

PIMCO

650 Newport Center Drive
Newport Beach, California 92660

Style: US Taxable Core
Sub-Style: Intermediate Taxable Corporate
Firm AUM: \$1,622.3 billion^
Firm Strategy AUM: \$285.0 million

Year Founded: 1971
GIMA Status: Approved
Firm Ownership: Allianz Asset Management
Professional-Staff: 3048^

PRODUCT OVERVIEW

The PIMCO Corporate Bond Ladder Managed Account strategy aims to deliver a source of predictable income while preserving capital by investing in investment grade corporate bonds with laddered maturities of 3-11 years. The managed accounts consist of a portfolio of bonds that mature at regular intervals, typically in annual increments. As a bond matures, the principal is typically reinvested in the longest maturity at the end of the ladder, and this approach seeks to generate a predictable income stream with relatively low sensitivity to rising rates. The PIMCO Corporate Bond Ladder strategy leverages PIMCO's Investment Grade Credit investment style which uses a combination of top-down and bottom-up processes. While the PIMCO Corporate Bonds Ladder managed account aims to buy and hold bonds until maturity the strategy leverages the same philosophy, team and resources that PIMCO's full discretion Investment Grade Credit portfolios employ. The strategy is managed by a dedicated portfolio management team, including Mark Kiesel, PIMCO CIO Global Credit and Morningstar 2012 Fixed Income Manager of the Year, and Amit Arora, executive vice president and a portfolio manager on the global corporate bond team, who are then further supported by PIMCO's broader Investment Grade Credit team. Importantly, although the portfolios are primarily buy-and-hold-to-maturity strategies, we can sell and replace a bond if our view on the forward-looking credit profile of the issuer is no longer positive. Combined with our unique approach to ongoing credit surveillance, this helps PIMCO play both defense, by seeking to avoid defaults and severe downgrades, and offense, by seeking to add risk-adjusted yield. The PIMCO Corporate Bond Ladder 3-11 Year Strategy inception date is 05/01/2016. The date the Strategy became available in the Morgan Stanley Select UMA Program was 10/29/2020.

TARGET PORTFOLIO CHARACTERISTICS

| | |
|--------------------------|------------------|
| Number of bond holdings: | 30 to 40 |
| Average maturity: | 5.0 to 5.4 years |
| Average duration: | 4.3 to 4.8 years |
| Average coupon: | 3.6 to 3.7% |
| Average turnover rate: | 0 to 10% |

PORTFOLIO STATISTICS

| | -----09/21----- | | 03/21 |
|-------------------------|-----------------|----------|-----------|
| | PIMCO | Index*** | PIMCO |
| Number of bond holdings | 48 | — | 9 |
| Yield | 3.1 | — | 3.9 |
| Distribution Rate | — | — | — |
| Avg maturity | 1.61 yrs. | — | 4.89 yrs. |
| Avg duration | 4.55 yrs. | — | 4.49 yrs. |
| Avg coupon | 3.5% | — | 4.9% |

FIXED INCOME SECTOR DISTRIBUTION (%) *

| | 09/21 | 06/21 | 03/21 | 12/20 |
|--------------------------------------|-------|-------|-------|-------|
| Invest. Grade Credit | 95.70 | 94.90 | 4.50 | 92.90 |
| Net Other Short Duration Instruments | 3.10 | 3.20 | | 3.20 |
| Pre-Refunded Bonds | 0.00 | 0.00 | 0.70 | 0.00 |
| High Yield Corporates | 1.20 | 1.90 | 0.00 | |
| General Obligation Bonds | 0.00 | 0.00 | 22.60 | |
| Revenue Bonds | | | 72.20 | |

^As of 03/31/2021. Information as of 09/30/2021 is not yet available.

*Total may not equal 100% due to rounding.

**†Index : BC Corp Intm

MANAGER'S INVESTMENT PROCESS

- PIMCO's investment process includes both bottom-up and top-down decision-making. The first and most important step in our process is to get the long run right. We believe that analyzing secular economic and political influences is fundamental to sound portfolio decisions. The investment process is refined for credit portfolios through a three 'screen' process.
- The first screen is PIMCO's top-down view of the economy and global financial markets. The conclusions derived from our secular and cyclical forums help identify the sectors of the global economy that have better growth prospects. Essentially, the regional growth analysis is refined so that we avoid sectors with downside growth risks and capitalize on sectors with better growth prospects. It is important to note that for a corporate ladder portfolio, standard risk measure outputs associated with top down / macro analysis (e.g. duration, curve, etc.) are not typically optimized at the portfolio level, due to the lack of a benchmark and the buy and maintain nature of the ladder product. However, the corporate ladder portfolio can reasonably be expected to approximate these macro risk factors for the segment / tenor of the corporate bond market in which they are concentrated.
- The second screen is our bottom-up research. The credit research analysts contribute to the forum discussions as well as utilize the conclusions of our weighted average growth forecasts as one measure to guide their forward looking company financial analysis. Our analysts also incorporate deep understanding of industry analysis, competitive trends, and opine on the relative strength of balance sheets through internally published credit ratings amongst other forms of recommendations to portfolio managers.
- The third screen is valuation. Our greatest priority is to make sure that our clients are being adequately compensated for risk. As such, we evaluate each credit across an array of maturities, analyzing the valuations across the capital structure, in multiple regional markets, as well as both the cash and synthetic markets.

RISK CONSIDERATIONS

Investing in securities entails risks, including: Fixed Income securities may be sensitive to changes in prevailing interest rates. When rates rise the value generally declines. There is no assurance that the private guarantors or insurers will meet their obligations. U.S. Treasuries are guaranteed by the U.S. government and, if held to maturity, offer a fixed rate of return and fixed principal value. Growth investing does not guarantee a profit or eliminate risk. The stocks of these companies can have relatively high valuations. Because of these high valuations, an investment in a growth stock can be more risky than an investment in a company with more modest growth expectations. Value investing does not guarantee a profit or eliminate risk. Not all companies whose stocks are considered to be value stocks are able to turn their business around or successfully employ corrective strategies which would result in stock prices that do not rise as initially expected. Bonds rated below investment grade may have speculative characteristics and present significant risks beyond those of other securities, including greater credit risk and price volatility in the secondary market. Investors should be careful to consider these risks alongside their individual circumstances, objectives and risk tolerance before investing in high-yield bonds. If a strategy expects to hold a concentrated portfolio of a limited number of securities, it should be noted that a decline in the value of these investments would cause the portfolio's overall value to decline to a greater degree than that of a less concentrated portfolio.

PORTFOLIO'S MATURITY STRUCTURE (%) *

| | 09/21 | 06/21 | 03/21 | 12/20 |
|-----------------------|-------|-------|-------|-------|
| 0 to 2 Years | 11.00 | 12.00 | 19.00 | 13.00 |
| 2 to 4 Years | 28.00 | 26.00 | 18.00 | 26.00 |
| 4 to 6 Years | 27.00 | 26.00 | 24.00 | 17.00 |
| 6 to 8 Years | 20.00 | 24.00 | 24.00 | 31.00 |
| 8 to 12 Years | 14.00 | 13.00 | 15.00 | 13.00 |
| 12 to 17 Years | 0.00 | 0.00 | 0.00 | 0.00 |
| Over 17 Years | 0.00 | 0.00 | 0.00 | 0.00 |
| Cash/Cash Equivalents | 0.00 | 0.00 | 0.00 | 0.00 |

PORTFOLIO'S CREDIT QUALITY STRUCTURE (%) * *

| Investment Grade | 09/21 | 06/21 | 03/21 | 12/20 |
|------------------|-------|-------|-------|-------|
| AAA | 1.60 | 1.50 | 20.80 | 2.30 |
| AA | 2.20 | 2.00 | 65.20 | 1.80 |
| A | 36.60 | 36.70 | 13.70 | 36.40 |
| BBB | 58.40 | 57.90 | 0.30 | 56.20 |

Below Investment Grade

| | | | | |
|-----------------------|------|------|------|------|
| BB | 1.20 | 1.90 | 0.00 | 3.30 |
| B | 0.00 | 0.00 | 0.00 | 0.00 |
| Below B | 0.00 | 0.00 | 0.00 | 0.00 |
| Not Rated | 0.00 | 0.00 | 0.00 | 0.00 |
| Cash/Cash Equivalents | 0.00 | 0.00 | 0.00 | 0.00 |

[^]As of 03/31/2021. Information as of 09/30/2021 is not yet available.

^{*}Total may not equal 100% due to rounding.

^{**†}Index : BC Corp Intm

RISK/RETURN ANALYSIS - 3 YEARS ENDING 09/30/21

AVERAGE ANNUAL TOTAL RETURN (%) - PERIODS ENDING 09/30/21

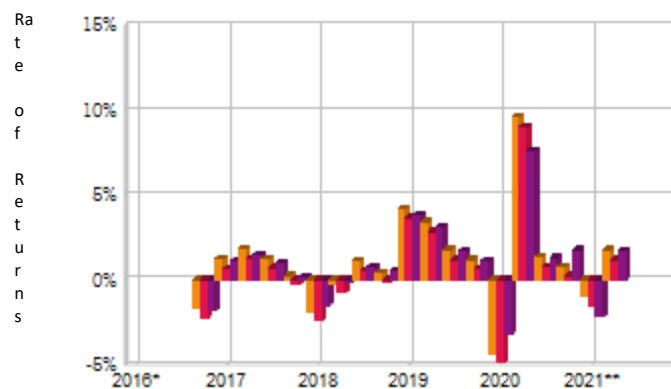
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| | STD | ROR |
|------------------|-----|-----|
| ■ PIMCO (Gross) | | |
| ■ PIMCO (Net) | | |
| ■ BC Corp Intm | | |
| ■ 90-Day T-Bills | | |

| INVESTMENT RESULTS | Annual Rates of Return (%) | | | | | | | | | | 10 Year - Ending 09/30/21 | |
|--------------------|----------------------------|------|-------|------|-------|------|------|-------|-------|------|---------------------------|-----------|
| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | Annual | Std. Dev. |
| PIMCO (Gross) | 2.42 | 9.98 | 0.27 | 4.50 | 1.43 | 4.12 | 4.64 | -0.57 | 10.99 | 7.10 | 0.00 | 0.00 |
| PIMCO (Net) | 0.18 | 7.58 | -1.94 | 2.20 | -0.80 | 1.83 | 2.34 | -2.78 | 8.55 | 4.77 | 0.00 | 0.00 |
| BC Corp Intm | 5.52 | 8.84 | 0.08 | 4.34 | 1.08 | 4.05 | 3.92 | -0.23 | 10.14 | 7.47 | 4.00 | 3.76 |

RISK VOLATILITY (%)



*10/01/16-12/31/16

**01/01/21-09/30/21

| | Number Of | Up Qtrs. | Down Qtrs. |
|-----------------|-----------|----------|------------|
| ■ PIMCO (Gross) | | 14 | 5 |
| ■ PIMCO (Net) | | 12 | 7 |
| ■ BC Corp Intm | | 15 | 5 |

PORTFOLIO'S QUARTERLY RETURNS (%)

| | Quarter1 | | Quarter2 | | Quarter3 | | Quarter4 | |
|------|----------|-------|----------|-------|----------|-------|----------|-------|
| | Gross | Net | Gross | Net | Gross | Net | Gross | Net |
| 2011 | 0.74 | 0.18 | 0.86 | 0.30 | -0.58 | -1.13 | 1.39 | 0.84 |
| 2012 | 3.31 | 2.75 | 1.77 | 1.21 | 3.31 | 2.75 | 1.25 | 0.69 |
| 2013 | 0.70 | 0.14 | -2.46 | -3.00 | 1.33 | 0.77 | 0.75 | 0.19 |
| 2014 | 1.75 | 1.19 | 2.02 | 1.46 | -0.08 | -0.63 | 0.74 | 0.18 |
| 2015 | 1.84 | 1.28 | -0.65 | -1.20 | 0.62 | 0.06 | -0.37 | -0.93 |
| 2016 | 2.56 | 2.00 | 2.22 | 1.66 | 1.01 | 0.45 | -1.68 | -2.23 |
| 2017 | 1.22 | 0.66 | 1.84 | 1.28 | 1.26 | 0.70 | 0.25 | -0.31 |
| 2018 | -1.85 | -2.40 | -0.22 | -0.78 | 1.12 | 0.56 | 0.40 | -0.16 |
| 2019 | 4.22 | 3.65 | 3.41 | 2.84 | 1.76 | 1.20 | 1.19 | 0.63 |
| 2020 | -4.37 | -4.89 | 9.62 | 9.03 | 1.35 | 0.79 | 0.81 | 0.25 |
| 2021 | -0.95 | -1.50 | 1.76 | 1.20 | | | | |

Related

Select UMA

PORTFOLIO'S RISK STATISTICS - PERIODS ENDING 09/30/21^{1,2}

| | 3 Year | 5 Year |
|---|--------|--------|
| Standard Deviation | N/A | N/A |
| Standard Deviation of Primary Benchmark | N/A | N/A |
| Sharpe Ratio | N/A | N/A |
| Sharpe Ratio of Primary Benchmark | N/A | N/A |
| Alpha | N/A | N/A |
| Beta | N/A | N/A |
| Downside Risk | N/A | N/A |
| R-Squared | N/A | N/A |
| Tracking Error | N/A | N/A |
| Information Ratio | N/A | N/A |

PORTFOLIO DIVERSIFICATION - R²(INCEPTION THROUGH 12/14)+

| | R ² |
|------------------------|----------------|
| PIMCO vs. BC Corp Intm | N/A |

+Statistics are calculated using gross of fee performance only.

1. Statistics are calculated using gross of fee performance only.
 2. BC Corp Intm was used as the primary benchmark and the 90-Day T-Bills Index as the risk-free benchmark.

See important notes and disclosures pages for a discussion of the sources of the performance data used to calculate the performance results and related analyses shown above.

IMPORTANT NOTES AND DISCLOSURES

COMPOSITE DISCLOSURES

The disclosures provided below apply to performance information in this profile, if any. Past performance is not a guarantee of future results. Actual individual account results may differ from the performance shown in this profile. There is no guarantee that this investment strategy will achieve its intended results under all market conditions. Do not rely upon this profile as the sole basis for your investment decisions.

Performance results in this profile are calculated assuming reinvestment of dividends and income. Returns for more than one calendar year are annualized and based on quarterly data. Returns for periods of less than a calendar year show the total return for the period and are not annualized. No representation is being made that any portfolio will or is likely to achieve profits or losses similar to those shown. Returns will fluctuate and an investment upon redemption may be worth more or less than its original value. Performance shown does not reflect the impact of fees and expenses of the underlying mutual fund and ETFs, as applicable.

Sources of Performance Results and Other Data: The performance data and certain other information for this strategy (including the data on page 1 of this profile) may include one or more of the following: (i) the performance results of a composite of Morgan Stanley accounts managed by the third party investment manager, (ii) the performance results for accounts and investment products managed by the third party investment manager, in the same or a substantially similar investment strategy outside of the applicable Morgan Stanley program, and/or (iii) in the case of Model Portfolio Strategies, the Model Portfolio Provider's results in managing accounts outside of the Morgan Stanley Select UMA program prior to Model Portfolio Strategy's inception in the Morgan Stanley Select UMA program. For periods through June 2012, the Fiduciary Services program operated through two channels – the Morgan Stanley channel and the Smith Barney channel and any performance and other data relating to Fiduciary Services accounts shown here for these periods is calculated using accounts in only one of these channels.) Please note that the Fiduciary Services program was closed on January 2, 2018. Although the Fiduciary Services and Select UMA programs are both Morgan Stanley managed account programs, the performance results and other features of similar investment strategies in the two programs may differ due to investment and operational differences. Performance in one program is not indicative of potential performance in the other. For example, the individual investment strategies in Select UMA program accounts may contain fewer securities, which would lead to a more concentrated portfolio. The automatic rebalancing, wash sale loss and tax harvesting features of the Select UMA program, which are not available in Fiduciary Services, also could cause differences in performance. In addition, any performance results included in this profile that are based on a third party investment manager's accounts that are not part of the Morgan Stanley program accounts or institutional accounts that are part of the Model Portfolio strategy may differ due to investment and operational differences as well. As such, performance results of the third party investment manager's composites and the third party Model Portfolio Strategies may differ from those of Select UMA accounts managed in the same or a substantially similar investment strategy. For example, in the case of Model Portfolio Strategies, Morgan Stanley, as the investment manager, may deviate from the Third Party Model Portfolios.

Related Performance:

The PIMCO Corporate Bond Intermediate Ladder Managed Accounts Composite includes all discretionary, USD-based, intermediate-maturity corporate bond ladder accounts that are managed through a Separately Managed Account (SMA) program. The PIMCO Corporate Bond Intermediate Ladder Strategy aims to deliver a source of predictable income while preserving capital by investing in corporate bonds. The ladder portfolio leverages PIMCO's time-tested investment process to identify investment grade bonds with laddered maturities. Portfolio credit quality is managed to achieve an average credit rating of BBB or better, with no individual bond rated below BBB- at purchase. Portfolios only invest in U.S.-dollar-denominated securities. The strategy typically purchases diversified investment grade corporate bonds maturing in the one- to eleven- year range.

Benchmark performance is not presented as the objective of the strategy is to provide stable income, not to achieve relative performance versus a particular index.

Valuations are computed and performance is reported in U.S. dollars. Returns are presented gross and net of investment management fees and include the reinvestment of earnings. Beginning January 2017, all accounts in the composite have a relationship with an intermediary. Intermediaries may charge a bundled fee inclusive of advisory, trading, custodial and administrative fees. PIMCO's management fee may be included in the intermediary's bundled fee, billed separately by the intermediary or charged directly by PIMCO. Gross-of-fees performance results presented from January 2017 forward are "pure" gross and are provided as supplemental information, as results have not been reduced by advisory and sponsor fees (including trading and custodial fees, with the exception of step-out or trade-away fees which have been deducted when applicable). Prior to January 2017, gross-of-fees performance figures reflect the deduction of commissions and other expenses (except custody). For all periods, net-of-fees returns have been reduced by the highest applicable managed account fee of 1.25%, applied on a monthly basis. Actual fees incurred by client accounts may vary.

Composite dispersion presented is the equal-weighted standard deviation of annual returns for all portfolios in the composite for the full year. Dispersion is not statistically meaningful for periods shorter than a year or for years in which five or fewer portfolios were included for the full year. The three-year annualized ex-post standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. The three-year annualized ex-post standard deviation is not presented if 36 monthly returns are not available. A complete list of composite descriptions and policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

Morgan Stanley Performance:

Gross Performance: PIMCO's gross results do not reflect a deduction of any investment advisory fees or program fees, charged by PIMCO or Morgan Stanley, but are net of commissions charged on securities transactions.

Net Performance for all Periods: Net performance results reflect a deduction of 0.5575% quarterly. This consists of three components: 0.5% maximum quarterly MS Advisory Fee and 0.0175% maximum quarterly Program Overlay Fee (which, together cover the services provided by Morgan Stanley), plus 0.04% quarterly SMA Manager Fees (being the fee currently charged by PIMCO to new clients for managing their assets in the Select UMA program). The SMA Manager Fees may differ from manager to manager, and managers may change their fee to new clients from time to time. If you select this manager for your account, check the SMA Manager Fees specified in the written client agreement, in case these have changed since you received this profile. Historical net fees reflect the Advisory Fee Schedule as of October 1, 2018.

Morgan Stanley program fees are calculated quarterly for the performance illustrated in this profile, and have a compounding effect on performance. The Morgan Stanley program fee, which differs among programs and clients, is described in the applicable Morgan Stanley ADV brochure, which is available at www.morganstanley.com/ADV or on request from your Financial Advisor or Private Wealth Advisor.

Document approval date 10/2020. #CRC 3281259

Focus List, Approved List, and Watch Status:

Global Investment Manager Analysis ("GIMA") uses two methods to evaluate investment products in applicable advisory programs. In general, strategies that have passed a more thorough evaluation may be placed on the "Focus List", while strategies that have passed through a different and less comprehensive evaluation process may be placed on the "Approved List". Sometimes an investment product may be evaluated using the Focus List process but then placed on the Approved List instead of the Focus List.

Investment products may move from the Focus List to the Approved List, or vice versa. GIMA may also determine that an investment product no longer meets the criteria under either evaluation process and will no longer be recommended in investment advisory programs (in which case the investment product is given a "Not Approved" status).

GIMA has a "Watch" policy and may describe a Focus List or Approved List investment product as being on "Watch" if GIMA identifies specific areas that (a) merit further evaluation by GIMA and (b) may, but are not certain to, result in the investment product becoming "Not Approved". The Watch period depends on the length of time needed for GIMA to conduct its evaluation and for the investment manager to address any concerns. GIMA may, but is not obligated to, note the Watch status in this report with a "W" or "Watch" on the cover page.

For more information on the Focus List, Approved List, and Watch processes, please see the applicable Morgan Stanley ADV brochure (www.ms.com/adv). Your Financial Advisor or Private Wealth Advisor can provide on request a copy of a paper entitled "GIMA: At A Glance".

ADDITIONAL DISCLOSURES

Actual account holdings, performance and other data will vary depending on the size of an account, cash flows within an account, and restrictions on an account. Holdings are subject to change daily. The information in this profile is not a recommendation to buy, hold or sell securities.

Actual portfolio statistics may vary from target portfolio characteristics.

The Model Portfolio Provider or Investment Manager may use the same or substantially similar investment strategies, and may hold similar portfolios of investments, in other portfolios or products it manages (including mutual funds). These may be available at Morgan Stanley or elsewhere, and may cost an investor more or less than this strategy in Morgan Stanley's Select UMA program.

Overlay Managers or Executing Sub-Managers in some of Morgan Stanley's Separately Managed Account programs may affect transactions through broker-dealers other than Morgan Stanley or our affiliates. If your manager trades with another firm, you may be assessed costs by the other firm in addition to Morgan Stanley's fees. Those costs will be included in the net price of the security, not separately reported on trade confirmations or account statements. Certain managers have historically directed most, if not all, of their trades to outside firms. Information provided by managers concerning trade execution away from Morgan Stanley is summarized at:

www.morganstanley.com/wealth/investmentsolutions/pdfs/adv/sotresponse.pdf. For more information on trading and costs, please refer to the ADV Brochure for your program(s), available at www.morganstanley.com/ADV, or contact your Financial Advisor/Private Wealth Advisor.

The portfolio may, at times, invest in exchange-traded funds (ETFs), which are a form of equity security in seeking to maintain continued full exposure to the broad equity market.

Morgan Stanley investment advisory programs may require a minimum asset level and, depending on your specific investment objectives and financial position, may not be suitable for you. Investment advisory program accounts are opened pursuant to a written client agreement.

"Certain strategies managed or sub-advised by us or our affiliates, including but not limited to Morgan Stanley Investment Management and Eaton Vance Management and its investment affiliates, may be included in your account. Morgan Stanley Global Investment Manager Analysis evaluates certain investment products for the purposes of some – but not all – of Morgan Stanley Smith Barney LLC's investment advisory programs. Please contact your Morgan Stanley team and/or see the applicable Form ADV, which can be accessed at www.morganstanley.com/adv, for information about affiliated investment products that are not reviewed or evaluated by GIMA, as well as additional disclosures applicable to affiliated products, that could be included in this strategy."

Diversification does not guarantee a profit or protect against a loss.

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INDEX DESCRIPTIONS

90-Day T-Bills

The 90-Day Treasury Bill is a short-term obligation issued by the United States government. T-bills are purchased at a discount to the full face value, and the investor receives the full value when they mature. The difference of discount is the interest earned. T-bills are issued in denominations of \$10,000 auction and \$1,000 increments thereafter.

BC Corp Intm

Publicly issued U.S. corporate and specified foreign debentures and secured notes that meet the specified maturity, liquidity, and quality requirements. To qualify, bonds must be SEC-registered. This index is the Intermediate component of the U.S. Corporate Investment Grade index.

S&P 500

The S&P 500 Total Return has been widely regarded as the best single gauge of the large cap U.S. equities market since the index was first published in 1957. The index has over \$5.58 trillion benchmarked, with index assets comprising approximately \$1.31 trillion of this total. The index includes 500 leading companies in leading industries of the U.S. economy, capturing 75% coverage of U.S. equities. This index includes dividend reinvestment.

Indices are unmanaged and have no expenses. You cannot invest directly in an index.

GLOSSARY OF TERMS

Alpha is a mathematical estimate of risk-adjusted return expected from a portfolio above and beyond the benchmark return at any point in time.

American Depositary Receipts (ADRs) are receipts for shares of a foreign-based corporation held in the vault of a U.S. bank.

Average Portfolio Beta is a measure of the sensitivity of a benchmark or portfolio's rates of return to changes against a market return. The market return is the S&P 500 Index. It is the coefficient measuring a stock or a portfolio's relative volatility.

Beta is a measure of the sensitivity of a portfolio's rates of return to changes in the market return. It is the coefficient measuring a stock or a portfolio's relative volatility.

Bottom-Up Stock Selection Emphasis primarily on individual stock selection. Considerations of economic and industry factors are of secondary importance in the investment decision-making process.

Capitalization is defined as the following: Mega (Above \$100 billion), Large (\$12 to \$100 billion), Medium (\$2.5 - \$12 billion), Small (\$.50 - \$2.5 billion) and Micro (below \$.50 billion).

Distribution Rate is defined as the most recent distribution paid, annualized, and then divided by the current market price. Distribution rate may consist of investment income, short-term capital gains, long-term capital gains, and /or returns of capital.

Dividend a portion of a company's profit paid to common and preferred shareholders.

Dividend Yield annual dividend per share divided by price per share. Dividend Yield for the portfolio is a weighted average of the results for the individual stocks in the portfolio.

Downside Risk is a measure of the risk associated with achieving a specific target return. This statistic separates portfolio volatility into downside risk and upside uncertainty. The downside considers all returns below the target return, while the upside considers all returns equal to or above the target return.

Duration is a measure of price sensitivity expressed in years.

High Grade Corporate Bonds corporate bonds from issuers with credit ratings of AA or AAA.

Information Ratio is a measure of the investment manager's skill to add active value against a given benchmark relative to how stable that active return has been. Essentially, the information ratio explains how significant a manager's alpha is. Therefore, the higher the information ratio, the more significant the alpha.

Investment Grade Bonds are those rated by Standard & Poor's AAA (highest rated), AA, A or BBB (or equivalent rating by other rating agencies or, in the case of securities not rated, by the investment manager).

Price/Book Ratio (P/B) weighted average of the stocks' price divided by book value per share. Book value per share is defined as common equity, including intangibles, divided by shares outstanding times the adjustment factor.

Price/Cash Flow Ratio a ratio used to compare a company's market value to its cash flow. It is calculated by dividing the company's market cap by the company's operating cash flow in the most recent fiscal year (or the most recent four fiscal quarters); or, equivalently, divide the per-share stock price by the per-share operating cash flow.

Price/Earnings Ratio (P/E Ratio) shows the multiple of earnings at which a stock sells. Determined by dividing current stock price by current earnings per share (adjusted for stock splits). Earnings per share for the P/E ratio are determined by dividing earnings for past 12 months by the number of common shares outstanding. The P/E ratio shown here is calculated by the harmonic mean.

Price/Sales Ratio determined by dividing current stock price by revenue per share (adjusted for stock splits). Revenue per share for the P/S ratio is determined by dividing revenue for past 12 months by number of shares outstanding.

R2 (R-Squared)/Portfolio Diversification indicates the proportion of a security's total variance that is benchmark-related or is explained by variations in the benchmark.

Sharpe Ratio measures the efficiency, or excess return per unit of volatility, of a manager's returns. It evaluates managers' performance on a volatility-adjusted basis.

Standard Deviation is a statistical measure of historical variability or spread of returns around a mathematical average return that was produced by the investment manager over a given measurement period. The higher the standard deviation, the greater the variability in the investment manager's returns relative to its average return.

Top-Down/Economic Analysis Emphasis primarily on macroeconomic trends as opposed to bottom-up stock selection.

Tracking Error represents the standard deviation of the difference between the performance of the investment strategy and the benchmark. This provides a historical measure of the variability of the investment strategy's returns relative to its benchmark.

U.S. Treasury Bonds a marketable, fixed interest U.S. government debt security with a maturity of more than 10 years. Treasury bonds make interest payments semi-annually and the income that holders receive is only taxed at the federal level.

Volatility a measure of risk based on the standard deviation of the asset return. Volatility is a variable that appears in option pricing formulas, where it denotes the volatility of the underlying asset return from now to the expiration of the option. There are volatility indexes. Such as a scale of 1-9; a higher rating means higher risk.