

# Franklin Templeton Cnsv Target A

Overall Morningstar Rtg™ **★★★★** 485  
**Standard Index**  
 DJ Moderate Portfolio TR USD

Incept **12-31-96** Type **MF** Total Assets **\$317.4 mil** Morningstar Cat **Conservative Allocation**  
**Category Index**  
 DJ US Moderately Conservative TR USD

Performance 04-30-2009					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2007	2.13	3.11	2.79	0.04	8.29
2008	-3.15	-0.51	-5.16	-7.43	-15.41
2009	-1.82	—	—	—	3.24
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Std Monthly	-16.79	—	2.21	4.04	4.71
Std Quarterly	-19.17	—	0.68	3.77	4.32
Total Return	-11.71	-0.42	3.43	4.66	5.22
+/- Std Index	10.84	3.98	1.31	1.15	—
+/- Cat Index	0.21	0.55	1.05	0.68	—
% Rank Cat	17	14	4	5	—
No. in Cat	658	485	320	143	—
7-day Yield	—				

### Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when sold, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-632-2301 or visit [www.franklintempleton.com](http://www.franklintempleton.com).

### Fees and Expenses

Sales Charges	
Front-End Load %	<b>5.75</b>
Deferred Load %	<b>NA</b>
Fund Expenses	
Management Fees %	0.25
12b1 Expense %	0.25
Prospectus Gross Expense Ratio %	<b>1.41</b>

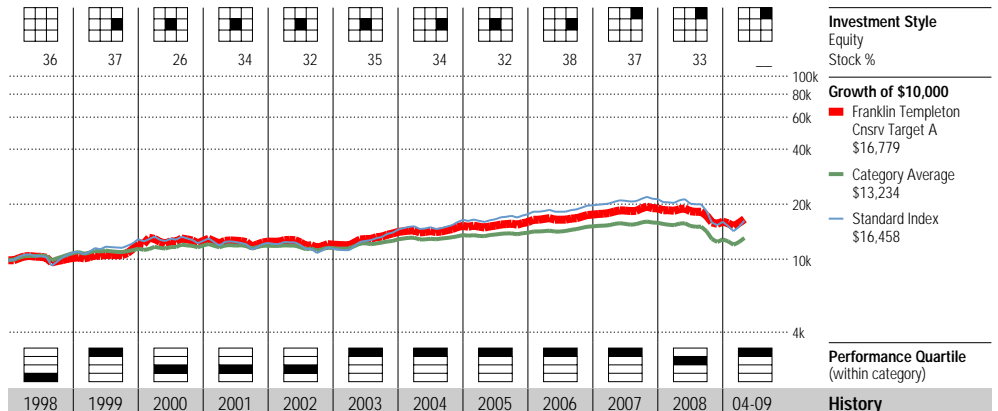
### Risk and Return Profile

	3 Yr	5 Yr	10 Yr
	485 funds	320 funds	143 funds
Morningstar Rating™	<b>3★</b>	<b>4★</b>	<b>4★</b>
Morningstar Risk	Avg	Avg	+ Avg
Morningstar Return	Avg	+ Avg	+ Avg
	3 Yr	5 Yr	10 Yr
Standard Deviation	8.93	7.52	8.30
Mean	-0.42	3.43	4.66
Sharpe Ratio	-0.37	0.07	0.21
MPT Statistics	Standard Index	Best Fit Index	
		DJ Moderate Portfolio TR	
Alpha	1.07	1.07	
Beta	0.64	0.64	
R-Squared	97.29	97.29	

12-Month Yield	—
30-day SEC Yield	—
Potential Cap Gains Exp	-8.63% Assets

### Operations

Family: Franklin Templeton Investments  
 Manager: T. Anthony Coffey  
 Tenure: 9.3 Years



Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	04-09	History
NAV	10.48	12.05	11.47	10.88	10.21	11.76	12.48	12.74	13.32	13.59	10.92	11.22	NAV
Total Return %	2.98	20.28	3.05	-0.92	-3.79	17.35	7.98	4.70	9.92	8.29	-15.41	3.24	Total Return %
+/- Standard Index	-7.47	2.28	5.21	1.59	3.26	-9.82	-5.17	-2.55	-1.99	0.27	9.34	1.78	+/- Standard Index
+/- Category Index	-8.75	12.41	-3.73	-4.16	0.28	-0.31	-1.03	0.01	2.47	3.06	-1.60	1.72	+/- Category Index
% Rank Cat	92	1	60	58	54	15	13	12	18	3	28	20	% Rank Cat
No. of Funds in Cat	130	147	170	192	213	285	362	423	558	609	679	679	No. of Funds in Cat

### Portfolio Analysis 12-31-2008

Composition %	Long %	Short %	Net %	Share Chg since 09-2008	Share Amount	0 Total Stocks	0 Total Fixed-Income	% Assets
Cash	27.3	3.3	24.0					
U.S. Stocks	21.4	0.0	21.4		11 mil	Franklin U.S. Government Secs		14.68
Non-U.S. Stocks	12.9	0.0	12.9	⊖	6 mil	Templeton Global Bond Adv		14.41
Bonds	40.5	0.2	40.3	⊖	5 mil	Franklin Total Return Adv		9.31
Other	1.4	0.1	1.3	⊕	1 mil	Franklin Flex Cap Growth Adv		8.80
Total	103.7	3.7	100.0	⊕	2 mil	Mutual Shares Z		7.99
Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat				
Value Blend Growth	P/E Ratio TTM	11.5	—	1.17	⊕	1 mil	Mutual European Z	4.31
	P/C Ratio TTM	6.9	—	1.27	⊕	3 mil	Franklin Small Cap Growth Adv	4.05
	P/B Ratio TTM	1.6	—	1.09	⊖	2 mil	Franklin Strategic Mortgage	2.77
	Geo Avg Mkt Cap \$mil	8798	—	0.38	⊕	3 mil	Templeton Foreign Adv	2.48
					⊕	436,156	Franklin Gold and Precious Me	2.36
					⊕	665,939	Franklin Growth Opportunities	1.84
					⊕	413,757	Templeton China World Adv	1.84
					⊕	411,171	Franklin MicroCap Value Adv	1.83
					⊕	325,130	Franklin Natural Resources Ad	1.40
					⊕	819,615	Franklin Global Real Estate A	0.90
Fixed-Income Style	Short Int	Long	Avg Eff Duration	3.35				
			Avg Eff Maturity	5.19				
			Avg Credit Quality	AA				
			Avg Wtd Coupon	5.84				
			Avg Wtd Price	823.62				
Credit Analysis 12-31-2008			Bond %					
AAA			69.94					
AA			1.34					
A			9.46					
BBB			9.18					
BB			4.42					
B			1.84					
Below B			0.21					
NR/NA			3.61					
Regional Exposure			Stocks %	Rel Std Index				
Americas			66.9	—				
Greater Europe			22.2	—				
Greater Asia			10.9	—				

### Sector Weightings

Sector	Stocks %	Rel Std Index
<b>Information Economy</b>	<b>21.3</b>	—
Software	4.5	—
Hardware	9.6	—
Media	2.4	—
Telecommunication	4.8	—
<b>Service Economy</b>	<b>37.1</b>	—
Healthcare Services	11.0	—
Consumer Services	5.4	—
Business Services	8.3	—
Financial Services	12.4	—
<b>Manufacturing Economy</b>	<b>41.5</b>	—
Consumer Goods	11.2	—
Industrial Goods	18.1	—
Energy	9.9	—
Utilities	2.4	—

# Standardized and Tax Adjusted Returns

## Annualized returns 03-31-2009

Standardized Returns (%)	7-day Yield	1Yr	5Yr	10Yr	Since Inception	Inception Date	Max Front Load %	Max Back Load %	Net Exp Ratio %	Gross Exp Ratio %
Franklin Templeton Cnsv Target A	--	-19.17	0.68	3.77	4.32	12-31-1996	5.75	NA	1.18	1.41
<b>Standard &amp; Poor's 500 TR</b>	--	<b>-38.09</b>	<b>-4.76</b>	<b>-3.00</b>	--	--				
<b>BarCap's Agg Bond Index</b>	--	<b>3.13</b>	<b>4.13</b>	<b>5.70</b>	--	--				
<b>MSCI EAFE Index Ndtr_D</b>	--	<b>-46.51</b>	<b>-2.18</b>	<b>-0.84</b>	--	--				
<b>3 Month T-Bill</b>	--	<b>1.00</b>	<b>3.17</b>	<b>3.24</b>	--	--				

1. Contractual waiver; expires 04/30/2009.

Returns after Taxes (%)	On Distribution					On Distribution and Sales of Shares			
	1Yr	5Yr	10Yr	Since Inception	Inception Date	1Yr	5Yr	10Yr	Since Inception
Franklin Templeton Cnsv Target A	-20.34	-0.52	2.35	2.86	12-31-1996	-12.06	0.06	2.47	2.90

Used as supplemental sales literature, this report must be preceded or accompanied by the fund's/policy's current prospectus or equivalent. Please read these and consider the investment objectives, risks, charges and expenses carefully before investing. Morningstar is not itself a FINRA member firm.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end please visit <http://advisor.morningstar.com/familyinfo.asp>

Investments in Money Market Funds are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The current yield quotation more closely reflects the current earnings of the money market fund than the total return quotation. Although Money Market Funds seek to preserve the value of your investments at \$1.00 per share, it is possible to lose money investing in these funds.

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. For variable annuities, additional expenses will be taken in account, including M&E risk charges, fund-level expenses such as management fees and operating fees, and policy-level administration fees, charges such as surrender, contract and sales charges. After-tax returns are calculated using the highest individual federal marginal income tax rates, and do not reflect the impact of state and local taxes. Actual after tax returns depend on the investor's tax situation and may differ from those shown. The after tax returns shown are not relevant to investors who hold their fund shares through tax-deferred arrangements such as 401(k) plans or an IRA.

After-tax returns exclude the effects of either the alternative minimum tax or phase-out of certain tax credits. Any taxes due are as of the time the distributions are made, and the taxable amount and tax character of each distribution is as specified by the fund on the dividend declaration date. Due to foreign tax credits or realized capital losses, after-tax returns may be greater than before tax returns. After-tax returns for exchange-traded funds are based on net asset value.

# Mutual Fund Detail Report

## Disclosure Statement

The information in this report is provided by third parties and has been obtained from sources believed to be reliable, but accuracy and completeness cannot be guaranteed by Ameriprise Financial. It is given for informational purposes only and is not a solicitation to buy or sell the securities mentioned. The information is not intended to be used as the sole basis for investment decisions, nor should it be construed as advice designed to meet the particular needs of an individual investor.

The Mutual Fund Detail Report is to be used as supplemental sales literature, and therefore must be preceded or accompanied by the fund's current prospectus and a disclosure statement. Please read the prospectus carefully. In all cases, this disclosure statement should accompany the Mutual Fund Detail Report. Morningstar is not itself an NASD-member firm. Portfolio information is based on the most recent information available to Morningstar.

### Pre-inception Returns

The analysis in this report may be based, in part, on adjusted historical returns for periods prior to the fund's actual inception. These calculated returns reflect the historical performance of the oldest share class of the fund, adjusted to reflect the fees and expenses of this share class. These fees and expenses are referenced in the report's Performance section.

**When pre-inception data are presented in the report, the header at the top of the report will indicate this. In addition, the pre-inception data included in the report will appear in italics.**

While the inclusion of pre-inception data provides valuable insight into the probable long-term behavior of newer share classes of a fund, investors should be aware that an adjusted historical return can only provide an approximation of that behavior. For example, the fee structures between a retail share class will vary from that of an institutional share class, as retail shares tend to have higher operating expenses and sales charges. These adjusted historical returns are not actual returns. Calculation methodologies utilized by Morningstar may differ from those applied by other entities, including the fund itself.

### Performance

The performance data given represents past performance and should not be considered indicative of future results. Principal value and investment return will fluctuate, so that an investor's shares when redeemed may be worth more or less than the original investment. Fund portfolio statistics change over time. The fund is not FDIC-insured, may lose value and is not guaranteed by a bank or other financial institution.

Total return reflects performance without adjusting for sales charges or the effects of taxation, but is adjusted to reflect all actual ongoing fund expenses and assumes reinvestment of dividends and capital gains. If adjusted for sales charges and the effects of taxation, the performance quoted would be reduced.

Standardized Total Return is reflected as of month- and quarter-end time periods. It depicts performance without adjusting for the effects of taxation, but is adjusted for sales charges, all ongoing fund expenses, and assumes reinvestment of dividends and capital gains. If adjusted for the effects of

taxation, the performance quoted would be reduced. The sales charge used in the calculation was obtained from the fund's most recent prospectus and/or shareholder report available to Morningstar. Standardized returns never include pre-inception history.

Morningstar % Rank within Morningstar Category does not account for a fund's sales charge (if applicable). Rankings will not be provided for periods less than one year.

### Growth of \$10,000

The graph compares the growth of \$10,000 in a fund with that of an index and with that of the average for all funds in its Morningstar category. The total returns are not adjusted to reflect sales charges or the effects of taxation, but are adjusted to reflect actual ongoing fund expenses, and assume reinvestment of dividends and capital gains. If adjusted, sales charges would reduce the performance quoted. The index is an unmanaged portfolio of specified securities and cannot be invested in directly. The index and the category average do not reflect any initial or ongoing expenses. A fund's portfolio may differ significantly from the securities in the index. The index is chosen by Morningstar.

**If pre-inception data is included in the analysis, it will be graphed.**

### Risk and Return

For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating based on how a fund ranks on a Morningstar Risk-Adjusted Return measure against other funds in the same category. This measure takes into account variations in a fund's monthly performance after adjusting for sales loads (except for load-waived A shares), redemption fees, and the risk-free rate, placing more emphasis on downward variations and rewarding consistent performance.

The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. The Overall Morningstar Rating for a mutual fund is derived from a weighted average of the ratings for the three-, five- and 10-year (if applicable) time periods.

Star ratings for A shares that DO NOT include front-end sales load are identified by "LW" at the end of the fund's name and ticker symbol. These load-waived A share star ratings as all of the data and statistics provided within this report are intended for those investors who have access to such purchase terms (e.g., plan participants of a defined contribution plan). Not all A share mutual funds for which Morningstar calculates a load-waived star rating may actually waive their front-end sales load. Therefore, Morningstar strongly encourages investors to contact their investment professional to determine whether they are eligible to purchase the A share without paying the front load.

Please note that some Morningstar proprietary calculations, including the Morningstar Rating, may be calculated based on adjusted historical returns (pre-inception returns). If the extended performance rating is in effect, the "stars" are represented as unshaded stars. For each mutual fund with at least a three-year history, Morningstar calculates a Morningstar Rating based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's adjusted monthly performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. This investment's independent Morningstar Rating metric is then compared against the open-end mutual fund universe's actual performance breakpoints to determine its extended performance rating. The

Overall Morningstar Rating for a mutual fund is derived from a weighted average of the actual performance figures associated with its three-, five- and 10-year (if applicable) Morningstar Rating metrics.

Morningstar Return rates a mutual fund's performance relative to other funds in its Morningstar Category. It is an assessment of a fund's excess return over a risk-free rate (the return of the 90-day Treasury Bill), after adjusting for all applicable loads and sales charges, in comparison with the mutual funds in its Morningstar Category. In each Morningstar Category, the top 10% of funds earn a High Morningstar Return (HIGH), the next 22.5% Above Average (+AVG), the middle 35% Average (AVG), the next 22.5% Below Average (-AVG), and the bottom 10% Low (LOW). Morningstar Return is measured for up to three time periods (three-, five-, and 10 years). These separate measures are then weighted and averaged to produce an overall measure for the mutual fund. Funds with less than three years of performance history are not rated.

Morningstar Risk evaluates a mutual fund's downside volatility relative to that of other funds in its Morningstar Category. It is an assessment of the variations in a fund's monthly returns, with an emphasis on downside variations, in comparison with the mutual funds in its Morningstar Category. In each Morningstar Category, the 10% of funds with the lowest measured risk are described as Low Risk (LOW), the next 22.5% Below Average (-AVG), the middle 35% Average (AVG), the next 22.5% Above Average (+AVG), and the top 10% High (HIGH). Morningstar Risk is measured for up to three time periods (three-, five-, and 10 years). These separate measures are then weighted and averaged to produce an overall measure for the mutual fund. Funds with less than three years of performance history are not rated.

**If pre-inception returns are included in this analysis, the risk and return profile data calculated on the basis of these returns will appear in italics.**

### Risk Measures

The risk measures below are calculated for funds with at least a three-year history.

Standard deviation is a statistical measure of the volatility of the fund's returns.

Mean represents the annualized geometric return for the period shown.

The Sharpe ratio uses standard deviation and excess return to determine reward per unit of risk.

Alpha measures the difference between a fund'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 portfolio manager.

Beta is a measure of a fund's sensitivity to market movements. A portfolio with a beta greater than 1 is more volatile than the market, and a portfolio with a beta less than 1 is less volatile than the market.

R-squared reflects the percentage of a fund's movements that are explained by movements in its benchmark index, showing the degree of correlation between the fund and the benchmark. This figure is also helpful in assessing how likely it is that alpha and beta are statistically significant.

Best fit index: Alpha, beta, and R-squared statistics are presented for a broad market index and a "Best fit" index. The Best-Fit index identified in this

report was determined by Morningstar by calculating R-squared for the fund against approximately 100 indexes tracked by Morningstar. The index representing the highest R-squared is identified as the 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.

**Risk measures calculated using pre-inception data, if included in the analysis, will be presented in italics.**

### Asset Allocation

The weighting of the portfolio in Cash, U.S. Stock, Non-U.S. Stock, Bonds, and "Other" is shown in this table. "Other" includes security types that are not neatly classified in the other asset classes, such as convertible bonds and preferred stocks.

In the table, allocation to the classes is shown for long positions, short positions, and net (long positions net of short) positions. These statistics summarize what the managers are buying and how they are positioning the portfolio. When short positions are captured in these portfolio statistics, investors get a more robust description of the funds' exposure and risk.

Most managed product portfolios hold fairly conventional securities, such as long positions in stocks and bonds. Other portfolios use other investment strategies or securities, such as short positions or derivatives, to reduce transaction costs, enhance returns, or reduce risk. Some of these securities and strategies behave like conventional securities, while others have unique return and risk characteristics.

Most portfolios take long positions in securities. Long positions involve buying the security outright and then selling it later, with the hope that the security price rises over time. In contrast, short positions are taken to benefit from anticipated price declines. In this type of transaction, the investor borrows the security from another investor, sells it and receives cash, and then is obligated to buy it back at some point in the future. If the price falls after the short sale, the investor will have sold high and can now buy low to close the short position and lock in a profit. However, if the price of the security increases after the short sale, the investor will experience losses by buying it at a higher price than the sale price.

The strategy of selling securities short is prevalent in specialized portfolios, such as long-short, market-neutral, bear-market, and hedge funds. Most conventional portfolios do not typically short securities, although they may reserve the right to do so under special circumstances. Funds may also short derivatives, and this is sometimes more efficient than shorting individual securities. Short positions produce negative exposure to the security that is being shorted. This means that when the security rises in value, the short position will fall in value and vice versa. Morningstar's portfolio statistics will capture this negative exposure. For example, if a fund has many short stock positions, the percent of assets in stocks in the asset allocation breakdown may be negative. Funds must provide their broker with cash collateral for the short position, so funds that short often have a large cash position, sometimes even exceeding 100% cash.

Note that all other portfolio statistics presented in this report are based on the long holdings of the fund only.

### Style Analysis

The Morningstar Style Box reveals a fund's investment strategy. For equity funds the vertical axis shows the market capitalization of the long stocks owned and the horizontal axis shows investment style (value, blend or growth). For fixed-income funds the vertical axis shows the average credit quality of the bonds owned, and the horizontal axis shows interest rate sensitivity as measured by a bond's duration (short, intermediate or long).

### Equity Portfolio Statistics

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

The 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, Morningstar weights each portfolio holding by the percentage of equity assets it represents.

The 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.

The 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.

The 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.

### Fixed-Income Portfolio Statistics

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

Duration is a time measure of a bond's interest rate sensitivity. 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.

Average credit quality is calculated by taking the weighted average of the credit rating for each bond in the portfolio.

Average weighted coupon is generated from the fund's portfolio by weighting the coupon of each bond by its relative size in the portfolio. Coupons are fixed percentages paid out on a fixed-income security on an annual basis.

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.

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.

### Operations

Purchase constraints denote if a mutual fund has any of the following

qualities: Qualified Access (A), Institutional (T), Closed to New Investments, (C) or Closed to All Investments (L). Because these qualities can all act as restrictions and/or requirements for investment, they are grouped together.

Potential capital gains exposure is the percentage of a mutual fund's total assets that represent capital appreciation.

### Investment Risk

International Funds/Emerging Market Funds: The investor should note that funds that invest in international securities involve special additional risks. These risks include, but are not limited to, currency risk, political risk, and risk associated with varying accounting standards. Investing in emerging markets may accentuate these risks.

Sector Funds: The investor should note that funds that invest exclusively in one sector or industry involve additional risks. The lack of industry diversification subjects the investor to increased industry-specific risks.

Non-Diversified Funds: The investor should note that funds that invest more of their assets in a single issuer involve additional risks, including share price fluctuations, because of the increased concentration of investments.

Small-Cap Funds: The investor should note that funds that invest in stocks of small 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.

Mid Cap Funds: The investor should note that funds that invest in companies with market capitalization below \$10 billion involve additional risks. The securities of these companies may be more volatile and less liquid than the securities of larger companies.

High-Yield Bond Funds: The investor should note that funds that invest in lower-rated debt securities (commonly referred as junk bonds) involve additional risks because of the lower credit quality of the securities in the portfolio. The investor should be aware of the possible higher level of volatility, and increased risk of default.

Tax-Free Municipal Bond Funds: The investor should note that the income from tax-free municipal bond funds may be subject to state and local taxation and the Alternative Minimum Tax.

Bank loan/senior debt funds: Funds that contain bank loans and senior loans are impacted by risks associated with fixed income in general, including interest rate risk and default risk. Because they often invest in non-investment grade issues, the risk of default is high. These securities are also relatively illiquid. Funds that invest in bank loans/senior debt are often highly leveraged, producing a high level of volatility.

Short Positions: The investor should note that when a short position moves in an unfavorable way, the losses are theoretically unlimited. The broker will demand more collateral and the manager might have to close out that short position at an inopportune time to limit any further losses.

Long-Short Funds: Due to the strategies used by long-short funds, which may include but are not limited to leverage, short selling, short-term trading, and investing in derivatives, these funds may have greater risk, volatility, and expenses than those focusing on traditional investment strategies.

**Fees and Expenses**

Prospectus Gross Expense Ratio reflects the annual percentage of a fund's assets paid out in expenses. Expenses include management, 12B-1, transfer agent and all other asset-based fees associated with the fund's daily

operations and distribution, with the exception of brokerage commissions. It does not reflect expenses that have been reimbursed by the investment advisor, reductions from brokerage service arrangements or other expense offset arrangements.

Prospectus Net Expense Ratio reflects actual expenses paid by the fund as well as any voluntary waivers, reductions from brokerage service arrangements and any other expense offset arrangements.

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## Benchmark Disclosure

### **DJ Moderate Portfolio TR USD**

This risk-based index consists of stocks, bonds, and cash and is intended to represent 60% of the risk and return of the 100% Global Portfolio Index.

### **DJ US Moderately Conservative TR USD**

Designed for asset allocation strategists (portfolio builders) who are willing to take 40% of the risk of the U.S. securities market. It is a total returns index that is a time-varying weighted average of stocks, bonds, and cash. It is the efficient alloc