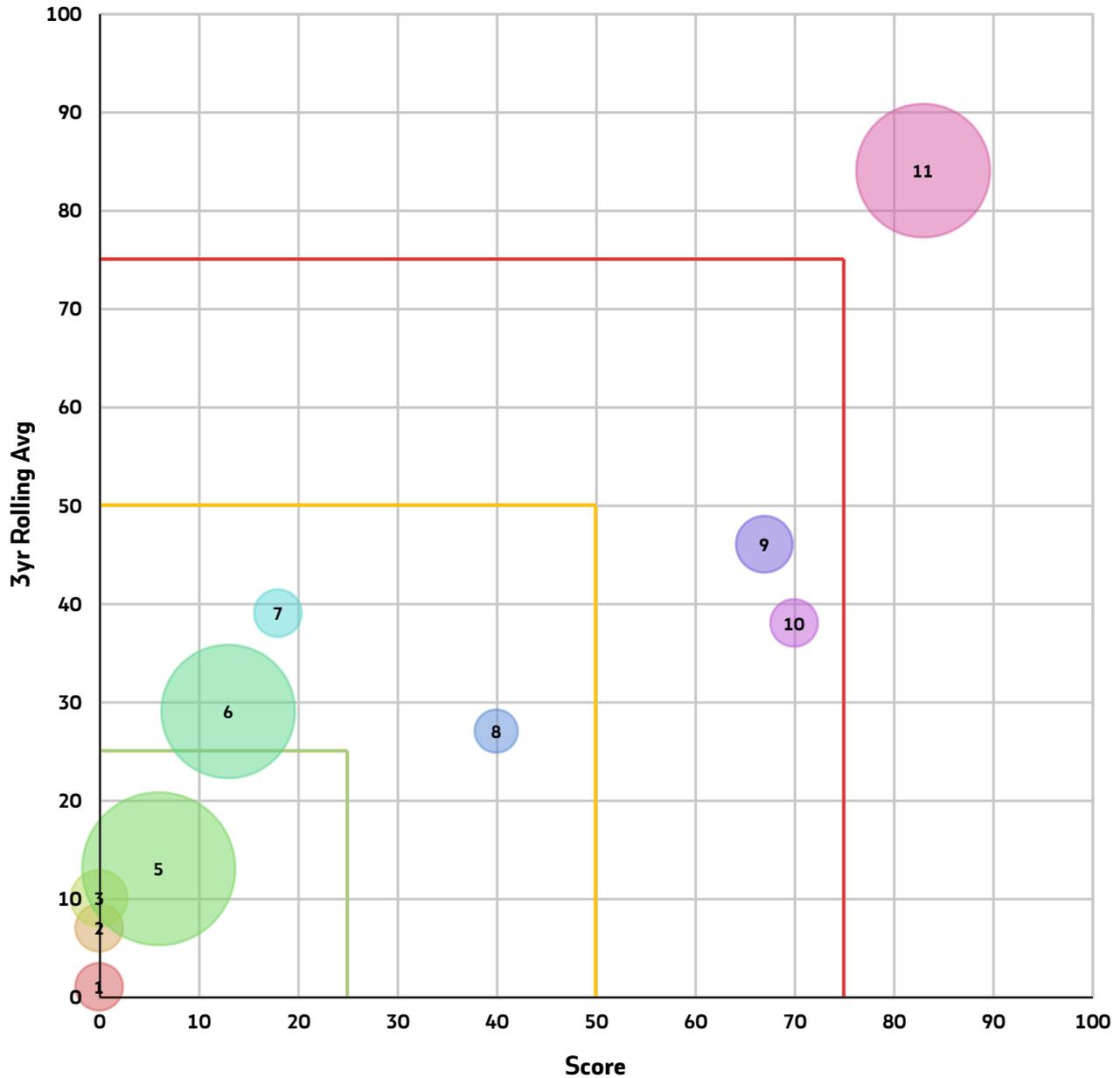
ID	INVESTMENT NAME	TICKER	TYPE	PEER GROUP	SCORE (PEERS)	3YR ROLLING AVG (PEERS)	\$ ASSETS	% OF TOTAL ASSETS
3	Fidelity® Blue Chip Growth	FBGRX	MF	Large Growth	<b>0</b> (1151)	<b>10</b> (1051)	90,000	4.26
3	Principal SmallCap Value II R6 <span>P</span>	PSMVX	MF	Small Value	<b>0</b> (459)	<b>10</b> (422)	0	0.00
1	Schwab® S&P 500 Index	SWPPX	MF	Large Blend	<b>0</b> (1313)	<b>1</b> (1177)	34,533	1.63
2	Vanguard Windsor Investor Shares	VWNDX	MF	Large Value	<b>0</b> (1173)	<b>7</b> (1091)	34,533	1.63
5	Goldman Sachs Mid Cap Value Instl	GSMCX	MF	Mid-Cap Blend	<b>6</b> (390)	<b>13</b> (356)	674,564	31.90
6	JPMorgan Mid Cap Value L	FLMVX	MF	Mid-Cap Value	<b>13</b> (392)	<b>29</b> (364)	556,666	26.32
7	Fidelity® International Discovery	FIGRX	MF	Foreign Large Growth	<b>18</b> (418)	<b>39</b> (374)	34,533	1.63
8	T. Rowe Price Small-Cap Stock	OTCFX	MF	Small Growth	<b>40</b> (580)	<b>27</b> (534)	7,555	0.36
9	PIMCO Real Return A <span>W</span>	PRTNX	MF	Inflation-Protected Bond	<b>67</b> (205)	<b>46</b> (191)	90,000	4.26
10	T. Rowe Price New Horizons <span>W</span>	PRNHX	MF	Mid-Cap Growth	<b>70</b> (536)	<b>38</b> (483)	34,673	1.64
11	Virtus NFJ Small-Cap Value Instl <span>R</span>	PSVIX	MF	Small Value	<b>83</b> (459)	<b>84</b> (422)	557,656	26.37



## Fi360 FIDUCIARY SCORE® SUMMARY

The chart plots each investment using the selected Fi360 Fiduciary Scores. Investments without both Scores will be excluded from the chart. Green, yellow and red lines are drawn to highlight the different Fi360 Fiduciary Score quartiles. Investments in the bottom left corner of the chart are most preferred.

If \$ asset amounts are included, bubble sizes are based on the relative percentage invested in that investment. Bubble numbers refer to the ID's on the previous page(s). If multiple investments have the same Scores, they will be plotted together under 1 ID.



## INVESTMENT SNAPSHOT

The Fi360 Fiduciary Score® is a peer percentile ranking of an investment against a set of quantitative due diligence criteria selected to reflect prudent fiduciary management. The Fi360 Fiduciary Score® Average is a one-, three-, five-, or ten-year rolling average of an investment's Fi360 Fiduciary Score®. All Scores are color coded based on the quartile they fall in (1st - Green; 2nd - Light Green; 3rd - Yellow; 4th - Red).

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Investment and Insurance Products: NOT FDIC Insured / NO Bank Guarantee / MAY Lose Value

### U.S. EQUITY : LARGE BLEND

INVESTMENT NAME	TYPE	TICKER	Fi360 SCORE	Fi360 SCORE ROLLING AVERAGES				TOTAL RETURN (% RANK)				NET EXP. RATIO (% RANK)
				1 YR	3 YR	5 YR	10 YR	1 YR	3 YR	5 YR	10 YR	
Schwab® S&P 500 Index	MF	SWPPX	0	2	1	1	1	19.54 (28)	14.57 (24)	12.28 (15)	12.80 (12)	0.02 (3)
# OF MF/ETF/CIT PEERS			1,313	1,267	1,177	1,070	801	1,432	1,313	1,231	1,062	1,512
MEDIAN MF/ETF/CIT								18.28	13.72	11.00	11.61	0.72
RUSSELL 1000 TR USD								19.36	14.09	11.92	12.64	-

### U.S. EQUITY : LARGE GROWTH

INVESTMENT NAME	TYPE	TICKER	Fi360 SCORE	Fi360 SCORE ROLLING AVERAGES				TOTAL RETURN (% RANK)				NET EXP. RATIO (% RANK)
				1 YR	3 YR	5 YR	10 YR	1 YR	3 YR	5 YR	10 YR	
Fidelity® Blue Chip Growth	MF	FBGRX	0	20	10	8	6	34.83 (3)	12.74 (19)	15.36 (7)	16.90 (3)	0.76 (40)
# OF MF/ETF/CIT PEERS			1,151	1,119	1,051	976	740	1,225	1,151	1,101	1,012	1,243
MEDIAN MF/ETF/CIT								23.34	9.82	11.68	13.34	0.87
RUSSELL 1000 GROWTH TR USD								27.10	13.73	15.13	15.74	-

### U.S. EQUITY : LARGE VALUE

INVESTMENT NAME	TYPE	TICKER	Fi360 SCORE	Fi360 SCORE ROLLING AVERAGES				TOTAL RETURN (% RANK)				NET EXP. RATIO (% RANK)
				1 YR	3 YR	5 YR	10 YR	1 YR	3 YR	5 YR	10 YR	
Vanguard Windsor Investor Shares	MF	VWNDX	0	0	7	23	27	13.28 (22)	18.76 (9)	10.19 (13)	10.51 (13)	0.38 (11)
# OF MF/ETF/CIT PEERS			1,173	1,148	1,091	1,001	738	1,228	1,173	1,148	1,014	1,264
MEDIAN MF/ETF/CIT								10.75	14.61	8.12	9.09	0.81
RUSSELL 1000 VALUE TR USD								11.53	14.30	8.10	9.21	-



## INVESTMENT SNAPSHOT

### U.S. EQUITY : MID-CAP BLEND

INVESTMENT NAME	TYPE	TICKER	Fi360 SCORE	Fi360 SCORE ROLLING AVERAGES				TOTAL RETURN (% RANK)				NET EXP. RATIO (% RANK)
				1 YR	3 YR	5 YR	10 YR	1 YR	3 YR	5 YR	10 YR	
Goldman Sachs Mid Cap Value Instl	MF	GSMCX	6	3	13	25	41	13.38 (61)	17.13 (7)	9.61 (14)	9.08 (60)	0.83 (43)
# OF MF/ETF/CIT PEERS			390	378	356	304	213	417	390	367	291	434
MEDIAN MF/ETF/CIT								14.57	13.29	7.47	9.35	0.89
RUSSELL MID CAP TR USD								14.92	12.49	8.45	10.32	-

### U.S. EQUITY : MID-CAP GROWTH

INVESTMENT NAME	TYPE	TICKER	Fi360 SCORE	Fi360 SCORE ROLLING AVERAGES				TOTAL RETURN (% RANK)				NET EXP. RATIO (% RANK)
				1 YR	3 YR	5 YR	10 YR	1 YR	3 YR	5 YR	10 YR	
T. Rowe Price New Horizons <span>W</span>	MF	PRNHX	70	48	38	32	31	17.46 (57)	1.54 (87)	9.48 (37)	13.45 (5)	0.79 (24)
# OF MF/ETF/CIT PEERS			536	522	483	462	361	562	535	513	475	563
MEDIAN MF/ETF/CIT								18.53	6.91	8.76	10.79	1.00
RUSSELL MID CAP GROWTH TR USD								23.13	7.62	9.71	11.52	-

### U.S. EQUITY : MID-CAP VALUE

INVESTMENT NAME	TYPE	TICKER	Fi360 SCORE	Fi360 SCORE ROLLING AVERAGES				TOTAL RETURN (% RANK)				NET EXP. RATIO (% RANK)
				1 YR	3 YR	5 YR	10 YR	1 YR	3 YR	5 YR	10 YR	
JPMorgan Mid Cap Value L	MF	FLMVX	13	32	29	28	25	10.11 (71)	15.69 (61)	6.93 (49)	8.88 (41)	0.75 (25)
# OF MF/ETF/CIT PEERS			392	386	364	346	237	402	392	381	329	404
MEDIAN MF/ETF/CIT								12.10	16.49	6.89	8.62	0.90
RUSSELL MID CAP VALUE TR USD								10.50	15.03	6.83	9.03	-

### U.S. EQUITY : SMALL GROWTH

INVESTMENT NAME	TYPE	TICKER	Fi360 SCORE	Fi360 SCORE ROLLING AVERAGES				TOTAL RETURN (% RANK)				NET EXP. RATIO (% RANK)
				1 YR	3 YR	5 YR	10 YR	1 YR	3 YR	5 YR	10 YR	
T. Rowe Price Small-Cap Stock	MF	OTCFX	40	23	27	20	20	10.82 (85)	9.59 (24)	7.72 (29)	10.24 (35)	0.91 (27)
# OF MF/ETF/CIT PEERS			580	560	534	504	375	594	580	560	519	598
MEDIAN MF/ETF/CIT								14.77	6.92	6.26	9.65	1.09
RUSSELL 2000 GROWTH TR USD								18.53	6.09	4.22	8.83	-

### U.S. EQUITY : SMALL VALUE

INVESTMENT NAME	TYPE	TICKER	Fi360 SCORE	Fi360 SCORE ROLLING AVERAGES				TOTAL RETURN (% RANK)				NET EXP. RATIO (% RANK)
				1 YR	3 YR	5 YR	10 YR	1 YR	3 YR	5 YR	10 YR	
Principal SmallCap Value II R6 <span>P</span>	MF	PSMVX	0	0	10	12	-	14.29 (27)	20.71 (23)	6.65 (22)	8.85 (23)	0.94 (33)
Virtus NFJ Small-Cap Value Inst <span>R</span>	MF	PSVIX	83	86	84	75	64	10.93 (49)	12.84 (96)	2.17 (95)	5.26 (96)	0.82 (19)
# OF MF/ETF/CIT PEERS			459	447	422	401	292	481	459	445	404	489
MEDIAN MF/ETF/CIT								10.72	17.74	5.03	7.77	1.09
RUSSELL 2000 VALUE TR USD								6.00	15.42	3.53	7.29	-



## INVESTMENT SNAPSHOT

### INTERNATIONAL EQUITY : FOREIGN LARGE GROWTH

INVESTMENT NAME	TYPE	TICKER	Fi360 SCORE	Fi360 SCORE ROLLING AVERAGES				TOTAL RETURN (% RANK)				NET EXP. RATIO (% RANK)
				1 YR	3 YR	5 YR	10 YR	1 YR	3 YR	5 YR	10 YR	
Fidelity® International Discovery	MF	FIGRX	18	32	39	47	33	13.82 (75)	5.18 (44)	4.21 (50)	5.72 (59)	0.98 (51)
# OF MF/ETF/CIT PEERS			418	406	374	311	215	448	417	394	330	449
MEDIAN MF/ETF/CIT								16.07	4.63	4.21	5.94	0.97
MSCI ACWI EX USA GROWTH NR USD								13.26	3.95	4.05	5.60	-

### TAXABLE BOND : INFLATION-PROTECTED BOND

INVESTMENT NAME	TYPE	TICKER	Fi360 SCORE	Fi360 SCORE ROLLING AVERAGES				TOTAL RETURN (% RANK)				NET EXP. RATIO (% RANK)
				1 YR	3 YR	5 YR	10 YR	1 YR	3 YR	5 YR	10 YR	
PIMCO Real Return A <span>W</span>	MF	PRTNX	67	64	46	52	51	-1.74 (62)	-0.45 (66)	2.08 (65)	1.66 (52)	0.87 (78)
# OF MF/ETF/CIT PEERS			205	203	191	185	111	216	205	203	187	219
MEDIAN MF/ETF/CIT								-1.39	-0.15	2.22	1.68	0.51
BLOOMBERG US TREASURY US TIPS TR USD								-1.39	-0.12	2.49	2.08	-



## Fi360 FIDUCIARY SCORE® BREAKDOWN

The Fi360 Fiduciary Score® is a peer percentile ranking of an investment against a set of quantitative due diligence criteria selected to reflect prudent fiduciary management. The Fi360 Fiduciary Score® Average is a one-, three-, five-, or ten-year rolling average of an investment's Fi360 Fiduciary Score®. All Scores are color coded based on the quartile they fall in (1st - Green; 2nd - Light Green; 3rd - Yellow; 4th - Red).

### Score Criterion

- IN. Inception Date.** Must have at least a 3 year track history
- MT. Manager Tenure.** Must have at least a 2 year track history. (Most senior manager's tenure)
- NA. Net Assets.** Must have >= 75 million under management. (Total across all share classes)
- CO. Composition.** Must have >= 80% allocation to primary asset (Not applied to all peer groups)
- SS. Style.** Must have current style box match the peer group. (Not applied to all peer groups)
- ER. Prospectus Net Exp Ratio.** \* Must place in the top 75% of its peer group.
- A3. Alpha - Broad Market (3 YR).** Must place in the top 50% of its peer group.
- S3. Sharpe (3 YR).** Must place in the top 50% of its peer group.
- R1. Return (1 YR).** Must place in the top 50% of its peer group.
- R3. Return (3 YR).** Must place in the top 50% of its peer group.
- R5. Return (5 YR).** Must place in the top 50% of its peer group.

### Summary Legend

✓	Investment meets the criterion
⊘	Investment does not meet the criterion
-	Investment data is not available
NA	Investment is not screened on the criterion

\* For separately managed accounts, r-squared in the top 75% of it's peer group is used as a replacement criterion for Exp Ratio.

### LARGE BLEND

INVESTMENT NAME	TICKER	SCORE (PEERS)	SCORE CRITERIA											ROLLING AVERAGES (PEERS)						
			IN	MT	NA	CO	SS	ER	A3	S3	R1	R3	R5	1 YR	3 YR	5 YR	10 YR			
Schwab® S&P 500 Index	SWPPX	0 (1,313)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	2 (1,267)	1 (1,177)	1 (1,070)	1 (801)

### LARGE GROWTH

INVESTMENT NAME	TICKER	SCORE (PEERS)	SCORE CRITERIA											ROLLING AVERAGES (PEERS)						
			IN	MT	NA	CO	SS	ER	A3	S3	R1	R3	R5	1 YR	3 YR	5 YR	10 YR			
Fidelity® Blue Chip Growth	FBGRX	0 (1,151)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	20 (1,119)	10 (1,051)	8 (976)	6 (740)

### LARGE VALUE

INVESTMENT NAME	TICKER	SCORE (PEERS)	SCORE CRITERIA											ROLLING AVERAGES (PEERS)						
			IN	MT	NA	CO	SS	ER	A3	S3	R1	R3	R5	1 YR	3 YR	5 YR	10 YR			
Vanguard Windsor Investor Shares	VWNDX	0 (1,173)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	0 (1,148)	7 (1,091)	23 (1,001)	27 (738)

### MID-CAP BLEND

INVESTMENT NAME	TICKER	SCORE (PEERS)	SCORE CRITERIA											ROLLING AVERAGES (PEERS)						
			IN	MT	NA	CO	SS	ER	A3	S3	R1	R3	R5	1 YR	3 YR	5 YR	10 YR			
Goldman Sachs Mid Cap Value Instl	GSMCX	6 (390)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	⊘	✓	✓	✓	3 (378)	13 (356)	25 (304)	41 (213)



## FI360 FIDUCIARY SCORE® BREAKDOWN

### MID-CAP GROWTH

INVESTMENT NAME	TICKER	SCORE (PEERS)	SCORE CRITERIA											ROLLING AVERAGES (PEERS)			
			IN	MT	NA	CO	SS	ER	A3	S3	R1	R3	R5	1 YR	3 YR	5 YR	10 YR
T. Rowe Price New Horizons <span>W</span>	PRNHX	<b>70</b> (536)	✓	✓	✓	⊘	✓	✓	⊘	⊘	⊘	⊘	✓	<b>48</b> (522)	<b>38</b> (483)	<b>32</b> (462)	<b>31</b> (361)

### MID-CAP VALUE

INVESTMENT NAME	TICKER	SCORE (PEERS)	SCORE CRITERIA											ROLLING AVERAGES (PEERS)			
			IN	MT	NA	CO	SS	ER	A3	S3	R1	R3	R5	1 YR	3 YR	5 YR	10 YR
JPMorgan Mid Cap Value L	FLMVX	<b>13</b> (392)	✓	✓	✓	✓	✓	✓	⊘	✓	⊘	⊘	✓	<b>32</b> (386)	<b>29</b> (364)	<b>28</b> (346)	<b>25</b> (237)

### SMALL GROWTH

INVESTMENT NAME	TICKER	SCORE (PEERS)	SCORE CRITERIA											ROLLING AVERAGES (PEERS)			
			IN	MT	NA	CO	SS	ER	A3	S3	R1	R3	R5	1 YR	3 YR	5 YR	10 YR
T. Rowe Price Small-Cap Stock	OTCFX	<b>40</b> (580)	✓	✓	✓	⊘	✓	✓	✓	✓	⊘	✓	✓	<b>23</b> (560)	<b>27</b> (534)	<b>20</b> (504)	<b>20</b> (375)

### SMALL VALUE

INVESTMENT NAME	TICKER	SCORE (PEERS)	SCORE CRITERIA											ROLLING AVERAGES (PEERS)			
			IN	MT	NA	CO	SS	ER	A3	S3	R1	R3	R5	1 YR	3 YR	5 YR	10 YR
Principal SmallCap Value II R6 <span>P</span>	PSMVX	<b>0</b> (459)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	<b>0</b> (447)	<b>10</b> (422)	<b>12</b> (401)	-
Virtus NFJ Small-Cap Value Inst <span>R</span>	PSVIX	<b>83</b> (459)	✓	✓	✓	✓	✓	✓	⊘	⊘	✓	⊘	⊘	<b>86</b> (447)	<b>84</b> (422)	<b>75</b> (401)	<b>64</b> (292)

### FOREIGN LARGE GROWTH

INVESTMENT NAME	TICKER	SCORE (PEERS)	SCORE CRITERIA											ROLLING AVERAGES (PEERS)			
			IN	MT	NA	CO	SS	ER	A3	S3	R1	R3	R5	1 YR	3 YR	5 YR	10 YR
Fidelity® International Discovery	FIGRX	<b>18</b> (418)	✓	✓	✓	✓	✓	✓	✓	✓	⊘	✓	✓	<b>32</b> (406)	<b>39</b> (374)	<b>47</b> (311)	<b>33</b> (215)

### INFLATION-PROTECTED BOND

INVESTMENT NAME	TICKER	SCORE (PEERS)	SCORE CRITERIA											ROLLING AVERAGES (PEERS)			
			IN	MT	NA	CO	SS	ER	A3	S3	R1	R3	R5	1 YR	3 YR	5 YR	10 YR
PIMCO Real Return A <span>W</span>	PRTNX	<b>67</b> (205)	✓	✓	✓	✓	✓	⊘	⊘	⊘	⊘	⊘	⊘	<b>64</b> (203)	<b>46</b> (191)	<b>52</b> (185)	<b>51</b> (111)



## ANNUAL INVESTMENT OPTION COSTS

\$ 16,633

**TOTAL INVESTMENT  
OPTION COSTS**

0.79 %

**WEIGHTED AVG NET  
EXP RATIO**

\$ 225

**TOTAL REVENUE  
SHARING**

\$ 16,408

**TOTAL EFFECTIVE  
MGMT FEE**

Each investment option is listed below. In many cases, especially in 401k plans, part of the expense ratio may be directed via 'revenue sharing' to other service providers such the advisor, recordkeeper or custodian. 12B-1 fees are commonly sent to the advisor while Sub-TA and Shareholder Service (SHR SVC) fees are commonly sent to the recordkeeper and/or custodian. Revenue sharing can be offset against other costs charged by a provider or additive to other costs they charge (see the Annual Cost Breakdown section for additional information). Fi360 calculates the MGMT FEE by subtracting any of these revenue sharing elements from the net expense ratio.

$$\text{NET EXP RATIO} \times \$ \text{ ASSETS} = \$ \text{ COSTS}$$

NAME	% NET EXPENSE RATIO COMPONENTS				EXPENSE RATIO		\$ ASSETS	\$ COSTS
	12B-1	SUB-TA	SHR SVC	MGMT FEE	NET (RANK)	GROSS		
Fidelity® Blue Chip Growth	-	-	-	0.76	0.76 (40)	0.76	90,000	<b>684</b>
Fidelity® International Discovery	-	-	-	0.98	0.98 (51)	0.98	34,533	<b>338</b>
Goldman Sachs Mid Cap Value Instl	-	-	-	0.83	0.83 (43)	0.83	674,564	<b>5,599</b>
JPMorgan Mid Cap Value L	-	-	-	0.75	0.75 (25)	0.83	556,666	<b>4,175</b>
PIMCO Real Return A <span>W</span>	0.25	-	-	0.62	0.87 (78)	0.87	90,000	<b>783</b>
Principal SmallCap Value II R6 <span>P</span>	-	-	-	0.94	0.94 (33)	0.96	-	-
Schwab® S&P 500 Index	-	-	-	0.02	0.02 (3)	0.02	34,533	<b>7</b>
T. Rowe Price New Horizons <span>W</span>	-	-	-	0.79	0.79 (24)	0.79	34,673	<b>274</b>
T. Rowe Price Small-Cap Stock	-	-	-	0.91	0.91 (27)	0.91	7,555	<b>69</b>
Vanguard Windsor Investor Shares	-	-	-	0.38	0.38 (11)	0.38	34,533	<b>131</b>
Virtus NFJ Small-Cap Value Inst <span>R</span>	-	-	-	0.82	0.82 (19)	0.87	557,656	<b>4,573</b>

## TOTAL INVESTMENT OPTION COSTS TABLE

NAME	% NET EXPENSE RATIO COMPONENTS				EXPENSE RATIO		\$ ASSETS	\$ COSTS
	12B-1	SUB-TA	SHR SVC	MGMT FEE	NET	GROSS		
In Dollars (\$)	225	-	-	16,408	16,633	17,357	2,114,713	<b>16,633</b>
In Basis Points (BPS)	1	-	-	78	79	82	-	<b>79</b>

## FEE WAIVERS

**JPMorgan Mid Cap Value L** The Fund's adviser and/or its affiliates have contractually agreed to waive fees and/or reimburse expenses to the extent Total Annual Fund Operating Expenses (excluding acquired fund fees and expenses other than certain money market fund fees as described below, dividend and interest expenses related to short sales, interest, taxes, expenses related to litigation and potential litigation, expenses related to trustee elections, and extraordinary expenses) exceed 0.75% of the average daily net assets of Class L Shares. The Fund may invest in one or more money market funds advised by the adviser or its affiliates (affiliated money market funds). The Fund's adviser, shareholder servicing agent and/or administrator have contractually agreed to waive fees and/or reimburse expenses in an amount sufficient to offset the respective net fees each collects from the affiliated money market funds on the Fund's investment in such money market funds. These waivers are in effect through 10/31/23.



## ANNUAL INVESTMENT OPTION COSTS

**Principal SmallCap Value II R6** P Principal Global Investors, LLC ("PGI"), the investment advisor, has contractually agreed to waive a portion of the Fund's management fees through the period ending February 29, 2024. Principal Global Investors, LLC ("PGI"), the investment advisor, has contractually agreed to limit the Fund's expenses by paying, if necessary, expenses normally payable by the Fund (excluding interest expense, expenses related to fund investments, acquired fund fees and expenses, and tax reclaim recovery expenses and other extraordinary expenses) to maintain a total level of operating expenses (expressed as a percent of average net assets on an annualized basis) not to exceed 0.96% for Institutional Class shares. It is expected that the expense limit will continue through the period ending February 29, 2024.

**Virtus NFJ Small-Cap Value Inst** R The fund's investment adviser has contractually agreed to limit the fund's total operating expenses (excluding certain expenses, such as front-end or contingent deferred sales charges, taxes, leverage and borrowing expenses (such as commitment, amendment and renewal expenses on credit or redemption facilities), interest, brokerage commissions, expenses incurred in connection with any merger or reorganization, unusual or infrequently occurring expenses (such as litigation), acquired fund fees and expenses, and dividend expenses, if any) so that such expenses do not exceed 1.17% for Class A Shares, 1.92% for Class C Shares, 0.82% for Institutional Class Shares, 0.92% for Class P Shares, 0.77% for Class R6 Shares and 1.07% for Administrative Class Shares through October 31, 2023.



# Monitoring Report

## CLIENT NOTES

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### **Recap of Q4 2022 Meeting:**

Issue discussed: Monitoring Virtus Small Cap. Continue Monitoring

Upcoming Participant Notices going out March 2023

### **Plan Overview:**

QDIA: MMTOX

Eligible Participants: 175

Active Participants: 143

Recordkeeper: Fidelity



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**INVESTMENT DESCRIPTIONS**

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**Fidelity® Blue Chip Growth.** The investment seeks growth of capital over the long term. The fund invests primarily in common stocks. It normally invests at least 80% of assets in blue chip companies (companies that, in Fidelity Management & Research Company LLC (FMR)'s view, are well-known, well-established and well-capitalized), which generally have large or medium market capitalizations. It invests in securities of domestic and foreign issuers. The fund uses fundamental analysis of factors such as each issuer's financial condition and industry position, as well as market and economic conditions, to select investments. The fund is non-diversified.

**Fidelity® International Discovery.** The investment seeks long-term growth of capital. The fund invests primarily in non-U.S. securities. It invests in common stocks. The advisor allocates the fund's investments across different countries and regions. The advisor uses fundamental analysis of factors such as each issuer's financial condition and industry position, as well as market and economic conditions, to select investments.

**Goldman Sachs Mid Cap Value Instl.** The investment seeks long-term capital appreciation. The fund invests, under normal circumstances, at least 80% of its net assets plus any borrowings for investment purposes in a diversified portfolio of equity investments in mid-cap issuers with public stock market capitalizations within the range of the market capitalization of companies constituting the Russell Midcap® Value Index at the time of investment. Although it will invest primarily in publicly traded U.S. securities, the fund may invest in foreign securities, including securities of issuers in countries with emerging markets or economies and securities quoted in foreign currencies.

**JPMorgan Mid Cap Value L.** The investment seeks growth from capital appreciation. Under normal circumstances, the fund invests at least 80% of its assets in equity securities of mid cap companies. "Assets" means net assets, plus the amount of borrowings for investment purposes. Mid cap companies are companies with market capitalizations equal to those within the universe of the Russell Midcap® Value Index at the time of purchase.

**PIMCO Real Return A <sup>W</sup>.** The investment seeks maximum real return, consistent with preservation of capital and prudent investment management. The fund normally invests at least 80% of its net assets in inflation-indexed bonds of varying maturities issued by the U.S. and non-U.S. governments, their agencies or instrumentalities, and corporations, which may be represented by forwards or derivatives such as options, futures contracts or swap agreements.

**Principal SmallCap Value II R6 <sup>P</sup>.** The investment seeks long-term growth of capital. Under normal circumstances, the fund invests at least 80% of its net assets, plus any borrowings for investment purposes, in equity securities of companies with small market capitalizations at the time of purchase. It invests in value equity securities, an investment strategy that emphasizes buying equity securities that appear to be undervalued. The fund also invests in real estate investment trusts ("REITs").

**Schwab® S&P 500 Index.** The investment seeks to track the total return of the S&P 500® Index. The fund generally invests at least 80% of its net assets (including, for this purpose, any borrowings for investment purposes) in these stocks; typically, the actual percentage is considerably higher. It generally will seek to replicate the performance of the index by giving the same weight to a given stock as the index does.

**T. Rowe Price New Horizons <sup>W</sup>.** The investment seeks long-term capital growth. The fund invests primarily in a diversified group of small, emerging growth companies, preferably early in their corporate life cycle before the companies become widely recognized by the investment community. It may also invest in companies that offer the possibility of accelerating earnings growth because of rejuvenated management, new products, or structural changes in the economy.

**T. Rowe Price Small-Cap Stock.** The investment seeks to provide long-term capital growth. The fund will normally invest at least 80% of its net assets (including any borrowings for investment purposes) in stocks of small companies. The manager defines a small company as one whose market capitalization falls (i) within or below the current range of companies in either the Russell 2000® Index or the S&P SmallCap 600 Index or (ii) below the three-year average maximum market capitalization of companies in either index as of December 31 of the three preceding years.

**Vanguard Windsor Investor Shares.** The investment seeks to provide long-term capital appreciation and income. The fund invests mainly in large- and mid-capitalization companies whose stocks are considered by an advisor to be undervalued. Undervalued stocks are generally those that are out of favor with investors and that the advisor believes are trading at prices that are below average in relation to measures such as earnings and book value. It uses multiple investment advisors.

**Virtus NFJ Small-Cap Value Inst <sup>R</sup>.** The investment seeks long-term growth of capital and income. The fund normally invests at least 80% of its net assets (plus borrowings made for investment purposes) in common stocks and other equity securities of companies with smaller market capitalizations. The manager currently considers smaller market capitalization companies to be companies with market capitalizations of between \$100 million and the greater of \$4 billion or the capitalization of the largest company in the Russell 2000 Index. The fund normally invests significantly in securities of companies that the portfolio managers expect will generate income (for example, by paying dividends).



## STATEMENT OF ADDITIONAL DISCLOSURES

### INTRODUCTION

This report is for informational purposes only and does not constitute professional investment advice. Some data in this report was obtained from third parties. Although Fi360 obtains data from sources it deems to be reliable, it does not independently verify the data, and does not warrant or represent that the data is timely, complete, or accurate.

Unless denoted otherwise with a CI superscript (Investment Name <sup>CI</sup>), the investment data source is © 2023 Morningstar, Inc. All rights reserved. The data contained herein: (1) is proprietary to Morningstar, Inc. and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar, Inc. nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results. Any investment denoted with the CI subscript was supplied by another 3rd party such as the advisor, custodian, recordkeeper or other provider.

**Mutual funds and Exchange Traded Funds (ETFs) are sold by prospectus. Please consider the investment objectives, risks, charges and expenses carefully before investing. The prospectus and, if available, the summary prospectus, which contains this and other information, can be obtained by calling your financial advisor. Read the prospectus and, if available, the summary prospectus carefully before you invest.**

**All investments involve risk. The principal value and investment return will fluctuate so that your shares, when redeemed, may be worth more or less than the original cost. All investing involves risk, including the possible loss of principal. This does not apply, however, to the guaranteed portions of group annuity contracts that constitute guaranteed benefit policies as defined in ERISA 401(b)(2)(B).**

Collective investment trusts (CITs) are available for investment primarily by eligible retirement plans and entities. Participation in CITs is generally governed by the terms of a Declaration of Trust and a Participation or Adoption Agreement, which is signed by the retirement plan's fiduciary at the time the plan invests in the CITs. In addition, various other documents may contain important information about the CITs including Fund Descriptions, Statement of Characteristics or Investment Guidelines, and/or other fee or investment disclosure documents. All of these documents may contain important information about CIT fees, investment objectives, and risks and expenses of the underlying investments in the CITs and should be read carefully before investing. To obtain a copy, you will need to contact the plan sponsor or trustee of the CIT.

**CITs are not insured by FDIC or any other type of deposit insurance; are not deposits or other obligations of, and are not guaranteed by any firm or their affiliates; and involve investment risks, including possible loss of principal invested. CITs are not mutual funds and are exempt from registration and regulation under the Investment Company Act of 1940 (the "1940 Act"), and their units are not registered under the Securities Act of 1933, or applicable securities laws of any state or other jurisdiction. Unit holders of the Funds are not entitled to the protections of the 1940 Act. The decision to invest in CITs should be carefully considered. The CITs unit values will fluctuate and may be worth more or less when redeemed, so unit holders may lose money. CITs are not sold by prospectus and are not available for investment by the public; Fund prices are not quoted in readily available market quotation services.**

Fi360 is under common ownership with Matrix Trust Company, who is the discretionary trustee of certain CITs that may be noted in this report.

Separate Accounts are available through a group annuity contract. The contract and other fee/disclosure documents, such as fact sheets, may contain important information about the separate account fees, investment objectives and risks and expenses of underlying investments in the separate accounts and should be read carefully before investing. Certain investment options may not be available in all states or U.S. commonwealths. Some payments or transfers from the Separate Accounts may be deferred as described in the group annuity contracts providing access to the Separate Accounts or as required by applicable law. Such deferment will be based on factors that may include situations such as: unstable or disorderly financial markets or investment conditions which do not allow for orderly investment transactions.

This Statement of Additional Disclosures includes important information regarding the information provided in the report. If an investor does not understand any term or data presented herein, he/she should consult with his/her financial advisor.

### FI360 FIDUCIARY SCORE®

**Fi360 Fiduciary Score®.** The Score is a peer percentile ranking of an investment against a set of quantitative due diligence criteria selected to reflect prudent fiduciary management. The Rolling Averages are a one-, three-, five- or ten-year equal-weighted average of an investment's Fi360 Fiduciary Scores during that corresponding time period. The Historical Fi360 Fiduciary Scores at Quarter End trend chart (if included) displays the Fi360 Fiduciary Score for each calendar quarter-end during that year.



## STATEMENT OF ADDITIONAL DISCLOSURES

Short Fall Points - If an investment does not meet an individual due diligence criterion, short fall points are tallied. Investments that satisfy all of the due diligence criteria receive an Fi360 Fiduciary Score of 0. Every other investment is given a Score of 1-100 based on their short fall point total, and representing their percentile ranking within their peer group. The Fi360 Fiduciary Score represents a suggested course of action and is not intended, nor should it be used, as the sole source of information for reaching an investment decision. Visit [www.fi360.com/fi360-Fiduciary-Score](http://www.fi360.com/fi360-Fiduciary-Score) for the complete methodology document.

**Criteria.** The following criteria are included as part of the Score calculation.

- 1. Inception Date.** The investment must have at least a 3 year track history
- 2. Manager Tenure.** The investment manager must have at least a 2 year track history. (Most senior manager's tenure)
- 3. Net Assets.** The investment must have at least 75 million under management (Total across all share classes for funds/ETFs)
- 4. Composition.** The investments allocation to its primary asset class should be greater than or equal to 80%. (Not applied to all peer groups)
- 5. Style Drift.** The investment's current style box must match the peer group. (Not applied to all peer groups. Further details on each style can be found in the Investment Strategy & Style section below.)
- 6. Prospectus Net Exp Ratio.** The investment must place in the top 75% of its peer group
- 7. Alpha (3yr) - Primary Benchmark.** The investment must place in the top 50% of its peer group
- 8. Sharpe (3yr).** The investment must place in the top 50% of its peer group
- 9. Return (1yr).** The investment must place in the top 50% of its peer group
- 10. Return (3yr).** The investment must place in the top 50% of its peer group
- 11. Return (5yr).** The investment must place in the top 50% of its peer group

**Weighted Fi360 Fiduciary Score.** The Weighted Score is calculated by taking the Fi360 Fiduciary Score for each holding and weighting it by its respective allocation or \$ amount (if available). If no allocation is available for any holding, each holding is treated equally. This is then summed to represent the Average Score across the holdings. If a holding does not have a Score, it is excluded from the calculation.

## PERFORMANCE

**Total Return (No Load).** Expressed in percentage terms, an investment's total return is determined each month by taking the change in monthly net asset value, reinvesting all income and capital gains distributions during that month, and dividing by the starting NAV. Reinvestments are made using the actual reinvestment NAV, and daily payoffs are reinvested monthly. Total Return (No Load) is not adjusted for sales charges (such as front-end loads, deferred loads and redemption fees), but do reflect management, administrative, 12b-1 fees and other costs taken out of fund assets. Total returns for periods longer than one year are expressed in terms of compounded average annual returns (also known as geometric total returns).

**Total Return (With Load).** Expressed in percentage terms, an investment's total return is determined each month by taking the change in monthly net asset value, reinvesting all income and capital gains distributions during that month, and dividing by the starting NAV. Reinvestments are made using the actual reinvestment NAV, and daily payoffs are reinvested monthly. Total Return (With Load) is adjusted for front-end loads, deferred loads and redemption fees, but not taxes. For funds with front-end loads, the full amount of the load is deducted. For deferred loads and redemption fees, the percentage charged often declines the longer the shares are held. Total returns for periods longer than one year are expressed in terms of compounded average annual returns (also known as geometric total returns).

**Percentile Rank.** The relative ranking of an investment within its peer group on a scale of 1-100 (1 being the best) for the data point and time period being measured. Rankings are calculated against the corresponding Peer Group and Number of Peers as explained in the following paragraph. Performance ranks do not account for an investment's sales charge (if applicable). Ranks will not be provided for periods less than one year.

**Number of Peers.** The number of investments in the same peer group which were used to calculate any percentile rank or Fi360 Fiduciary Score. Only investments which had the given data point being ranked are included in this number, so the number of peers can change for the same investment by data point being ranked. For Mutual funds (MF) and Exchange Traded Funds (ETF), we combine both sets of investments together to form one peer group for ranking purposes. For Collective Investment Trusts (CIT), since many do not report timely, we utilize the pre-defined MF/ETF peer group and calculate the ranks as an overlay on that peer group. There is no existing MF/ETF peer group for Stable Value, Leveraged Net Long and Money Market Non-40 Act. We use the following MF/ETF peer group as a proxy instead (Stable Value uses Short-Term Bond,



## STATEMENT OF ADDITIONAL DISCLOSURES

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Leveraged Net Long uses Large Blend and Money Market Non-40 Act uses Money Market Taxable) so we can calculate the ranks. For Group Retirement Plan Annuities (GRPA), we combine this universe with all mutual funds and ETFs to form one peer group for ranking purposes. For Separately managed accounts (SMA) and Variable annuity sub accounts (VA), we use their respective universe of investments only.

**Benchmarks.** A benchmark gives an investor a point of reference for evaluating a fund's performance by comparing benchmark returns to the fund's returns. This report may utilize one or many of these benchmarks:

**Broad Index.** The index used in the calculation of metrics such as Alpha, Beta, and R-Squared. The Broad Index provides a common comparison point for funds with similar investing styles across different peer groups.

**Peer Group Index.** The index assigned to the fund's peer group, which is a group of funds with similar investment style. Each peer group has its own index which can be used as a common comparison point between funds.

**Best-fit Index.** The market index that shows the highest correlation with a fund over the most-recent 36 months, as measured by the highest R-Squared. In addition, the Best-fit Index can be used to compare the betas and alphas of similar funds that show the same 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.

Indices are unmanaged and cannot be invested in directly. Please reference the Index Descriptions section for more specific detail on each index that is included in this report.

## VOLATILITY METRICS

**Sharpe Ratio.** A risk-adjusted measure developed by Nobel Laureate William Sharpe. The higher the Sharpe ratio, the better the investment's historical risk-adjusted performance. The Sharpe ratio is calculated for the past three or five-year period by dividing the investment's annualized excess return by the standard deviation of an investment's annualized excess return. Since this ratio uses standard deviation as its risk measure, it is most appropriately applied when analyzing an investment that is an investor's sole holding. The Sharpe ratio can be used to compare two funds directly on how much risk an investment had to bear to earn excess return over the risk-free rate.

## MPT STATISTICS

**Alpha.** A measure of the difference between an investment'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 manager. A positive alpha figure indicates the investment has performed better than its beta (or expected return) would predict. In contrast, a negative alpha indicates the investment underperformed, given the expectations established by the investment's beta.

## EXPENSES

**Prospectus Net Expense Ratio.** This value is from the investment's most recent prospectus. The percentage of investment assets used to pay for operating expenses and management fees, including 12b-1 fees, administrative fees, and all other asset-based costs incurred by the fund, except brokerage costs. Fund expenses are reflected in the fund's Net Asset Value. Sales charges are not included in the expense ratio. The expense ratio for fund of funds is the aggregate expense ratio defined as the sum of the wrap or sponsor fees plus the estimated weighted average of the underlying fund fees. A higher expense ratio will "drag" on the overall performance of a fund compared to peers with a lower expense ratio.

**Net Expense Ratio (Rank).** The percentile rank for the Net Expense Ratio within the investment's peer group. 1 being the best and 100 the worst.

**Prospectus Gross Expense Ratio.** This value is from the investment's most recent prospectus. The total gross expenses (net expenses with waiver added back in) divided by the fund's average net assets. If it is not equal to the net expense ratio, the gross expense ratio portrays the fund's expenses had the manager not waived a portion, or all, of its fees. Thus, to some degree, it is an indication of fee contracts. Some fee waivers have an expiration date; other waivers are in place indefinitely.

**12b-1 Fee.** This value is usually taken from the fund's prospectus but may have been edited by your financial advisor if the prospectus amount was not accurate for your given situation. This value is part of the Net Expense Ratio. It represents a maximum annual charge deducted from investment assets to pay for distribution and marketing costs. This value can be rebated back to the client to offset other expenses.



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**STATEMENT OF ADDITIONAL DISCLOSURES**

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**Front Load.** A one-time deduction from a purchase made into the fund. The amount is relative to the amount of the investment, so that larger investments incur smaller rates of charge. The sales charge serves as a commission for the broker who sold the fund. Potential fees and sales charges are an important factor to consider before making an investment. The load compensates the broker or financial planner for the service of providing professional investment advice.

**Deferred Load.** A one-time charge paid at the time of the sale of the fund. The amount is relative to the amount of the investment, so that larger investments incur smaller rates of charge. The sales charge serves as a commission for the broker who sold the fund. Potential fees and sales charges are an important factor to consider before making an investment. The load compensates the broker or financial planner for the service of providing professional investment advice.

**Fee Waiver/Cap.** This value is from the investment's most recent prospectus. The elimination of all or part of a fund's expense or the cap or maximum fee charged by the portfolio manager. Some fee waivers and caps have an expiration date; others are in place indefinitely. Some funds adopt this practice at various times to make their returns more competitive.

**Basis Point (BPS).** One-hundredth of a percentage point. For example, 50 basis points equals .50%.

**Investment Option Costs (\$ Costs).** Fi360 calculates this value by taking the Net Expense Ratio and adding any applicable Wrap fee. It represents the total costs paid through the investment options. Note that other costs may be paid directly to other service providers as outlined in this report.

**Mgmt. Fee (Effective Management Fee).** Fi360 calculates this value by taking the Net Expense Ratio and subtracting any 12b-1, SubTA and Shareholder Service (Shr Svc) fees as those are not retained by the investment manager. It represents the fee charged for the management of pooled investments such as collective investment funds, insurance/annuity products, mutual funds and individually managed accounts.

**Revenue Sharing.** Fi360 calculates this value by summing the 12b-1, Sub-TA, Shareholder Service and Wrap Fee for each investment. It represents the total costs paid through the investment options but directed to another service provider (not for the direct management of the investment option). This value can be rebated back to the client to offset other expenses.

**Shareholder Service Fee (Shr Svc).** This value is entered by your financial advisor and is part of the Net Expense Ratio. Typically, this value is passed back to a custodian or recordkeeper that is providing custodial services for the client/plan assets. This value can be rebated back to the client to offset other expenses.

**Sub-TA.** This value is entered by your financial advisor and is part of the Net Expense Ratio. Also known as Sub-Transfer Agency Fees, the name of this fee refers to the subcontracting of participant accounting to third parties, called Sub Transfer Agents. The transfer agent is the bank or trust company that executes, clears and settles buy or sell orders for mutual fund shares, and maintains shareholder records of ownership. When these functions are subcontracted to another recordkeeper, the fee paid to the sub-contractor is called the Sub-TA fee. Typically, Sub-TA fees are not disclosed in the prospectus and can vary depending on the client's circumstances. This value can be rebated back to the client to offset other expenses.

**Weighted Average Expense Ratio.** Fi360 calculates this value by taking the Total Investment Option Costs and dividing by the Total Client Assets. It represents the average expenses paid through the investment options.

**INVESTMENT STRATEGY & STYLE**

**Peer Group.** Fi360 utilizes the Morningstar Category for peer group assignment. In an effort to distinguish funds by what they own, as well as by their prospectus objectives and styles, Morningstar developed the Morningstar Categories. While the prospectus objective identifies a fund's investment goals based on the wording in the fund prospectus, the Morningstar Category identifies funds based on their actual investment styles as measured by their underlying portfolio holdings (portfolio and other statistics over the past three years). Peer groups are for comparison only, and do not represent any investable products. Please reference the Peer Group Descriptions section for more specific detail on each peer group that is included in this report.

**Morningstar Equity Style Box™.** Morningstar classifies funds as being large-cap, mid-cap, or small-cap based on the market capitalization of long stocks owned; and as value, blend, or growth based on the value-growth orientation of the stock holdings. The nine possible combinations of these characteristics correspond to the nine squares of the Morningstar Style Box-size is displayed along the vertical axis and style is displayed along the horizontal axis. The referenced data elements below are a weighted average of the long equity holdings in the portfolio.



**STATEMENT OF ADDITIONAL DISCLOSURES**

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, portfolio holding is weighted by the percentage of equity assets it represents.

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.

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.

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.

**Morningstar Fixed Income Style Box™.** Morningstar classifies bond funds in its style box based on their interest rate sensitivity as limited (Ltd), moderate (Mod) and extensive (Ext) measured by the average effective duration of the fund's holdings; and their credit quality (Qual) as high (High), medium (Med), or low (Low) based on letter (or alphanumeric) credit ratings of the long bonds owned by third party credit rating agencies. The nine possible combinations of these characteristics correspond to the nine squares of the Morningstar Style Box -- quality is displayed along the vertical axis and sensitivity to interest rate along the horizontal axis.

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). 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.

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

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.



## STATEMENT OF ADDITIONAL DISCLOSURES

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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.

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.

## WEIGHTINGS & HOLDINGS

**IPS Alignment.** If a current holding does not fit within the ranges specified in the Investment Policy Statement, an alignment notice is generated. A notice can occur due to temporary style drift in an investment, a difference in categorization methodology or a gap in allocation.



## STATEMENT OF ADDITIONAL DISCLOSURES: EXTENDED PERFORMANCE

The analysis in this report may be based, in part, on adjusted historical returns for periods prior to an investment share class's actual inception.

Morningstar created extended performance statistics to "fill in the gap" between the inception date of a new share class or distribution channel and the inception date of the original portfolio. Extended performance lengthens the performance data that is available for the younger investment. This helps investors see how the portfolio as a whole has performed over time. For example, if a mutual fund started 15 years ago with an Investor share class and just added an Institutional share class one year ago, Morningstar will lengthen the performance history of the Institutional share class to 15 years. Often, some of the shareholders in the new share class were actually shareholders in the oldest share class.

Morningstar will adjust the performance history of the original portfolio to reflect differences in fees between the original share class and the younger share class. This adjustment will only occur where the new share class has higher fees than the oldest share class, so the extended performance for the younger share class will be lower than, or equal to, the returns of the oldest share class. Where the oldest share class has higher fees than the younger share class no adjustment is made. In this case, if the expenses of the newer share class were used rather than the expenses of the old share class (due to lower expenses of the new share class), it would have resulted in better performance.

NEWER SHARE CLASS		OLDEST SHARE CLASS	
NAME	INCEPTION DATE	NAME	INCEPTION DATE
Principal SmallCap Value II R6 <span>P</span>	11/25/2014	Principal SmallCap Value II Inst	06/01/2004



**STATEMENT OF ADDITIONAL DISCLOSURES: INDEX DESCRIPTIONS****Barclays.**

This following indices are part of this family:

- **BBgBarc US Treasury US TIPS TR USD.** The index measures the performance of rules-based, market value-weighted inflation-protected securities issued by the U.S. Treasury. It is a subset of the Global Inflation-Linked Index (Series-L).

**LSE Group.** London Stock Exchange Group plc and its group undertakings (collectively, the "LSE Group"). © LSE Group 2023. FTSE Russell is a trading name of certain of the LSE Group companies. "FTSE@", "Russell@", "FTSE Russell@", "MTS@", "FTSE4Good@", "ICB@", "Mergent@", is/are a trademark(s) of the relevant LSE Group companies and is/are used by any other LSE Group company under license. All rights in the FTSE Russell indexes or data vest in the relevant LSE Group company which owns the index or the data. Neither LSE Group nor its licensors accept any liability for any errors or omissions in the indexes or data and no party may rely on any indexes or data contained in this communication. No further distribution of data from the LSE Group is permitted without the relevant LSE Group company's express written consent. The LSE Group does not promote, sponsor or endorse the content of this communication.

This following indices are part of this family:

- **Russell 1000 Growth TR USD.** The index measures the performance of the large-cap growth segment of the US equity securities. It includes the Russell 1000 index companies with higher price-to-book ratios and higher forecasted growth values. It is market-capitalization weighted. 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.
- **Russell 1000 TR USD.** 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 1000 Value TR USD.** The index measures the performance of the large-cap value segment of the US equity securities. It includes the Russell 1000 index companies with lower price-to-book ratios and lower expected growth values. It is market-capitalization weighted. 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.
- **Russell 2000 Growth TR USD.** The index measures the performance of small-cap growth segment of the US equity universe. It includes those Russell 2000 companies with higher price-to-value ratios and higher forecasted growth values. It is market-capitalization weighted. 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.
- **Russell 2000 Value TR USD.** The index measures the performance of small-cap value segment of the US equity universe. It includes those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values. It is market-capitalization weighted. 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.
- **Russell Mid Cap Growth TR USD.** The index measures the performance of the mid-cap growth segment of the US equity universe. It includes Russell midcap index companies with higher price-to-book ratios and higher forecasted growth values. It is market-capitalization weighted. 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.
- **Russell Mid Cap TR USD.** The index measures the performance of the mid-cap segment of the US equity universe. It is a subset of Russell 1000 index and includes approximately 800 of the smallest securities based on a combination of their market cap and current index membership. The index represents approximately 31% of the total market capitalization of the Russell 1000 companies.
- **Russell Mid Cap Value TR USD.** The index measures the performance of the mid-cap value segment of the US equity universe. It includes Russell midcap index companies with lower price-to-book ratios and lower forecasted growth values. It is market-capitalization weighted.

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## STATEMENT OF ADDITIONAL DISCLOSURES: INDEX DESCRIPTIONS

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This following indices are part of this family:

- **MSCI ACWI Ex USA Growth NR USD.** The index measures the performance of the growth large and mid cap segments of the particular regions, excluding USA equity securities, including developed and emerging market. It is free float-adjusted market-capitalization weighted.



**STATEMENT OF ADDITIONAL DISCLOSURES: PEER GROUP DESCRIPTIONS**

- **Foreign Large Growth (FG).** Foreign large-growth portfolios focus on high-priced growth stocks, mainly outside of the United States. Most of these portfolios divide their assets among a dozen or more developed markets, including Japan, Britain, France, and Germany. These portfolios primarily invest in stocks that have market caps in the top 70% of each economically integrated market (such as Europe or Asia ex-Japan). Growth is defined based on fast growth (high growth rates for earnings, sales, book value, and cash flow) and high valuations (high price ratios and low dividend yields). These portfolios typically will have less than 20% of assets invested in U.S. stocks.
- **Inflation-Protected Bond (IP).** Inflation-protected bond portfolios invest primarily in debt securities that adjust their principal values in line with the rate of inflation. These bonds can be issued by any organization, but the U.S. Treasury is currently the largest issuer for these types of securities.
- **Large Blend (LB).** Large-blend portfolios are fairly representative of the overall US stock market in size, growth rates and price. Stocks in the top 70% of the capitalization of the US equity market are defined as large cap. The blend style is assigned to portfolios where neither growth nor value characteristics predominate. These portfolios tend to invest across the spectrum of US industries, and owing to their broad exposure, the portfolios' returns are often similar to those of the S&P 500 Index.
- **Large Growth (LG).** Large-growth portfolios invest primarily in big U.S. companies that are projected to grow faster than other large-cap stocks. Stocks in the top 70% of the capitalization of the U.S. equity market are defined as large cap. Growth is defined based on fast growth (high growth rates for earnings, sales, book value, and cash flow) and high valuations (high price ratios and low dividend yields). Most of these portfolios focus on companies in rapidly expanding industries.
- **Large Value (LV).** Large-value portfolios invest primarily in big U.S. companies that are less expensive or growing more slowly than other large-cap stocks. Stocks in the top 70% of the capitalization of the U.S. equity market are defined as large cap. Value is defined based on low valuations (low price ratios and high dividend yields) and slow growth (low growth rates for earnings, sales, book value, and cash flow).
- **Mid-Cap Blend (MB).** The typical mid-cap blend portfolio invests in U.S. stocks of various sizes and styles, giving it a middle-of-the-road profile. Most shy away from high-priced growth stocks but aren't so price-conscious that they land in value territory. Stocks in the middle 20% of the capitalization of the U.S. equity market are defined as mid-cap. The blend style is assigned to portfolios where neither growth nor value characteristics predominate.
- **Mid-Cap Growth (MG).** Some mid-cap growth portfolios invest in stocks of all sizes, thus leading to a mid-cap profile, but others focus on midsize companies. Mid-cap growth portfolios target U.S. firms that are projected to grow faster than other mid-cap stocks, therefore commanding relatively higher prices. Stocks in the middle 20% of the capitalization of the U.S. equity market are defined as mid-cap. Growth is defined based on fast growth (high growth rates for earnings, sales, book value, and cash flow) and high valuations (high price ratios and low dividend yields).
- **Mid-Cap Value (MV).** Some mid-cap value portfolios focus on medium-size companies while others land here because they own a mix of small-, mid-, and large-cap stocks. All look for U.S. stocks that are less expensive or growing more slowly than the market. Stocks in the middle 20% of the capitalization of the U.S. equity market are defined as mid-cap. Value is defined based on low valuations (low price ratios and high dividend yields) and slow growth (low growth rates for earnings, sales, book value, and cash flow).
- **Small Growth (SG).** Small-growth portfolios focus on faster-growing companies whose shares are at the lower end of the market-capitalization range. These portfolios tend to favor companies in up-and-coming industries or young firms in their early growth stages. Because these businesses are fastgrowing and often richly valued, their stocks tend to be volatile. Stocks in the bottom 10% of the capitalization of the U.S. equity market are defined as small cap. Growth is defined based on fast growth (high growth rates for earnings, sales, book value, and cash flow) and high valuations (high price ratios and low dividend yields).
- **Small Value (SV).** Small-value portfolios invest in small U.S. companies with valuations and growth rates below other small-cap peers. Stocks in the bottom 10% of the capitalization of the U.S. equity market are defined as small cap. Value is defined based on low valuations (low price ratios and high dividend yields) and slow growth (low growth rates for earnings, sales, book value, and cash flow).



**STATEMENT OF ADDITIONAL DISCLOSURES: RISKS**

Investing involves risk. Loss of principal is possible. An investment in a fund is not a bank deposit, and it is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency. Each fund carries its own specific risks which depend on the types of investments in the fund. Investors should review the fund's prospectus carefully to understand the risks before investing.

In general, some of the risks associated with the Morningstar Categories shown in this report are as follows:

- **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 decline. Portfolios that hold bonds are subject to declines and increases in value due to general changes in interest rates. Bonds are also subject to prepayment risk, which is the chance that an issuer may exercise its right to prepay its security, if falling interest rates prompt the issuer to do so. Forced to reinvest the unanticipated proceeds at lower interest rates, the fund would experience a decline in income and lose the opportunity for additional price appreciation.
- **Foreign.** Investments in foreign securities may be more volatile than investing solely in U.S. markets due to interest-rate, currency, exchange rate, economic, and political risks. The value of these securities can change more rapidly and extremely than can the value of U.S. securities. Foreign securities are subject to increased issuer risk because foreign issuers may not experience the same degree of regulation as U.S. issuers do and are held to different reporting, accounting, and auditing standards. In addition, foreign securities are subject to increased costs because there are generally higher commission rates on transactions, transfer taxes, higher custodial costs, and the potential for foreign tax charges on dividend and interest payments. Many foreign markets are relatively small, and securities issued in less-developed countries face the risks of nationalization, expropriation or confiscatory taxation, and adverse changes in investment or exchange control regulations, including suspension of the ability to transfer currency from a country. Economic, political, social, or diplomatic developments can also negatively impact performance.
- **Foreign Currencies.** Foreign currencies are subject to the risks associated with such currencies and the changes in their values relative to the U.S. dollar. Such risks include volatility in the price relationship between the U.S. dollar and foreign currencies. The value of foreign currencies relative to the U.S. dollar can be affected by many factors, including national debt levels, trade deficits, international trade and foreign policies, changes in trade and balance of payments, governmental fiscal and monetary policies, currency exchange rates and changes in supply and demand that affect those rates, investment and trading activity of mutual funds, hedge funds and currency funds, exchange rate controls and government intervention in currency markets, inflation rates, interest and deposit rates, market expectations about future inflation rates and interest rates, and global and national economic, financial, political, regulatory, judicial, military and geographical events or developments. Prices of currencies of less developed or emerging market nations tend to be more volatile than those of developed countries, given the greater political, regulatory, economic, financial, military and social instability and uncertainty in less developed or emerging market nations.
- **Inflation-Protected.** Inflation-protected bonds, unlike other fixed-income securities, are not significantly impacted by inflation expectations because their interest rates are adjusted for inflation. Generally, the value of inflation-protected securities will fall when real interest rates rise and rise when real interest rates fall.
- **Large Cap Equities.** Concentrating assets in large-capitalization stocks may subject the portfolio to the risk that those stocks underperform other capitalizations or the market as a whole. Large-cap companies may be unable to respond as quickly as small- and mid-cap companies can to new competitive pressures and may lack the growth potential of those securities. Historically, large-cap companies do not recover as quickly as smaller companies do from market declines.
- **Small/Mid Cap Equities.** Portfolios that invest in stocks of small- to mid-cap 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.
- **Taxable Bond.** Investments in taxable bonds such as government bonds, long-term and short-term bonds, bank loans, corporate bonds, preferred stock, high-yield bonds, etc. are subject to numerous risks including those relating to reinvestment, inflation, market, selection, timing, and duration.

