

Morningstar Intermediate Government/Credit Portfolio

Risk-Adjusted Returns Focus Through High-Quality Bonds

The Intermediate Government/Credit portfolio is designed for investors who:

- ▶ Are looking for actively managed fixed income to provide income and capital appreciation.
- ▶ Want to invest in bonds with greater stability, as typically seen in bonds with higher credit ratings.
- ▶ Desire to have direct ownership of bonds for greater control and transparency.

The Morningstar Intermediate Government/Credit portfolio seeks to deliver current income and capital appreciation by investing in U.S. government and investment-grade corporate securities.

Investable Universe	U.S. Treasuries, U.S. Agencies, U.S. Corporate Debt (Investment Grade)
Account Minimum	\$175,000
Vehicle	Separately Managed Account

Why invest in this portfolio?

Actively Managed

Actively managed to seek current income and capital appreciation in an effort to produce steady total returns in a portfolio over the long term.

High-Quality Bonds

At the time of purchase, bonds must be rated A-/A3 or better for greater stability typically seen in higher-rated bonds.

Direct Bond Ownership

Separate accounts allow clients to have direct ownership of individual bonds that can help mitigate common issues related to commingled funds.

How Intermediate Government/Credit is designed to invest

The Intermediate Government/Credit portfolio contains fixed-income investments within a separately managed account (SMA) that seeks to provide the potential benefits of institutional access and investing in high-quality bonds.

<p>Seeks To Optimize Value</p> <p>Aims to optimize value through the careful analysis of fundamentals, technicals, and valuations.</p>	<p>Credit Research</p> <p>Consistently evaluate the opportunity in each sector and identify relative value across sectors.</p>	<p>Risk-Adjusted Returns Focus</p> <p>The strategies prioritize three major drivers of fixed-income performance: sector rotation, security selection and yield curve positioning.</p>
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Portfolio	Morningstar Intermediate Government/Credit Portfolio
Benchmark	Bloomberg Barclays Intermediate Government/Credit Index
Sectors, Diversified sectors exposures, including:	U.S. Treasuries, U.S. Agencies, U.S. Corporate Debt (Investment Grade)
Average Duration Target	3–5 years
Credit Quality Target	A
Minimum Security Credit Rating	A-/A3 or Better
Maximum Position Exposure	10%
Tax Structure	Taxable



The Intermediate Government/Credit Portfolio is one of the Morningstar® Select Fixed-Income Portfolios, a series of offerings thoughtfully designed to help today's investors achieve their long-term goals. **To learn more talk to your financial advisor.**

Important Information

Morningstar® Managed PortfoliosSM are offered by the entities within Morningstar's Investment Management group, which includes subsidiaries of Morningstar, Inc. that are authorized in the appropriate jurisdiction to provide consulting or advisory services in North America, Europe, Asia, Australia, and Africa. In the United States, Morningstar Managed Portfolios are offered by Morningstar Investment Services LLC or Morningstar Investment Management LLC, both registered investment advisers, as part of a discretionary investment advisory service or as model portfolios to third-party advisory programs on a discretionary or non-discretionary basis. Morningstar Investment Management provides monitoring and maintenance of the Morningstar Managed Portfolios on behalf of Morningstar Investment Services. Portfolios are created by Morningstar Investment Management or are based on a sub-adviser's strategies. In the United States, Morningstar Managed Portfolios are intended for citizens or legal residents of the United States or its territories and can only be offered by a registered investment adviser or investment adviser representative.

All investments involve risk, including the loss of principal. There can be no assurance that any financial strategy will be successful. Morningstar Investment Management does not guarantee that the results of their advice, recommendations or objectives of a strategy will be achieved. Customers should seriously consider if an investment is suitable for them by referencing their own financial position, investment objectives, and risk profile before making any investment decision.

Bloomberg Barclays Intermediate Government/Credit Index

Bloomberg Barclays Intermediate Government/ Credit Index which measures the returns of public obligations of the U.S. Treasury, publicly-issued debt of U.S. Government agencies & quasi-federal corporations, corporate & foreign debt guaranteed by the U.S. Government and U.S. corporate & foreign debentures & secured notes, all in the maturity range of 1 to 9.99 years.

Credit Quality

Credit quality is a rating that depicts a registered rating organization's forward-looking assessment about credit risk that reflect the creditworthiness of an entity or security. Ratings are subject to change without notice.

High-Quality Bonds

Morningstar Investment Management defines "high-quality" as investment grade rated bonds.

We retained Nuveen Asset Management, LLC ("Sub-Adviser"), an unaffiliated investment adviser, as a Sub-Adviser to our Select Fixed-Income Portfolios and have delegated certain of our duties related to those Portfolios to them. Notwithstanding such agreement, we are fully responsible for the proper

performance by the Sub-Adviser of the services rendered by it under the sub-advisory agreement. Sub-Adviser provides the construction and ongoing monitoring and maintenance for these Portfolios on our behalf. Sub-Adviser's portfolio managers are responsible for the investment decisions made with respect to the Select Fixed-Income Portfolios, including identification and selection of specific securities for the Portfolios in light of current and anticipated economic and market conditions, taking into account legal restrictions and Sub-Adviser's internal strategy guidelines.

In the United States, Morningstar Managed Portfolios are offered by Morningstar Investment Services LLC or Morningstar Investment Management LLC, as part of a discretionary investment advisory service or as model portfolios to third-party advisory programs on a discretionary or non-discretionary basis. Where we provide discretionary investment advisory services, Sub-Adviser acts as a discretionary Investment Manager to clients invested in the Select Fixed-Income Portfolio, including having the discretion as to when to place transactions, rebalance, and/or reallocate the client's portfolio. Where we act as a model provider to third party programs on a non-discretionary basis, Sub-Adviser provides the construction and ongoing monitoring and maintenance for the Select Fixed-Income Portfolios on our behalf, but neither we nor Sub-Adviser has discretion with respect to client accounts invested in accordance with our portfolios.

Fixed-Income Securities

Fixed-income securities are influenced by interest rate sensitivity and credit risk. They have varying levels of sensitivity to changes in interest rates, but in general, the price of a fixed-income security tends to fall when interest rates rise and vice versa. The value of a fixed-income security with a longer duration or maturity is typically impacted more by a change in interest rates than one with a shorter duration or maturity. During periods of falling interest rates, the income from the security can decline and longer-term securities may be priced to their call dates. Credit risk is the risk an issuer cannot make interest and principal payments when due. If an issuer or guarantor of a security defaults or is downgraded, or if the value of the assets underlying a security declines, the value of the investment will decline and may become worthless. Investors should be aware of an issuer's assets, debt, and solvency prior to investing. Other risks to investing in fixed-income securities include early redemption risk, extension risk, income risk, inflation risk, liquidity risk, and prepayment risk. U.S. government securities are issued by the United States Treasury and backed by the full faith and credit of the U.S. government. U.S. government agency securities are indirect obligations of the U.S. government and are issued by federal agencies and government-sponsored entities. They have different levels of credit support and therefore different degrees of credit risk.