

## Core Fixed Income Investments (TIUX)

### Portfolio's Investment Objective

**Core Fixed Income Investments** (the "Portfolio") seeks maximum total return, consistent with preservation of capital and prudent investment management.

### Sub-Advisor Target Allocation

25% Pacific Investment Management Company, LLC ("PIMCO")      25% Western Asset Management Company ("WAMCO")  
 25% BlackRock Financial Management, Inc. ("BlackRock")      25% Metropolitan West Asset Management, LLC ("MetWest")

*The allocations shown are target allocations and may not reflect the Portfolio's current allocations.*

### Firm Profile and Advisor's Investment Process

#### Pacific Investment Management Company, LLC

Location: Newport Beach, CA

Year Registered: 1971

- **Investment Process**—PIMCO's investment process starts with an annual Secular Forum at which PIMCO's 322 investment professionals from around the globe gather with industry experts for a 3-day discussion about the future of the global economy and financial markets. The goal of this Forum is to look beyond the current business cycle and determine how secular forces will play out over the next 3 to 5 years. Quarterly, PIMCO holds Economic Forums to evaluate growth and inflation over the next 6 to 9 months.
- **Portfolio Strategies**—Following their Secular and Economic Forums, the PIMCO Investment Committee (IC), comprised of seven senior portfolio managers and three rotating members, develops key portfolio strategies. They consider both the "top-down" conclusions emanating from our Forum, as well as the "bottom-up" market intelligence provided by our teams of sector specialist portfolio managers. Through an interactive series of meetings, the IC defines a set of consistent strategies that are then implemented across our account base.

#### BlackRock Financial Management, Inc.

Location: New York, NY

Year Registered: 1988

- **Investment Style**—The distinguishing feature of BlackRock's investment management style is that it seeks to generate excess returns within a risk-controlled framework. Real-time analysis of a vast array of risk measures allows BlackRock to assess the potential impact of various sector and security strategies on total return. As a result, value may be added and performance volatility may be controlled.
- **Disciplined Process**—BlackRock's disciplined investment process seeks to add value through:
  - Controlling portfolio duration within a narrow band relative to a benchmark index
  - Relative value sector/sub-sector rotation and security selection
  - Rigorous quantitative analysis of the valuation of each security and the portfolio as a whole
  - Intense credit analysis and review
  - The judgment of experienced portfolio managers
- **Fixed-Income Management**—Decisions regarding interest rate risk, convexity, term structure, credit quality, liquidity bias and sector allocation are made by the Investment Strategy Group (ISG). ISG members include all fixed-income portfolio managers. Meeting weekly, the ISG determines a consensus on what biases should be implemented across various types of portfolios. The sub-advisor's market view comes from synthesizing economic data and forecasts, direct dialogues with investors worldwide and research on new trends.

*(continued on next page)*

## Core Fixed Income Investments (TIUX)

## Firm Profile and Advisor's Investment Process (continued)

## Western Asset Management Company

Location: Pasadena, CA

Year Registered: 1971

- **Team Approach**—WAMCO's fixed-income discipline emphasizes a team approach that unites groups of specialists dedicated to different market sectors. The investment responsibilities of each sector are distinct, yet success has been derived from the constant interaction that unites the specialty groups into a cohesive whole. This structure ensures that client portfolios benefit from a consensus that draws on the expertise of all team members.
- **Long-Term Value Investing**—Long-term value investing is WAMCO's fundamental approach. As sector rotators, the sub-advisor seeks out the greatest long-term value by assiduously analyzing all sectors of the fixed-income market.
- **Multiple Strategies**—WAMCO employs multiple strategies, proportioned so that results do not depend on one or two opportunities, and no single adverse market event would have an overwhelming effect. This approach may add incremental value over time and may reduce volatility.

## Metropolitan West Asset Management, LLC

Location: Los Angeles, CA

Year Registered: 1996

- **Investment Approach**—MetWest is a fixed income portfolio management firm founded as an independent and autonomous firm with 100% ownership held by the active employees. The firm concentrates on managing portfolios of fixed income securities for institutions, financial advisors and individual mutual fund shareholders.
- **Investment Process**—MetWest's fixed income philosophy has been designed with the goal of consistently outperforming a client's benchmark while maintaining below average volatility. MetWest investment process is value oriented combining the use of issuer specific, non-systematic investments with top-down systematic risk exposures. Emphasis is on low absolute risk with strong downside capture characteristics.
- **Multiple Strategies**—MetWest believes consistent outperformance is gained through the measured application of five value-added investment strategies - 1) Limited average maturity/duration shifts 2) Yield curve management 3) Utilization of all sectors of the bond market 4) Quantitative security selection 5) Sophisticated buy/sell execution strategies

## Investment Risks

Your investment in the Portfolio is subject to the risks associated with investing in fixed-income securities generally, including a greater sensitivity to rising interest rates than Government Money Investments because of the Portfolio's longer average maturity. As interest rates rise, bond prices fall, reducing the value of the Portfolio. There also exists a greater exposure to prepayment and extension risks because the Portfolio may invest a portion of its assets in mortgage-related and asset-backed securities, as well as increased volatility in share price to the extent the Portfolio holds mortgage derivative securities having imbedded leverage or unusual interest rate reset terms.

*Investors should consider the Portfolio's investment objectives, risk, charges and expenses carefully before investing. The prospectus contains this and other information about the Portfolio. To obtain a free prospectus, please call your Financial Advisor. Please read the prospectus carefully before investing.*

Each of the Portfolios is available only to investors participating in an advisory program. These programs charge an annual fee, which in the case of TRAK may be up to 2.0%.

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