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# Balanced Model

January 13, 2011

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**Prepared for:**

50 50 Mix

**Prepared by:**

Turning Point Financial, Inc.

# Hypothetical Portfolio Illustration

11-01-2000 to 12-31-2010

## Portfolio Summary



### Planning Assumptions

Federal Income Tax Rate	0%
Capital Gain Tax Rate	0%
State Tax Rate	0%
Tax Paid	Out of Pocket
Rebalance	No

### Performance

Net Dollars Invested	\$115,004
Final Market Value	\$219,733
Average Annualized Return	7.25%
Cumulative Return	103.73%

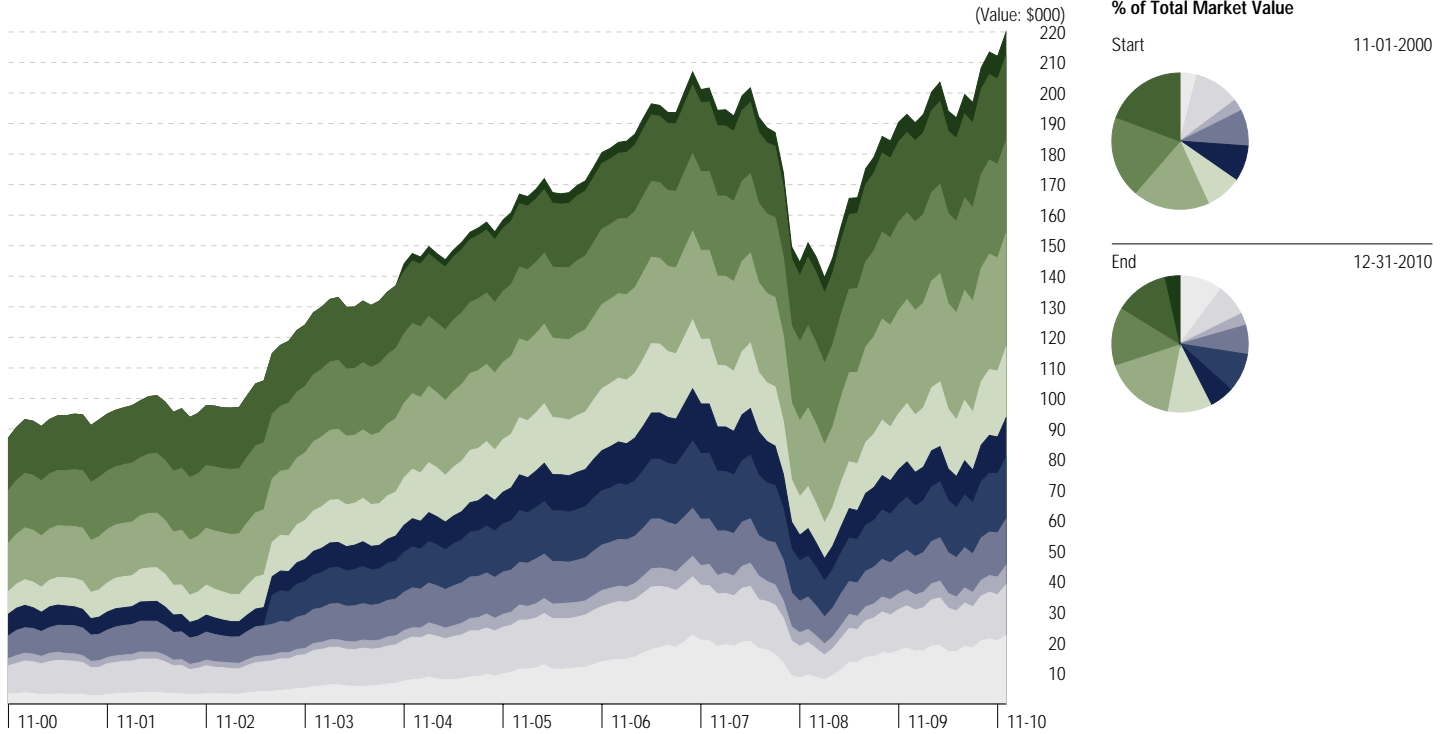
## Investment Detail

Period	Beginning Balance	New Investment	Distribution/Withdrl	Total Reinvest	Charges & Fees	Taxes Due	Market Value	Total Return %
Totals	0	100,000	0	67,842	15,004	0	219,733	7.25
November-December 2000	0	88,000	0	4,524	0	0	90,563	2.91
January-December 2001	90,563	0	0	5,564	940	0	96,125	5.08
January-December 2002	96,125	0	0	3,714	982	0	97,516	0.42
January-December 2003	97,516	9,500	0	3,926	1,082	0	128,054	19.61
January-December 2004	128,054	2,500	0	4,857	1,336	0	147,434	12.06
January-December 2005	147,434	0	0	6,048	1,526	0	160,877	8.04
January-December 2006	160,877	0	0	7,704	1,708	0	181,875	11.93
January-December 2007	181,875	0	0	10,124	1,935	0	201,634	9.75
January-December 2008	201,634	0	0	8,784	1,820	0	150,883	-25.95
January-December 2009	150,883	0	0	5,446	1,682	0	193,000	26.67
January-December 2010	193,000	0	0	7,151	1,993	0	219,733	12.76

# Hypothetical Portfolio Illustration Continued

11-01-2000 to 12-31-2010

## Security Summary



## Investment Assumptions

Mutual Fund Name	Holding Period		Initial Investment	Subsequent Invest/Withdwl		Reinvest Distributions		Liqui- date	Re- balance	Charges and Fees				Market Value
	Start	End	Amount	Amount	Freq	Income	Cap Gains	%	Front Load	Annual Fee	Deferred Load Amount%	Period Years	End\$	
● DFA Emerging Markets Value I	11-00	12-10	3,500	0	-	Y	Y	N	-	NA	1.00%	NA	NA	22,335
● DFA US Large Cap Value I	11-00	12-10	9,500	0	-	Y	Y	N	-	NA	1.00%	NA	NA	16,555
● Energy Select Sector SPDR	11-00	12-10	2,500	0	-	Y	Y	N	-	NA	1.00%	NA	NA	6,303
● FAM Value Inv	11-00	12-10	7,500	0	-	Y	Y	N	-	NA	1.00%	NA	NA	15,149
● Fidelity Advisor New Insights I	07-03	12-10	9,500	0	-	Y	Y	N	-	NA	1.00%	NA	NA	20,147
● Fidelity International Discovery	11-00	12-10	7,500	0	-	Y	Y	N	-	NA	1.00%	NA	NA	12,959
● Fidelity Low-Priced Stock	11-00	12-10	7,500	0	-	Y	Y	N	-	NA	1.00%	NA	NA	23,012
● Fidelity Strategic Income	11-00	12-10	16,000	0	-	Y	Y	N	-	NA	1.00%	NA	NA	37,356
● Fidelity US Bond Index	11-00	12-10	17,000	0	-	Y	Y	N	-	NA	1.00%	NA	NA	30,294
● Lord Abbett Short Duration Income A LW	11-00	12-10	17,000	0	-	Y	Y	N	-	NA	1.00%	NA	NA	27,935
● SPDR Gold Shares	11-04	12-10	2,500	0	-	Y	Y	N	-	NA	1.00%	NA	NA	7,686

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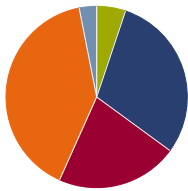
# Balanced 50 50

## Portfolio Snapshot

**Portfolio Value**  
\$219,732.69

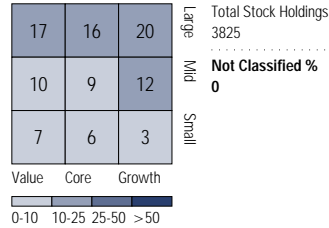
**Benchmark**  
Idx: S&P 500 TR

### Analysis 12/31/2010

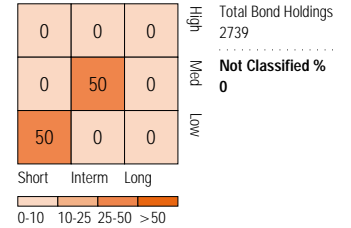


Asset Allocation	Portfolio Net	Bmark Net
Cash	5.63	0.00
US Stocks	29.00	100.00
Non-US Stocks	21.44	0.00
Bonds	39.95	0.00
Other	3.97	0.00
<b>Total</b>	<b>99.99</b>	<b>100.00</b>

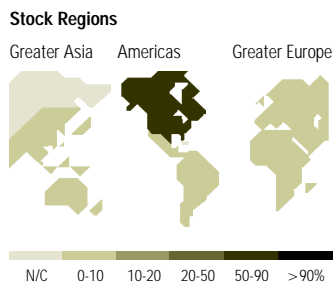
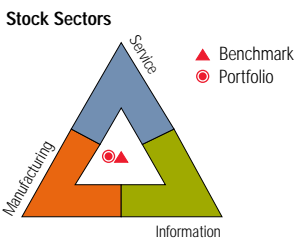
#### Morningstar Equity Style Box %



#### Morningstar Fixed Income Style Box %



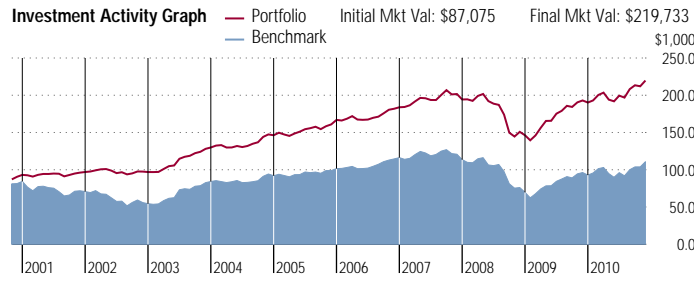
### Stock Analysis 12/31/2010



% of Stocks	Portfolio %	Bmark %
<b>Information</b>	<b>16.82</b>	<b>24.10</b>
Software	3.06	4.50
Hardware	5.34	9.20
Media	4.41	3.20
Telecom	4.02	7.20
<b>Service Economy</b>	<b>44.04</b>	<b>39.00</b>
Healthcare	8.30	11.00
Consumer Svcs	10.58	8.40
Business Svcs	4.99	3.20
Financial Svcs	20.17	16.40
<b>Mfg Economy</b>	<b>39.14</b>	<b>36.70</b>
Consumer Goods	9.97	8.90
Industrial Mtrls	14.17	12.10
Energy	14.44	12.40
Utilities	0.57	3.30
<b>Not Classified</b>	<b>0.00</b>	<b>0.20</b>

% of Stocks	Portfolio %	Bmark %
<b>Americas</b>	<b>65.81</b>	<b>100.00</b>
North America	60.61	100.00
Central/Latin	5.21	0.00
<b>Greater Europe</b>	<b>14.77</b>	<b>0.00</b>
United Kingdom	3.52	0.00
Europe-Developed	6.64	0.00
Europe-Emerging	2.19	0.00
Africa/Middle East	2.42	0.00
<b>Greater Asia</b>	<b>19.38</b>	<b>0.00</b>
Japan	2.77	0.00
Australasia	0.79	0.00
Asia-Developed	6.94	0.00
Asia-Emerging	8.89	0.00
<b>Not Classified</b>	<b>0.04</b>	<b>0.00</b>

### Performance 12/31/2010



Trailing Returns	3 Mo	1 Yr	3 Yr	5 Yr	10 Yr
Pre-Tax Portfolio Return %	5.28	12.76	2.02	5.41	7.09
Benchmark Return %	10.76	15.06	-2.86	2.29	1.41
+/- Benchmark Return %	-5.48	-2.30	4.87	3.12	5.68

Time Period Return	Best %	Worst %
3 Months	18.35 (Mar 09-May 09)	-22.91 (Sep 08-Nov 08)
1 Year	36.99 (Mar 09-Feb 10)	-28.99 (Mar 08-Feb 09)
3 Years	14.94 (Apr 03-Mar 06)	-6.58 (Mar 06-Feb 09)

Portfolio Yield	Yield %
Trailing 12 Month	2.21

**Performance Disclosure**  
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>.

**See Disclosure Page for Standardized Returns.**

### Holdings 12/31/2010

Top 10 Holdings out of 11	Ticker	Type	Holding Value \$	% Assets
Fidelity Strategic Income	FSICX	MF	37,356.24	17.00
Fidelity US Bond Index	FBIDX	MF	30,294.25	13.79
Lord Abbett Short Duration Income A LW	LALDX.lw	MF	27,935.02	12.71
Fidelity Low-Priced Stock	FLPSX	MF	23,012.28	10.47
DFA Emerging Markets Value I	DFEVX	MF	22,335.20	10.16
Fidelity Advisor New Insights I	FINSX	MF	20,147.26	9.17
DFA US Large Cap Value I	DFLVX	MF	16,555.28	7.53
FAM Value Inv	FAMVX	MF	15,149.35	6.89
Fidelity International Discovery	FIGRX	MF	12,958.67	5.90
SPDR Gold Shares	GLD	ETF	7,686.17	3.50

# Balanced 50 50

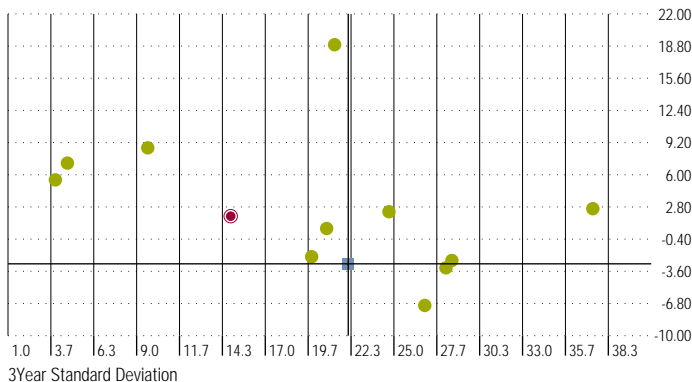
## Portfolio Snapshot

**Portfolio Value**  
\$219,732.69

**Benchmark**  
Idx: S&P 500 TR

### Risk Analysis 12/31/2010

**Risk/Reward Scatterplot** ● Portfolio ● Holding ■ Bmark 3 Year Mean



**Performance History Graph** ■ Portfolio Quarterly returns +/- Benchmark in %



Risk and Return Statistics	3 Year		5 Year		10 Year	
	Portfolio	Bmark	Portfolio	Bmark	Portfolio	Bmark
Standard Deviation	14.85	22.16	12.13	17.82	9.56	16.38
Mean	1.88	-2.86	5.37	2.29	7.06	1.41
Sharpe Ratio	0.16	-0.05	0.31	0.09	0.53	0.03

MPT Statistics	3Yr Portfolio	5Yr Portfolio	10Yr Portfolio
Alpha	3.03	2.69	4.80
Beta	0.64	0.64	0.51
R-squared	90	88	77

### Fundamental Analysis 12/31/2010

**Asset Allocation**

	Portfolio % Net	Portfolio % Long	Portfolio % Short
Cash	5.63	5.69	0.06
US Stocks	29.00	29.00	0.00
Non-US Stocks	21.44	21.44	0.00
Bonds	39.95	39.95	0.00
Other	3.97	3.97	0.00
<b>Total</b>	<b>99.99</b>	<b>100.05</b>	<b>0.06</b>

**Type Weightings**

	Portfolio	Bmark
% of US Stocks		
High Yield	0.85	0.31
Distressed	2.31	0.89
Hard Asset	13.41	12.21
Cyclical	36.49	44.10
Slow Growth	19.87	11.82
Classic Growth	2.77	10.64
Aggressive Growth	16.54	16.35
Speculative Growth	2.09	1.80
<b>Not Available</b>	<b>5.67</b>	<b>1.88</b>

**Market Maturity**

	Portfolio	Bmark
% of Stocks		
Developed Markets	81.67	100.00
Emerging Markets	18.33	0.00
<b>Not Available</b>	<b>0.00</b>	<b>0.00</b>

**Valuation Multiples**

	Portfolio	Bmark
Price/Earnings	14.35	15.50
Price/Book	1.63	2.20
Price/Sales	0.98	1.30
Price/Cash Flow	7.80	9.30

**Profitability**

	Portfolio 2009	Bmark 2009
% of US Stocks		
Net Margin	11.47	12.64
ROE	14.98	20.83
ROA	6.82	8.45
Debt/Capital	29.49	35.87

**Fund Statistics**

Potential Cap Gains Exposure	—
Avg Net Expense Ratio	0.70
Avg Gross Expense Ratio	0.71

# Balanced 50 50

## Portfolio Snapshot

**Portfolio Value**  
\$219,732.69

**Benchmark**  
Idx: S&P 500 TR

<b>Non-Load Adjusted Returns</b>											
<b>Total 11 holdings as of 12/31/2010</b>											
	Type	Holdings Date	% of Assets	Holding Value \$	7-day Yield	1Yr Ret %	3Yr Ret %	5Yr Ret %	10Yr Ret %	Max Front Load %	Max Back Load %
Fidelity Strategic Income - FSICX	MF	09-2010	17.00	37,356	—	9.92	8.68	7.92	8.61	—	—
Fidelity US Bond Index - FBIDX	MF	10-2010	13.79	30,294	—	6.29	5.49	5.24	5.58	—	—
Lord Abbett Short Duration Income A LW - LALDX.lw	MF	09-2010	12.71	27,935	—	6.38	7.16	6.17	4.86	—	—
Fidelity Low-Priced Stock - FLPSX	MF	10-2010	10.47	23,012	—	20.70	2.33	5.41	11.21	—	—
DFA Emerging Markets Value I - DFEVX	MF	10-2010	10.16	22,335	—	22.06	2.63	16.78	21.13	—	—
Fidelity Advisor New Insights I - FINSX	MF	10-2010	9.17	20,147	—	16.34	-2.15	4.71	—	—	—
DFA US Large Cap Value I - DFLVX	MF	10-2010	7.53	16,555	—	20.17	-2.52	1.60	5.30	—	—
FAM Value Inv - FAMVX	MF	09-2010	6.89	15,149	—	17.02	0.66	1.93	6.33	—	—
Fidelity International Discovery - FIGRX	MF	10-2010	5.90	12,959	—	11.00	-6.99	3.52	6.00	—	—
SPDR Gold Shares - GLD	ETF	12-2010	3.50	7,686	—	29.27	18.93	21.88	—	—	—
Energy Select Sector SPDR - XLE	ETF	12-2010	2.87	6,303	—	21.81	-3.25	7.89	9.21	—	—

### Performance Disclosure

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>.

**See Disclosure Page for Standardized Returns.**

# Portfolio Snapshot Report

## Disclosure Statement

### General

Investment portfolios illustrated in this report can be scheduled or unscheduled. With an unscheduled portfolio, the user inputs only the portfolio holdings and their current allocations. Morningstar calculates returns using the given allocations assuming monthly rebalancing. Taxes, loads, and sales charges are not taken into account.

With "scheduled" portfolios, users input the date and amount for all investments into and withdrawals from each holding, as well as tax rates, loads, and other factors that would have affected portfolio performance. A hypothetical illustration is one type of scheduled portfolio.

Both scheduled and unscheduled portfolios are theoretical, for illustrative purposes only, and are not reflective of an investor's actual experience. For both scheduled and unscheduled portfolios, the performance data given represents past performance and should not be considered indicative of future results. Principal value and investment return of stocks, mutual funds, and variable annuity/life products will fluctuate, and an investor's shares/units when redeemed will be worth more or less than the original investment. Stocks, mutual funds, and variable annuity/life products are not FDIC-insured, may lose value, and are not guaranteed by a bank or other financial institution. Portfolio statistics change over time.

Used as supplemental sales literature, the Portfolio Snapshot report must be preceded or accompanied by the fund/policy's current prospectus or equivalent. In all cases, this disclosure statement should accompany the Portfolio Snapshot report. Morningstar is not itself a FINRA-member firm.

The underlying holdings of the portfolio are not federally or FDIC-insured and are not deposits or obligations of, or guaranteed by, any financial institution. Investment in securities involve investment risks including possible loss of principal and fluctuation in value.

User-Defined securities may be included in this report. Morningstar cannot guarantee the completeness or accuracy of this data. For more information, please work with your advisor.

The information contained in this report is from the most recent information available to Morningstar as of the release date, and may or may not be an accurate reflection of the current composition of the securities included in the portfolio. There is no assurance that the weightings, composition and ratios will remain the same.

### Items to Note Regarding Certain Underlying Securities

A closed-end fund is an investment company, which typically makes one public offering of a fixed number of shares. Thereafter, shares are traded on a secondary market such as the New York Stock Exchange. As a result, the secondary market price may be higher or lower than the closed-end fund's net asset value (NAV). If these shares trade at a price above their NAV, they are said to be trading at a premium. Conversely, if they are trading at a price below their NAV, they are said to be trading at a discount.

A holding company depository receipt (HOLDR) is similar to an ETF, but they focus on narrow industry groups and initially own 20 stocks which are unmanaged, and can become more concentrated due to mergers, or the disparate performance of their holdings. HOLDRs can only be bought in 100-share increments. Investors may exchange shares of a HOLDR for its underlying stocks at any time.

An exchange-traded fund (ETF) is an investment company that typically has an investment objective of striving to achieve a similar return as a particular market index. The ETF will invest in either all or a representative sample of the securities included in the index it is seeking to imitate. Like closed-end funds, ETFs can be traded on a secondary market and thus have a market price that may be higher or lower than its net asset value. If these shares trade at a price above their NAV, they are said to be trading at a premium. Conversely, if they are trading at a price below their NAV, they are said to be trading at a discount.

A money market fund is an investment company that invests in commercial paper, banker's acceptances, repurchase agreements, government securities, certificates of deposit and other highly liquid securities, and pays money market rates of interest. Money markets are not FDIC-insured, may lose money, and are not guaranteed by a bank or other financial institution. Although the money market seeks to preserve a stable per share value (i.e. \$1.00 per share), it is possible to lose money by investment in the fund.

Unit investment trust (UIT) is an investment company organized under a trust agreement between a sponsor and trustee. UITs typically purchase a fixed portfolio of securities and then sell units in the trust to investors. The major difference between a UIT and a mutual fund is that a mutual fund is actively managed, while a UIT is not. On a periodic basis, UITs usually distribute to the unit holder their pro rata share of the trust's net investment income and net realized capital gains, if any. If the trust is one that invests only in tax-free securities, then the income from the trust is also tax-free. UITs generally make one public offering of a fixed number of units. However, in some cases, the sponsor will maintain a secondary market that allows existing unit holders to sell their units and for new investors to buy units.

Variable annuities are tax-deferred investments structured to convert a sum of money into a series of payments over time. Variable annuity policies have limitations and are not viewed as short-term liquid investments. An insurance company's fulfillment of a commitment to pay a minimum death benefit, a schedule of payments, a fixed investment account guaranteed by the insurance company, or another form of guarantee depends on the claims-paying ability of the issuing insurance company. Any such guarantee does not affect or apply to the investment return or principal value of the separate account and its subaccount. The financial ratings quoted for an insurance company do not apply to the separate account and its subaccount. If the variable annuity subaccount is invested in a money-market fund, although it seeks to preserve a stable per share value (i.e. \$1.00 per share), it is possible to lose money by investment in the fund.

Variable life insurance is a cash-value life insurance that has a variable cash value and/or death benefit depending on the investment performance of the subaccount into which premium payments are invested. Unlike traditional life insurance, variable life insurance has inherent risks associated with it, including market volatility, and is not viewed as a short-term liquid investment. For more information on a variable life product, including each subaccount, please read the current prospectus. Please note, the financial ratings noted on the report are quoted for an insurance company and do not apply to the separate account and its subaccount. If the variable life subaccount is invested in a money-market fund, although it seeks to preserve a stable per share value (i.e. \$1.00 per share), it is possible to lose money by investment in the fund.

## Portfolio Snapshot Report Disclosure Statement (continued)

### 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 list of holdings and again on the standardized returns page. When pre-inception data are presented in the report, the header at the top of the report will indicate this.

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.

### Scheduled Portfolio Trailing Returns

Scheduled Portfolios are customized by the user to account for loads, taxes, cash flows, and specific investment dates. Scheduled portfolios use the portfolio's investment history to calculate final market values and returns. For scheduled portfolios, both individual holding and portfolio returns are internal-rate-of-return calculations that reflect the timing and dollar size of all purchases and sales. For stocks and mutual funds, sales charges and tax rates are taken into account as specified by the user (except in the pre-tax returns, which reflect the impact of sales charges but not taxes). Note that in some scheduled portfolio illustrations, dividends and capital gains distributions, if applicable, are reinvested at the end of the month in which they are made at the month-end closing price. This can cause discrepancies between calculated returns and actual investor experience.

### Scheduled Portfolio Returns-Based Performance Data

For scheduled portfolios, the monthly returns used to calculate alphas, betas, R-squareds, standard deviations, Sharpe ratios, and best/worst time-period data are internal rates of return.

### Important VA Disclosure for Scheduled Portfolios

For variable annuity products, policy level charges (other than front-end loads, if input by the advisor) are not factored into returns. When withdrawals and liquidations are made, increases in value over the purchase price are taxed at the capital gains rate that currently is in effect. This is not reflective of the actual tax treatment for these products, which requires the entire withdrawal to be taxed at the income tax rate. If adjusted for sales charges and the effects of taxation, the subaccount returns would be reduced.

### Scheduled Portfolio Investment Activity Graph

The historic portfolio values that are graphed are those used to track the portfolio when calculating returns.

### Unscheduled Portfolio Returns

Monthly total returns for unscheduled portfolios are calculated by applying the ending period holding weightings supplied by the user to an individual holding's monthly returns. When monthly returns are unavailable for a holding (ie. Due to it not being in existence during the historical period being reported), the remaining portfolio holdings are reweighted to maintain consistent proportions. Inception dates are listed in the Disclosure for Standardized and Tax Adjusted

Returns. Trailing returns are calculated by geometrically linking these weighted-average monthly returns. Unscheduled portfolio returns thus assume monthly rebalancing. Returns for individual holdings are simple time-weighted trailing returns. Neither portfolio returns nor holding returns are adjusted for loads or taxes, and if adjusted for, would reduce the returns stated. The returns stated assume the reinvestment of dividends and capital gains. Mutual fund returns include all ongoing fund expenses. VA/VL returns reflect subaccount level fund expenses, including M&E expenses, administration fees, and actual ongoing fund level expenses.

### Unscheduled Portfolio Investment Activity Graph

The historic performance data graphed is extrapolated from the ending portfolio value based on the monthly returns.

### Benchmark Returns

Benchmark returns may or may not be adjusted to reflect ongoing expenses such as sales charges. An investment's portfolio may differ significantly from the securities in the benchmark.

Returns for custom benchmarks are calculated by applying user-supplied weightings to each benchmark's returns every month. Trailing returns are calculated by geometrically linking these weighted-average monthly returns. Custom benchmark returns thus assume monthly rebalancing.

### Standardized Returns

For mutual funds, standardized return is total return adjusted for sales charges, and reflects all ongoing fund expenses. Following this disclosure statement, standardized returns for each portfolio holding are shown.

For money market mutual funds, standardized return is total return adjusted for sales charges and reflects all ongoing fund expenses. Current 7-day yield more closely reflects the current earnings of the money market fund than the total return quotation.

For VA subaccounts, standardized return is total return based on its inception date within the separate account and is adjusted to reflect recurring and non-recurring charges such as surrender fees, contract charges, maximum front-end load, maximum deferred load, maximum M&E risk charge, administration fees, and actual ongoing fund-level expenses.

For VL subaccounts, standardized return is total return based on its inception date within the separate account and is adjusted to reflect recurring and non-recurring charges such as surrender fees, contract charges, maximum front-end load, maximum deferred load, maximum M&E risk charge, administration fees, and actual ongoing fund-level expenses. For VLs, additional fees specific to a VL policy such as transfer fees and cost of insurance fees, which are based on specific characteristics on an individual, are not included. If VL fees were included in the return calculations, the performance would have been significantly lower. An investor should contact their financial advisor and ask for a personalized performance illustration, either hypothetical or historical, which reflects all applicable fees and charges including the cost of insurance. Please review the prospectus and SAI for more detailed information.

For ETFs, the standardized returns reflect performance, both at market price and NAV price, without adjusting for the effects of taxation or brokers commissions. These returns are adjusted to reflect all ongoing ETF expenses and assume reinvestment of dividends and capital gains. If adjusted, the effects of taxation would reduce the performance quoted.

For HOLDRs, the standardized returns reflect performance at market price, without adjusting for the effects of taxation or brokers commissions. These returns are adjusted to reflect all ongoing expenses and assume reinvestment of dividends and capital gains. If adjusted, the effects of taxation would reduce the performance quoted.



## Portfolio Snapshot Report Disclosure Statement (continued)

The charges and expenses used in the standardized returns are obtained from the most recent prospectus and/or shareholder report available to Morningstar. For mutual funds and VA/VLs, all dividends and capital gains are assumed to be reinvested. For stocks, stock acquired via divestitures is assumed to be liquidated and reinvested in the original holding.

### Non-Standardized Returns

For mutual funds, total return is not adjusted for sales charges and reflects all ongoing fund expenses for various time periods. These returns assume reinvestment of dividends and capital gains. If adjusted for sales charges and the effects of taxation, the mutual fund returns would be reduced.

For money market funds, total return is not adjusted for sales charges and reflects all ongoing fund expenses for various time periods. These returns assume reinvestment of dividends and capital gains. If adjusted for sales charges and the effects of taxation, the money market returns would be reduced.

For VA and VL subaccounts, non-standardized returns illustrate performance that is adjusted to reflect all actual ongoing subaccount-level expenses including M&E risk charges and underlying fund-level expenses for various time periods. Non-Standardized performance returns assume reinvestment of dividends and capital gains. If adjusted for sales charges and the effects of taxation, the subaccount returns would be reduced.

### Investment Advisory Fees

The investment(s) returns do not necessarily reflect the deduction of all investment advisory fees. Client investment returns will be reduced if additional advisory fees are incurred such as deferred loads, redemption fees, wrap fees, or other account charges.

### Investment Style

The Morningstar® Style Box™ combines the various funds investment strategies. For the equity style box, the vertical axis shows the market capitalization of the stocks owned and the horizontal axis shows investment style (value, blend, or growth). For the fixed-income style box, 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).

### Risk and Return

Standard deviation is a statistical measure of the volatility of a portfolio's returns around its mean.

Mean represents the annualized geometric return for the period shown.

Sharpe ratio uses a portfolio's standard deviation and total return to determine reward per unit of risk.

Alpha measures the difference between a portfolio's actual returns and its expected performance, given its beta and the actual returns of the benchmark index. Alpha is often seen as a measurement of the value added or subtracted by a portfolio's manager.

Beta is a measure of the degree of change in value one can expect in a portfolio given a change in value in a benchmark index. A portfolio with a beta greater than one is generally more volatile than its benchmark index, and a portfolio with a beta of less than one is generally less volatile than its benchmark index.

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

### Fundamental Analysis

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

The median market capitalization of a subaccount's equity portfolio gives you a measure of the size of the companies in which the subaccount invests.

The Price/Cash Flow ratio is a weighted average of the price/cash-flow ratios of the stocks in a subaccounts 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 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/Sales ratio is a weighted average of the price/sales ratios of the stocks in the underlying fund's portfolio. The P/S ratio of a stock is calculated by dividing the current price of the stock by its trailing 12 months' revenues per share. In computing the average, Morningstar weights each portfolio holding by the percentage of equity assets it represents.

The return on assets (ROA) is the percentage a company earns on its assets in a given year. The calculation is net income divided by end-of-year total assets, multiplied by 100.

The Return on Equity (ROE) is the percentage a company earns on its shareholders' equity in a given year. The calculation is net income divided by end-of-year net worth, multiplied by 100.

Market Maturity shows the percentage of a holding's common stocks that are domiciled in developed and emerging markets.

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

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

Average maturity is used for holdings in the taxable fixed-income category, this 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. Credit quality breakdowns are shown for corporate-bond holdings and depicts the quality of bonds in the underlying portfolio. The analysis reveals the percentage of fixed-income securities that fall within each credit-quality rating as assigned by Standard & Poors or Moody's. (debt). This figure is not provided for financial companies.

Debt as a percentage of capital is calculated by dividing long-term debt by total capitalization (the sum of common equity plus preferred equity plus long-term debt). This figure is not provided for financial companies.

Duration is a time measure of a bonds interest-rate sensitivity.

## Portfolio Snapshot Report Disclosure Statement (continued)

Net Margin is a measure of profitability. It is equal to annual net income divided by revenues from the same period for the past five fiscal years, multiplied by 100.

Type Weightings divide the stocks in a given holding's portfolio into eight type designations each of which defines a broad category of investment characteristics. Not all stocks in a given holding's portfolio are assigned a type. These stocks are grouped under NA.

The below referenced data elements listed below are a weighted average of the total holdings in the portfolio.

The average expense ratio is the percentage of assets deducted each year for underlying fund operating expenses, management fees, and all other asset-based costs incurred by the fund, excluding brokerage fees.

Potential capital gains exposure is the percentage of a holdings total assets that represent capital appreciation.

### Investment Risk

**Market Price Risk:** The market price of ETFs and HOLDRs traded on the secondary market is subject to the forces of supply and demand and thus independent of the ETFs NAV. This can result in the market price trading at a premium or discount to the NAV which will affect an investors value.

**Market Risk:** The market prices of ETFs and HOLDRs can fluctuate as to the result of several factors such as security-specific factors or general investor sentiment. Therefore, investors should be aware of the prospect of market fluctuations and the impact it may have on the market price.

**International Emerging Market Funds/Subaccounts:** The investor should note that funds and subaccounts that invest in international securities take on 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 normally accentuates these risks.

**Sector Funds/Subaccounts:** The investor should note that funds and subaccounts 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/Subaccounts:** The investor should note that funds or subaccounts 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/Subaccounts:** The investor should note that funds and subaccounts 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 price volatility than the overall market average.

**Mid Cap Funds/Subaccounts:** The investor should note that funds and subaccounts that invest in companies with market capitalizations 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/Subaccounts:** The investor should note that funds and subaccounts that invest in lower-rated debt securities (commonly referred to 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.

**HOLDRs:** The investor should note that these are narrow industry focused products that, if the industry is hit by hard times, will lack diversification and possible loss of investment would be likely. These securities can trade at a discount to market price, ownership is of a fractional share interest, the underlying investments may not be representative of the particular industry, the HOLDR might be delisted from the AMEX if the number of underlying companies drops below nine, and the investor may experience trading halts.

# DFA Emerging Markets Value I

Overall Morningstar Rtg™ **★★★★ (273)**  
**Standard Index**  
 MSCI EAFE NR USD

Incept 04-01-98 Type MF Total Assets \$13,088 mil Morningstar Cat Diversified Emerging Mkts (MF)  
**Category Index**  
 MSCI EM NR USD

Performance 12-31-2010					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2008	-9.51	-4.01	-25.83	-28.51	-53.94
2009	-2.36	44.78	24.79	9.00	92.28
2010	3.40	-9.34	20.15	8.37	22.06
Trailing Returns					
	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	22.06	2.63	16.78	21.13	16.67
Std 12-31-2010	22.06	—	16.78	21.13	16.67
Total Return	22.06	2.63	16.78	21.13	16.67
+/- Std Index	14.31	9.65	14.32	17.63	—
+/- Cat Index	3.18	2.95	4.00	5.24	—
% Rank Cat	24	9	1	1	—
No. in Cat	386	273	207	131	—
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 ten-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 redeemed, may be worth more or less than their original cost.

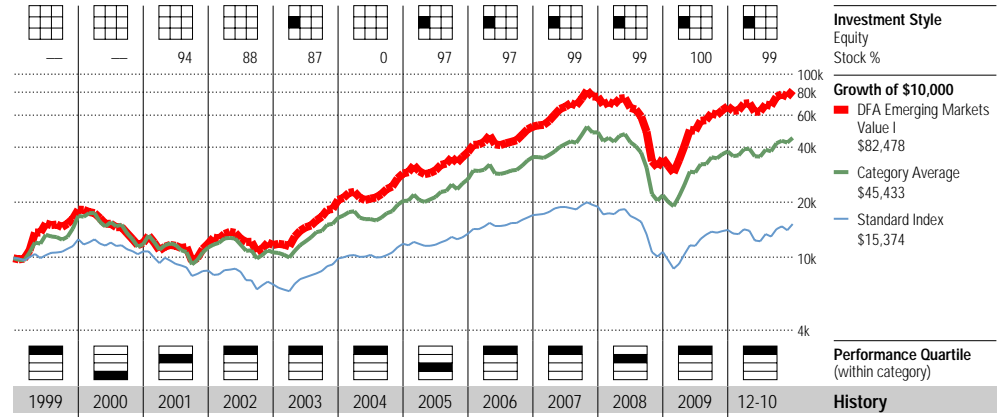
Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 888-576-1167 or visit [www.dimensional.com](http://www.dimensional.com).

Fees and Expenses	
Sales Charges	NA
Front-End Load %	NA
Deferred Load %	NA
<b>Fund Expenses</b>	
Management Fees %	0.50
12b1 Expense %	NA
Prospectus Gross Exp Ratio %	0.62

Risk and Return Profile			
	3 Yr	5 Yr	10 Yr
Morningstar Rating™	3★	4★	5★
Morningstar Risk	High	High	High
Morningstar Return	+ Avg	High	High
<hr/>			
	3 Yr	5 Yr	10 Yr
Standard Deviation	37.37	31.21	26.60
Mean	2.63	16.78	21.13
Sharpe Ratio	0.24	0.59	0.78
<hr/>			
MPT Statistics	Standard Index	Best Fit Index	
		MSCI Em ND	
Alpha	14.84	3.91	
Beta	1.34	1.12	
R-Squared	91.00	98.00	

12-Month Yield	—
30-day SEC Yield	—
Potential Cap Gains Exp	28.00% Assets

Operations	
Family:	Dimensional Fund Advisors
Manager:	Clark/Fogdall/Chi/Umland
Tenure:	3.6 Years



Portfolio Analysis 10-31-2010												
Composition %	Long %	Short%	Net %	Share Chg since 09-30-2010	Share Amount	1905 Total Stocks	% Net Assets					
Cash	0.8	0.0	0.8			1 Total Fixed-Income						
U.S. Stocks	0.0	0.0	0.0	⊕	18 mil	20% Turnover Ratio	3.40					
Non-U.S. Stocks	99.0	0.0	99.0	⊕	457 mil	OAO Gazprom ADR	2.37					
Bonds	0.0	0.0	0.0	⊕	22 mil	Bank Of China Limited	1.57					
Other	0.2	0.0	0.2	⊕	7 mil	BMF Bovespa S.A. Bolsa Valore	1.52					
Total	100.0	0.0	100.0	⊕	3 mil	Reliance Industries Ltd.	1.47					
				⊕	10 mil	ICICI Bank Ltd. ADR	1.21					
				⊕	884,406	Banco Santander (Brasil) SA A	1.15					
				⊕	2 mil	Hyundai Motor Co Ltd	1.05					
				⊕	8 mil	Lukoil Company ADR	1.03					
				⊕	2 mil	Gold Fields Limited ADR	0.95					
				⊕	1 mil	KB Financial Group Inc ADR	0.92					
				⊕	28 mil	Pocso ADR	0.90					
				⊕	3 mil	Sanlam Limited	0.87					
				⊕	11 mil	Petroleo Brasileiro SA Petrob	0.85					
				⊕	7 mil	CEMEX SAB de CV ADR	0.74					
						Usinas Siderurgicas de Minas						

Equity Style		Portfolio Statistics	Port Avg	Rel Index	Rel Cat
Value Blend Growth	Large Mid Small	P/E Ratio TTM	11.8	0.86	0.79
		P/C Ratio TTM	5.8	0.85	0.67
		P/B Ratio TTM	1.3	0.87	0.57
		Geo Avg Mkt	6142	0.21	0.41
		Cap \$mil			

Fixed-Income Style		Avg Eff Duration	—
Short Int	Long	Avg Eff Maturity	—
		Avg Credit Quality	—
		Avg Wtd Coupon	—
		Avg Wtd Price	—

Credit Analysis NA		Bond %
AAA		—
AA		—
A		—
BBB		—
BB		—
B		—
Below B		—
NR/NA		—

Regional Exposure		Stocks %	Rel Std Index
Americas		21.8	—
Greater Europe		18.8	—
Greater Asia		59.4	—

Sector Weightings		Stocks %	Rel Std Index
<b>Information Economy</b>		<b>6.5</b>	—
Software		0.5	—
Hardware		3.3	—
Media		0.4	—
Telecommunication		2.3	—
<b>Service Economy</b>		<b>38.8</b>	—
Healthcare Services		0.7	—
Consumer Services		2.1	—
Business Services		3.7	—
Financial Services		32.3	—
<b>Manufacturing Economy</b>		<b>54.6</b>	—
Consumer Goods		13.5	—
Industrial Goods		24.5	—
Energy		15.2	—
Utilities		1.5	—

# DFA US Large Cap Value I

Overall Morningstar Rtg™ **★★** (1120)  
 Standard Index S&P 500  
 Incept 02-19-93 Type MF  
 Total Assets \$7,052 mil  
 Morningstar Cat Large Value (MF)  
 Category Index Rus 1000Value

Performance 12-31-2010					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2008	-7.68	-3.12	-8.24	-27.86	-40.80
2009	-16.79	23.58	21.95	3.81	30.19
2010	9.82	-12.80	11.15	12.91	20.17
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	20.17	-2.52	1.60	5.30	9.26
Std 12-31-2010	20.17	—	1.60	5.30	9.26
Total Return	20.17	-2.52	1.60	5.30	9.26
+/- Std Index	5.11	0.34	-0.69	3.89	—
+/- Cat Index	4.66	1.90	0.32	2.04	—
% Rank Cat	3	28	44	9	—
No. in Cat	1240	1120	956	502	—
7-day Yield	—				

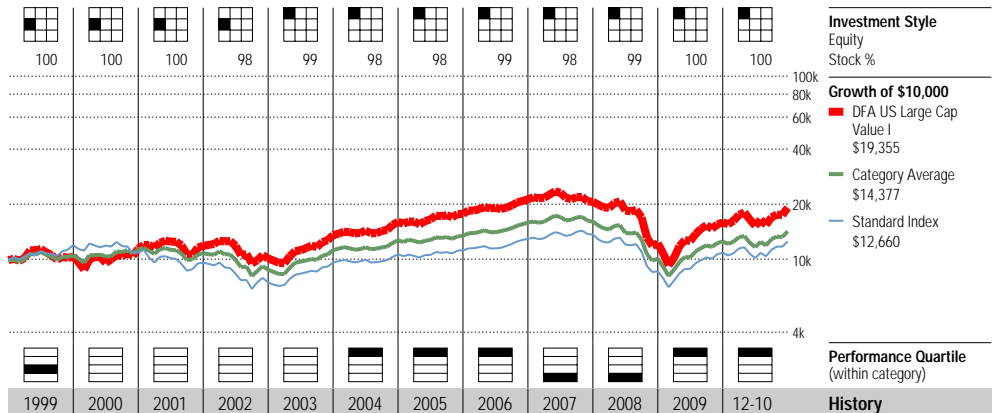
**Performance Disclosure**  
 The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and ten-year (if applicable) Morningstar metrics.  
 The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate thus an investor's shares, when 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 call 888-576-1167 or visit [www.dimensional.com](http://www.dimensional.com).

Fees and Expenses	
Sales Charges	
Front-End Load %	NA
Deferred Load %	NA
Fund Expenses	
Management Fees %	0.25
12b1 Expense %	NA
Prospectus Gross Exp Ratio %	0.30

Risk and Return Profile			
	3 Yr	5 Yr	10 Yr
	1120 funds	956 funds	502 funds
MorningstarRating™	2★	2★	3★
Morningstar Risk	High	High	High
Morningstar Return	+ Avg	Avg	+ Avg
	3 Yr	5 Yr	10 Yr
Standard Deviation	28.60	22.92	19.38
Mean	-2.52	1.60	5.30
Sharpe Ratio	0.03	0.09	0.25
MPT Statistics	Standard Index	Best Fit Index Russ 1000 Value	
Alpha	2.30	3.80	
Beta	1.27	1.20	
R-Squared	97.00	98.00	

Regional Exposure	
Americas	99.9
Greater Europe	0.1
Greater Asia	0.0

Operations	
Family:	Dimensional Fund Advisors
Manager:	Clark, Stephen
Tenure:	2.8 Years
Objective:	Growth and Income
Ticker:	DFLVX
Minimum Initial Purchase:	\$0
Minimum IRA Purchase:	\$0
Min Auto Investment Plan:	\$0
Purchase Constrains:	T/A/



History	NAV	Total Return %	+/- Standard Index	+/- Category Index	% Rank Cat	No. of Funds in Cat
1999	18.45	4.79	-16.25	-2.56	55	638
2000	16.89	10.22	19.32	3.20	—	809
2001	15.41	3.84	15.73	9.43	—	892
2002	12.94	-14.92	7.18	0.60	—	961
2003	17.16	34.42	5.73	4.39	—	1050
2004	20.05	18.25	7.37	1.76	7	1220
2005	21.75	10.24	5.33	3.19	12	1296
2006	25.25	20.18	4.39	-2.07	23	1371
2007	23.20	-2.76	-8.25	-2.59	80	1432
2008	13.41	-40.80	-3.80	-3.95	79	1433
2009	17.06	30.19	3.73	10.50	16	1272
12-10	20.12	20.17	5.11	4.66	3	1240

## Portfolio Analysis 10-31-2010

Composition %	Long %	Short%	Net %	Share Chg since 09-30-2010	Share Amount	211 Total Stocks	0 Total Fixed-Income	29% Turnover Ratio	% Net Assets
Cash	0.5	0.0	0.5						
U.S. Stocks	99.3	0.0	99.3	⊕	5 mil	ConocoPhillips			4.00
Non-U.S. Stocks	0.3	0.0	0.3	⊕	9 mil	AT&T, Inc.			3.72
Bonds	0.0	0.0	0.0	⊕	15 mil	General Electric Company			3.50
Other	0.0	0.0	0.0	⊕	52 mil	Citigroup, Inc.			3.15
Total	100.0	0.0	100.0	⊕	2 mil	Union Pacific Corporation			2.82
Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat	⊕	9 mil	Comcast Corporation A		2.69
Value Blend Growth	P/E Ratio TTM	13.1	0.85	1.01	⊕	16 mil	Bank of America Corp		2.56
	P/C Ratio TTM	6.4	0.69	0.86	⊕	5 mil	Time Warner, Inc.		2.30
	P/B Ratio TTM	1.2	0.55	0.71	⊕	5 mil	CVS Caremark Corporation		2.17
	Geo Avg Mkt Cap \$mil	23200	0.48	0.69	⊕	3 mil	MetLife Inc.		2.01
Fixed-Income Style	Avg Eff Duration	—			⊕	8 mil	Pfizer Inc.		2.01
Short Int Long	Avg Eff Maturity	—			⊕	2 mil	Anadarko Petroleum Corp.		1.93
	Avg Credit Quality	—			⊕	4 mil	Kraft Foods, Inc.		1.88
	Avg Wtd Coupon	—			⊕	2 mil	CSX Corporation		1.59
	Avg Wtd Price	—			⊕	2 mil	WellPoint, Inc.		1.59

Sector Weightings	Stocks %	Rel Std Index
<b>Information Economy</b>	<b>21.6</b>	<b>0.89</b>
Software	0.9	0.20
Hardware	0.4	0.04
Media	13.3	4.16
Telecommunication	7.1	0.99
<b>Service Economy</b>	<b>46.0</b>	<b>1.18</b>
Healthcare Services	9.2	0.84
Consumer Services	7.5	0.89
Business Services	7.9	2.47
Financial Services	21.4	1.30
<b>Manufacturing Economy</b>	<b>32.3</b>	<b>0.88</b>
Consumer Goods	4.8	0.54
Industrial Goods	10.1	0.83
Energy	16.2	1.31
Utilities	1.2	0.36

# Energy Select Sector SPDR

Overall Morningstar Rtg™ **★★★★** Prem/Discount 0.14 Mkt Price 68.25 Morningstar Cat Equity Energy (MF)  
72 Equity Energy (MF)

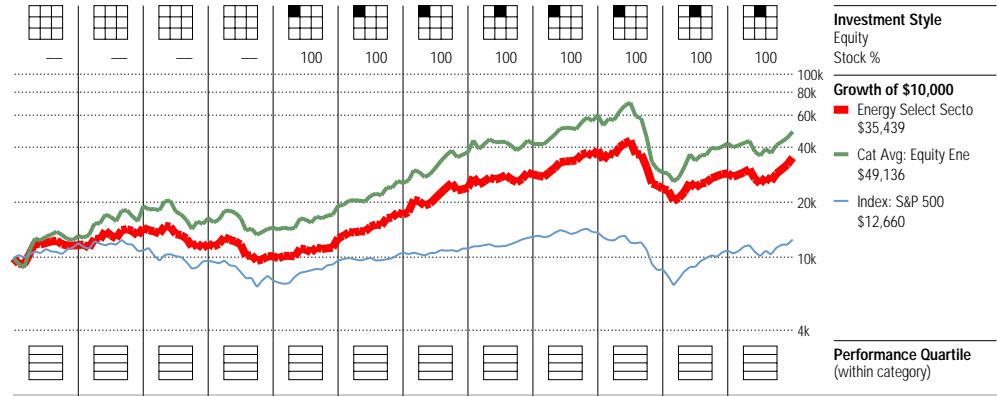
Performance 12-31-2010					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2008	-6.41	19.77	-28.22	-24.15	-38.97
2009	-10.63	13.75	12.73	6.30	21.81
2010	1.25	-13.19	13.34	22.27	21.81

Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Std Mkt 12-31-2010	21.81	—	7.89	9.21	11.11
Std NAV 12-31-2010	21.72	—	7.88	9.17	10.97
Mkt Total Ret	21.81	-3.25	7.89	9.21	11.11
NAV Total Ret	21.72	-3.24	7.88	9.17	10.97
+/- S&P 500	6.66	-0.38	5.59	7.76	—
+/- S&P 1500	0.34	-0.03	-0.42	-1.06	—

% Rank Cat	—	—	—	—	—
No. in Cat	—	—	—	—	—



1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	12-10	History
17.95	24.45	-18.16	-14.59	25.87	33.87	40.21	17.97	36.86	-38.97	21.81	21.81	Mkt Total Ret %
19.05	24.34	-18.36	-14.71	26.37	33.41	40.23	18.30	36.35	-38.79	21.58	21.72	NAV Total Ret %
-1.99	33.44	-6.47	7.39	-2.32	22.53	35.32	2.51	30.86	-1.79	-4.88	6.66	+/- S&P 500
-1.25	4.78	-7.17	-5.15	1.35	1.01	6.47	-3.80	1.79	-2.97	5.16	0.34	+/- S&P 1500
—	—	—	—	—	—	—	—	—	—	—	—	% Rank Cat
—	—	—	—	—	—	—	—	—	—	—	—	No. of Funds in Cat
-0.04	-0.07	-0.03	0.01	0.04	-0.01	0.01	0.02	0.01	-0.19	0.04	0.14	Avg Prem/Discount %

### Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and ten-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 800-843-2639 or visit [www.ssgafunds.com](http://www.ssgafunds.com).

### Fees and Expenses

Sales Charges	
Front-End Load %	NA
Deferred Load %	NA

Fund Expenses	
Management Fees %	0.05
12b1 Expense %	NA
Expense Ratio %	0.21

### Risk and Return Profile

	3 Yr	5 Yr	10 Yr
Morningstar Rating™	5★	4★	3★
Morningstar Risk	Low	Low	Low
Morningstar Return	+ Avg	Avg	Avg

	3 Yr	5 Yr	10 Yr
Standard Deviation	28.24	24.96	22.44
Mean	-3.24	7.88	9.17
Sharpe Ratio	0.00	0.34	0.41

MPT Statistics	Standard Index S&P 500	Best Fit Index S&P 1500 Energy TR
Alpha	1.06	0.41
Beta	0.96	1.05
R-Squared	59.00	99.00

12-Month Yield	—
30-day SEC Yield	—
Potential Cap Gains Exp	-15.00% Assets

### Portfolio Analysis 12-31-2010

Composition %	Long %	Short%	Net %	Share Chg since 12-30-2010	Share Amount	40 Total Stocks	0 Total Fixed-Income	8% Turnover Ratio	% Net Assets
Cash	0.0	0.0	0.0						
U.S. Stocks	100.0	0.0	100.0	⊖	20 mil	ExxonMobil Corporation			17.43
Non-U.S. Stocks	0.0	0.0	0.0	⊖	12 mil	Chevron Corporation			13.14
Bonds	0.0	0.0	0.0	⊖	8 mil	Schlumberger, Ltd.			8.33
Other	0.0	0.0	0.0	⊖	6 mil	ConocoPhillips			5.18
Total	100.0	0.0	100.0	⊖	4 mil	Occidental Petroleum Corporat			4.87

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
Value Blend Growth	P/E Ratio TTM	15.5	1.00	0.93
	P/C Ratio TTM	8.0	0.86	0.96
	P/B Ratio TTM	2.1	0.95	1.17
	Geo Avg Mkt	55303	1.15	2.92
	Cap \$mil			

Fixed-Income Style	Short Int	Long	High	Med	Low
	Avg Eff Duration	—			
	Avg Eff Maturity	—			
	Avg Credit Quality	—			
	Avg Wtd Coupon	—			
	Avg Wtd Price	—			

Credit Analysis 12-31-2010	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR/NA	—

Regional Exposure	Stocks %	Rel S&P 500
Americas	100.0	1.00
Greater Europe	0.0	—
Greater Asia	0.0	—

### Sector Weightings

	Stocks %	Rel S&P 500
<b>Information Economy</b>	<b>0.0</b>	<b>0.00</b>
Software	0.0	0.00
Hardware	0.0	0.00
Media	0.0	0.00
Telecommunication	0.0	0.00
<b>Service Economy</b>	<b>0.0</b>	<b>0.00</b>
Healthcare Services	0.0	0.00
Consumer Services	0.0	0.00
Business Services	0.0	0.00
Financial Services	0.0	0.00
<b>Manufacturing Economy</b>	<b>100.0</b>	<b>2.72</b>
Consumer Goods	0.0	0.00
Industrial Goods	0.0	0.00
Energy	100.0	8.06
Utilities	0.0	0.00

### Operations

Family:	State Street Global Advisors	Ticker:	XLE
Manager:	Tucker/Blake	Exchange:	ARCA
Tenure:	7.6 Years	Incept:	12-16-98
Total Assets:	\$8,385 mil	NAV:	68.16

# FAM Value Inv

Overall Morningstar Rtg™ **★★★★ (373)**  
**Standard Index**  
 S&P 500

Incept 01-02-87 Type MF Total Assets \$737 mil Morningstar Cat Mid-Cap Blend (MF)  
**Category Index**  
 S&PMid400

Performance 12-31-2010					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2008	-6.63	-5.05	1.44	-20.70	-28.68
2009	-11.08	15.78	13.17	4.87	22.18
2010	6.94	-6.87	7.43	9.37	17.02
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	17.02	0.66	1.93	6.33	10.25
Std 12-31-2010	17.02	—	1.93	6.33	10.25
Total Return	17.02	0.66	1.93	6.33	10.25
+/- Std Index	1.96	3.52	-0.36	4.92	—
+/- Cat Index	-9.62	-2.86	-3.81	-0.83	—
% Rank Cat	88	50	81	45	—
No. in Cat	433	373	304	171	—
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 ten-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 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 call 800-932-3271 or visit [www.famfunds.com](http://www.famfunds.com).

### Fees and Expenses

Sales Charges	NA
Front-End Load %	NA
Deferred Load %	NA
Fund Expenses	NA
Management Fees %	1.00
12b1 Expense %	NA
Prospectus Gross Exp Ratio %	1.28

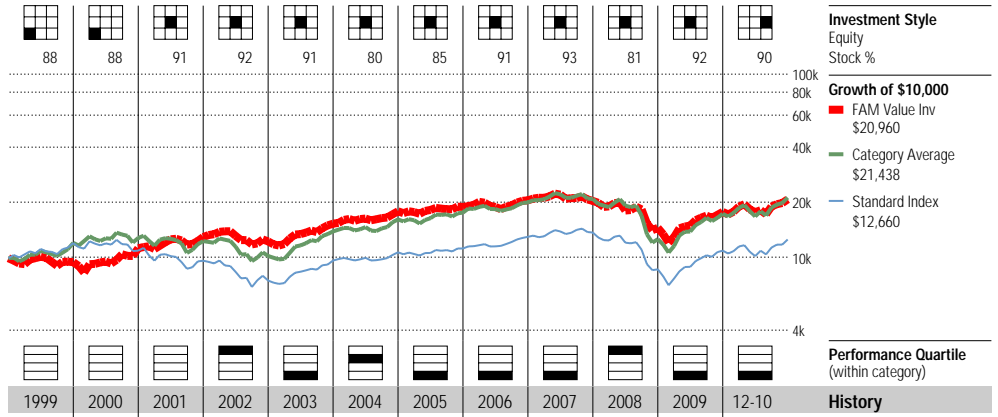
### Risk and Return Profile

	3 Yr	5 Yr	10 Yr
Morningstar Rating™	4★	3★	4★
Morningstar Risk	-Avg	Low	Low
Morningstar Return	Avg	-Avg	Avg
	3 Yr	5 Yr	10 Yr
Standard Deviation	20.82	16.93	13.93
Mean	0.66	1.93	6.33
Sharpe Ratio	0.11	0.06	0.35
MPT Statistics	Standard Index	Best Fit Index	
		Mstar Small Cap TR	
Alpha	3.14	-3.15	
Beta	0.89	0.70	
R-Squared	91.00	94.00	

12-Month Yield	—
30-day SEC Yield	—
Potential Cap Gains Exp	38.00% Assets

### Operations

Family:	FAM
Manager:	Fox/Putnam
Tenure:	17.4 Years



History	NAV	Total Return %	+/- Standard Index	+/- Category Index	% Rank Cat	No. of Funds in Cat
1999	31.35	-4.84	-25.88	-19.56	—	294
2000	32.70	19.21	28.31	1.70	—	277
2001	36.17	15.09	26.98	15.70	—	329
2002	33.69	-5.33	16.77	9.20	7	367
2003	41.15	24.98	-3.71	-10.64	91	421
2004	46.65	16.86	5.98	0.38	40	426
2005	48.00	5.56	0.65	-7.00	81	459
2006	49.65	8.73	-7.06	-1.59	86	464
2007	45.42	-0.79	-6.28	-8.77	82	494
2008	32.22	-28.68	8.32	7.55	9	512
2009	39.32	22.18	-4.28	-15.20	93	451
12-10	45.34	17.02	1.96	-9.62	88	433

### Portfolio Analysis 09-30-2010

Composition %	Long %	Short%	Net %
Cash	9.8	0.0	9.8
U.S. Stocks	87.2	0.0	87.2
Non-U.S. Stocks	3.0	0.0	3.0
Bonds	0.0	0.0	0.0
Other	0.0	0.0	0.0
Total	100.0	0.0	100.0

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
Value Blend Growth	P/E Ratio TTM	16.6	1.07	1.05
	P/C Ratio TTM	10.6	1.14	1.23
	P/B Ratio TTM	2.0	0.91	1.05
	Geo Avg Mkt Cap \$mil	5586	0.12	1.14

Fixed-Income Style	Short Int	Long	Avg Eff Duration	Avg Eff Maturity	Avg Credit Quality	Avg Wtd Coupon	Avg Wtd Price
			—	—	—	—	—

Credit Analysis NA	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR/NA	—

Regional Exposure	Stocks %	Rel Std Index
Americas	100.0	1.00
Greater Europe	0.0	—
Greater Asia	0.0	—

Share Chg since 06-30-2010	Share Amount	40 Total Stocks	% Net Assets
		0 Total Fixed-Income	
		8% Turnover Ratio	
	2 mil	Brown & Brown, Inc.	5.53
	266	Berkshire Hathaway Inc. A	4.83
	102,693	White Mountains Insurance Gro	4.62
	545,700	Mednax Inc	4.24
	771,750	Idex Corporation	4.00
	661,700	John Wiley & Sons, Inc. A	3.94
	550,600	Yum Brands, Inc.	3.70
	64,850	Markel Corporation	3.26
	665,450	Meredith Corporation	3.23
	648,502	Zebra Technologies Corporatio	3.18
	725,000	Brookfield Asset Management,	3.00
	216,000	EOG Resources	2.93
	359,950	Illinois Tool Works, Inc.	2.91
	1 mil	Heartland Express, Inc.	2.89
	305,000	Johnson & Johnson	2.76

Sector Weightings	Stocks %	Rel Std Index
<b>Information Economy</b>	<b>13.3</b>	<b>0.55</b>
Software	1.8	0.40
Hardware	3.5	0.38
Media	8.0	2.50
Telecommunication	0.0	0.00
<b>Service Economy</b>	<b>69.4</b>	<b>1.78</b>
Healthcare Services	14.0	1.27
Consumer Services	11.8	1.40
Business Services	8.2	2.56
Financial Services	35.5	2.16
<b>Manufacturing Economy</b>	<b>17.3</b>	<b>0.47</b>
Consumer Goods	0.8	0.09
Industrial Goods	13.3	1.10
Energy	3.2	0.26
Utilities	0.0	0.00

# Fidelity Advisor New Insights I

Overall Morningstar Rtg™ **★★★★★** (1504)  
**Standard Index**  
 S&P 500

Incept 07-31-03 Type MF Total Assets \$5,893 mil Morningstar Cat Large Growth (MF)  
**Category Index**  
 Rus 1000Growth

Performance 12-31-2010					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2008	-10.95	3.26	-14.63	-20.70	-37.75
2009	-6.04	12.80	13.73	7.33	29.37
2010	3.58	-8.29	12.07	9.28	16.34
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	16.34	-2.15	4.71	—	10.66
Std 12-31-2010	16.34	—	4.71	—	10.66
Total Return	16.34	-2.15	4.71	—	10.66
+/- Std Index	1.28	0.71	2.42	—	—
+/- Cat Index	-0.37	-1.68	0.96	—	—
% Rank Cat	40	47	17	—	—
No. in Cat	1718	1504	1286	787	—
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 ten-year (if applicable) Morningstar metrics.  
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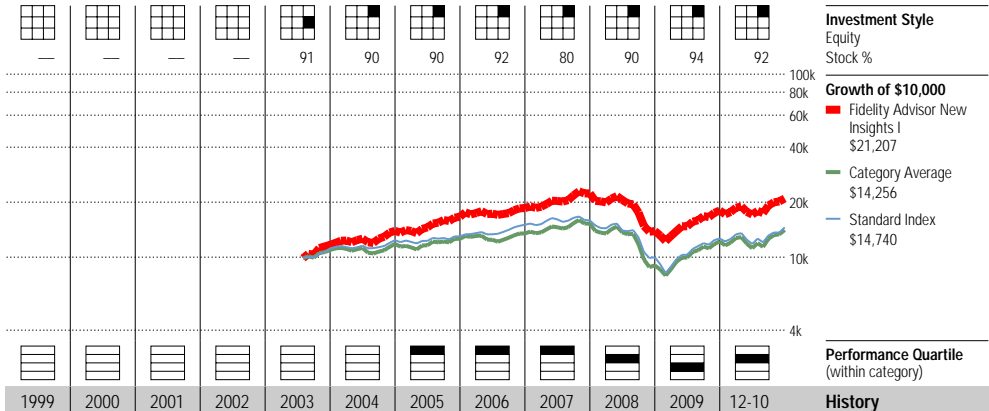
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Fees and Expenses	
Sales Charges	NA
Front-End Load %	NA
Deferred Load %	NA
Fund Expenses	NA
Management Fees %	0.65
12b1 Expense %	NA
Prospectus Gross Exp Ratio %	0.96

Risk and Return Profile				
	3 Yr	5 Yr	10 Yr	
	1504 funds	1286 funds	787 funds	
MorningstarRating™	4★	5★	—	
Morningstar Risk	Low	Low	—	
Morningstar Return	Avg	+ Avg	—	
	3 Yr	5 Yr	10 Yr	
Standard Deviation	19.88	16.58	—	
Mean	-2.15	4.71	—	
Sharpe Ratio	-0.04	0.22	—	
MPT Statistics	Standard Index	Best Fit Index		
		MStar US Gr TR		
Alpha	0.10	-1.61		
Beta	0.86	0.81		
R-Squared	91.00	96.00		

12-Month Yield	
30-day SEC Yield	—
Potential Cap Gains Exp	15.00% Assets

Operations	
Family:	Fidelity Investments
Manager:	Danoff, William
Tenure:	7.4 Years



Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	12-10	History
NAV	—	—	—	—	11.79	14.05	16.78	18.52	21.84	13.49	17.39	20.14	NAV
Total Return %	—	—	—	—	—	19.27	19.43	11.40	20.57	-37.75	29.37	16.34	Total Return %
+/- Standard Index	—	—	—	—	—	8.39	14.52	-4.39	15.08	-0.75	2.91	1.28	+/- Standard Index
+/- Category Index	—	—	—	—	—	12.97	14.17	2.33	8.76	0.69	-7.84	-0.37	+/- Category Index
% Rank Cat	—	—	—	—	—	—	1	15	16	27	75	40	% Rank Cat
No. of Funds in Cat	633	805	1064	1234	1311	1400	1495	1642	1748	1809	1796	1718	No. of Funds in Cat

## Portfolio Analysis 10-31-2010

Composition %	Long %	Short%	Net %	Share Chg since 09-30-2010	Share Amount	505 Total Stocks	3 Total Fixed-Income	58% Turnover Ratio	% Net Assets
Cash	7.2	0.0	7.3						
U.S. Stocks	72.6	0.0	72.6	+	3 mil	Apple, Inc.			6.75
Non-U.S. Stocks	19.5	0.0	19.5		1 mil	Google, Inc.			5.31
Bonds	0.1	0.0	0.1		3,701	Berkshire Hathaway Inc. A			3.08
Other	0.6	0.0	0.6		4 mil	McDonald's Corporation			2.25
Total	100.0	0.0	100.0	+	8 mil	Walt Disney Company			2.09
Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat		5 mil	Coca-Cola Company		2.08
Value Blend Growth	P/E Ratio TTM	21.1	1.36	1.15		4 mil	Visa, Inc.		1.93
	P/C Ratio TTM	13.9	1.49	1.20		11 mil	Wells Fargo Company		1.93
	P/B Ratio TTM	3.3	1.50	1.14		3 mil	Nike, Inc. B		1.45
	Geo Avg Mkt Cap \$mil	28879	0.60	0.94		5 mil	TJX Companies		1.45
Fixed-Income Style	Avg Eff Duration	—				2 mil	Noble Energy, Inc.		1.35
Short Int Long	Avg Eff Maturity	—				1 mil	Amazon.com, Inc.		1.33
	Avg Credit Quality	—				5 mil	Newcrest Mining Limited		1.30
	Avg Wtd Coupon	11.27				6 mil	Oracle Corporation		1.27
	Avg Wtd Price	—				4 mil	Gilead Sciences, Inc.		1.19

Sector Weightings	Stocks %	Rel Std Index
<b>Information Economy</b>	<b>39.0</b>	<b>1.61</b>
Software	6.6	1.47
Hardware	19.5	2.12
Media	5.1	1.59
Telecommunication	7.9	1.10
<b>Service Economy</b>	<b>35.2</b>	<b>0.90</b>
Healthcare Services	8.1	0.74
Consumer Services	12.9	1.54
Business Services	3.4	1.06
Financial Services	10.8	0.66
<b>Manufacturing Economy</b>	<b>25.8</b>	<b>0.70</b>
Consumer Goods	10.7	1.20
Industrial Goods	10.0	0.83
Energy	5.1	0.41
Utilities	0.0	0.00

Credit Analysis NA	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR/NA	—

Regional Exposure	Stocks %	Rel Std Index
Americas	86.3	0.86
Greater Europe	6.2	—
Greater Asia	7.5	—

# Fidelity International Discovery

Overall Morningstar Rtg™ **★★★★** (694)  
 Standard Index  
 MSCI Eafe Ndrtr\_D

Incept 12-31-86 Type MF Total Assets \$8,318 mil Morningstar Cat Foreign Large Blend (MF)  
 Category Index  
 MSCI AC World Ex USA NR

Performance 12-31-2010					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2008	-11.47	-0.29	-21.17	-19.93	-44.28
2009	-13.54	22.27	18.61	3.73	30.07
2010	0.86	-14.18	18.01	8.67	11.00
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	11.00	-6.99	3.52	6.00	8.27
Std 12-31-2010	11.00	—	3.52	6.00	8.27
Total Return	11.00	-6.99	3.52	6.00	8.27
+/- Std Index	3.25	0.03	1.06	2.50	—
+/- Cat Index	-0.15	-1.96	-1.30	0.46	—
% Rank Cat	41	53	33	12	—
No. in Cat	829	694	511	289	—
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 ten-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 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 call 800-544-6666 or visit [www.fidelity.com](http://www.fidelity.com).

### Fees and Expenses

Sales Charges	
Front-End Load %	NA
Deferred Load %	NA
Fund Expenses	
Management Fees %	0.75
12b1 Expense %	NA
Prospectus Gross Exp Ratio %	1.05

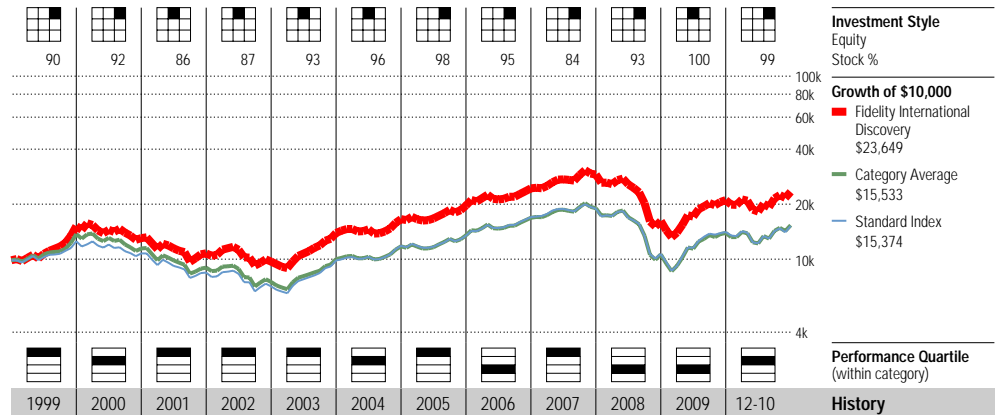
### Risk and Return Profile

	3 Yr	5 Yr	10 Yr
	694 funds	511 funds	289 funds
MorningstarRating™	3★	3★	4★
Morningstar Risk	Avg	Avg	Avg
Morningstar Return	Avg	Avg	+ Avg
	3 Yr	5 Yr	10 Yr
Standard Deviation	26.92	22.24	19.15
Mean	-6.99	3.52	6.00
Sharpe Ratio	-0.16	0.17	0.28
MPT Statistics	Standard Index	Best Fit Index MSCI Wd x USN	
Alpha	0.09	-0.67	
Beta	1.00	1.00	
R-Squared	98.00	98.00	

12-Month Yield	—
30-day SEC Yield	—
Potential Cap Gains Exp	-4.00% Assets

### Operations

Family:	Fidelity Investments	Objective:	Foreign Stock	Minimum IRA Purchase:	\$500
Manager:	Kennedy, William	Ticker:	FIGRX	Min Auto Investment Plan:	\$200
Tenure:	6.2 Years	Minimum Initial Purchase:	\$2,500	Purchase Constrains:	NA



Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	12-10	History
NAV	30.10	22.72	18.76	16.82	23.92	28.20	31.66	37.92	43.08	23.63	30.35	33.04	NAV
Total Return %	53.71	-14.06	-17.43	-9.87	43.34	19.05	18.55	24.22	18.98	-44.28	30.07	11.00	Total Return %
+/- Standard Index	26.75	0.11	4.01	6.07	4.75	-1.20	5.01	-2.12	7.81	-0.90	-1.71	3.25	+/- Standard Index
+/- Category Index	23.08	1.25	2.30	5.08	2.51	-1.86	1.93	-2.43	2.33	1.25	-11.38	-0.15	+/- Category Index
% Rank Cat	21	31	13	6	3	29	14	58	9	54	52	41	% Rank Cat
No. of Funds in Cat	340	396	439	482	504	551	608	657	743	778	823	829	No. of Funds in Cat

### Portfolio Analysis 10-31-2010

Composition %	Long %	Short%	Net %	Share Chg since 09-30-2010	Share Amount	236 Total Stocks	% Net Assets
Cash	0.9	0.0	0.9			0 Total Fixed-Income	
U.S. Stocks	2.6	0.0	2.6	⊕	5 mil	82% Turnover Ratio	1.88
Non-U.S. Stocks	96.5	0.0	96.5		6 mil	BHP Billiton PLC ADR	1.88
Bonds	0.0	0.0	0.0		24 mil	Royal Dutch Shell PLC B	1.65
Other	0.0	0.0	0.0		3 mil	BP Plc	1.55
Total	100.0	0.0	100.0	⊕	3 mil	Nestle SA	1.54
				⊕	3 mil	Novartis AG	1.37
				⊖	1 mil	Novo-Nordisk A S	1.33
				⊖	13 mil	HSBC Holdings PLC American De	1.30
					2 mil	Bayerische Motoren Werke AG B	1.28
					4 mil	Softbank Corporation	1.24
					797,092	LVMH Moet Hennessy Louis Vuit	1.24
				⊕	1 mil	Siemens AG ADR	1.21
				⊕	6 mil	GlaxoSmithKline PLC	1.21
				⊕	789,800	Volkswagen AG	1.18
					43 mil	Vodafone Group PLC ADR	1.17
				⊖	2 mil	Anheuser-Busch InBev SA	1.12

### Equity Style

Value Blend Growth	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
	P/E Ratio TTM	16.9	1.23	1.21
	P/C Ratio TTM	8.1	1.19	1.16
	P/B Ratio TTM	1.9	1.27	1.12
	Geo Avg Mkt Cap \$mil	19482	0.66	0.83

### Fixed-Income Style

Short Int	Long	Avg Eff Duration	—
		Avg Eff Maturity	—
		Avg Credit Quality	—
		Avg Wtd Coupon	—
		Avg Wtd Price	—

### Credit Analysis NA

	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR/NA	—

### Regional Exposure

	Stocks %	Rel Std Index
Americas	6.3	—
Greater Europe	64.5	—
Greater Asia	29.2	—

### Sector Weightings

	Stocks %	Rel Std Index
<b>Information Economy</b>	<b>13.0</b>	—
Software	1.9	—
Hardware	0.8	—
Media	2.4	—
Telecommunication	7.8	—
<b>Service Economy</b>	<b>44.1</b>	—
Healthcare Services	9.2	—
Consumer Services	10.6	—
Business Services	2.2	—
Financial Services	22.0	—
<b>Manufacturing Economy</b>	<b>42.9</b>	—
Consumer Goods	17.6	—
Industrial Goods	17.9	—
Energy	6.8	—
Utilities	0.6	—



# Fidelity Low-Priced Stock

Overall Morningstar Rtg™ **★★★★ (373)**  
 Standard Index S&P 500  
 Incept 12-27-89 Type MF Total Assets \$27,094 mil Morningstar Cat Mid-Cap Blend (MF)  
 Category Index S&PMid400

Performance 12-31-2010					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2008	-7.63	-0.74	-12.17	-20.73	-36.17
2009	-7.87	21.60	18.01	5.20	39.08
2010	8.36	-9.97	11.53	10.93	20.70
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	20.70	2.33	5.41	11.21	14.48
Std 12-31-2010	20.70	—	5.41	11.21	14.48
Total Return	20.70	2.33	5.41	11.21	14.48
+/- Std Index	5.64	5.19	3.12	9.80	—
+/- Cat Index	-5.94	-1.19	-0.33	4.05	—
% Rank Cat	68	30	19	5	—
No. in Cat	433	373	304	171	—
7-day Yield	—				

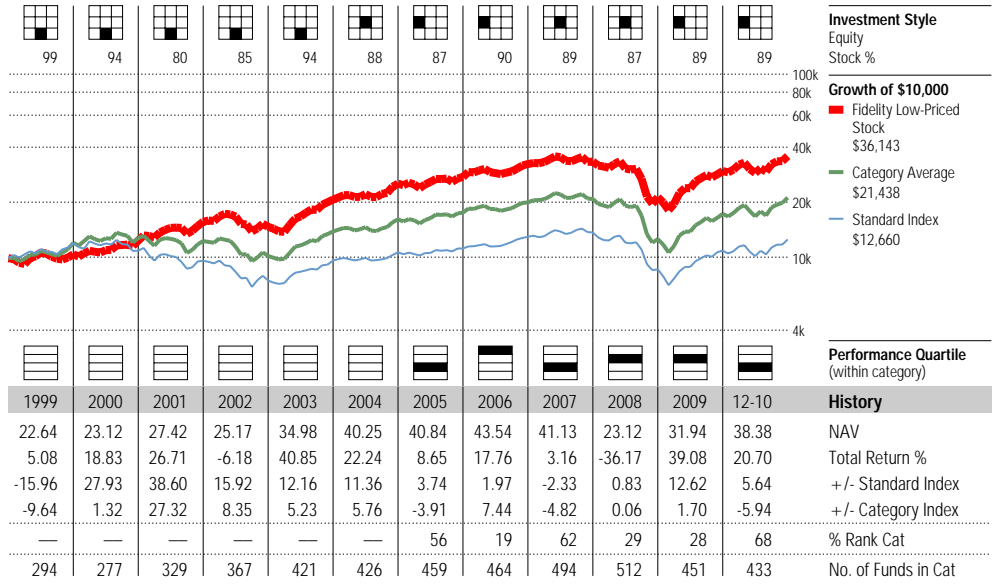
**Performance Disclosure**  
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 Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-544-6666 or visit www.fidelity.com.

Fees and Expenses	
Sales Charges	
Front-End Load %	NA
Deferred Load %	NA
Fund Expenses	
Management Fees %	0.77
12b1 Expense %	NA
Prospectus Gross Exp Ratio %	0.99

Risk and Return Profile			
	3 Yr	5 Yr	10 Yr
	373 funds	304 funds	171 funds
MorningstarRating™	4★	4★	5★
Morningstar Risk	Avg	-Avg	-Avg
Morningstar Return	+ Avg	+ Avg	High
	3 Yr	5 Yr	10 Yr
Standard Deviation	24.69	20.08	17.27
Mean	2.33	5.41	11.21
Sharpe Ratio	0.19	0.25	0.58
MPT Statistics	Standard Index	Best Fit Index Mstar Mid Core	
Alpha	5.88	-0.28	
Beta	1.07	0.90	
R-Squared	93.00	98.00	

12-Month Yield	—
30-day SEC Yield	—
Potential Cap Gains Exp	31.00% Assets

Operations	
Family:	Fidelity Investments
Manager:	Tillinghast, Joel
Tenure:	21.0 Years
Objective:	Growth
Ticker:	FLPSX
Minimum Initial Purchase:	\$2,500
Minimum IRA Purchase:	\$2,500
Min Auto Investment Plan:	\$0
Purchase Constrains:	NA



Portfolio Analysis 10-31-2010			
<b>Composition %</b>	Long %	Short%	Net %
Cash	10.2	0.0	10.2
U.S. Stocks	54.8	0.0	54.8
Non-U.S. Stocks	34.6	0.0	34.6
Bonds	0.0	0.0	0.0
Other	0.4	0.0	0.5
Total	100.0	0.0	100.0
<b>Equity Style</b>	Portfolio Value Blend Growth	Port Statistics	Rel Avg Index Cat
		P/E Ratio TTM	12.1 0.78 0.77
		P/C Ratio TTM	7.4 0.80 0.86
		P/B Ratio TTM	1.4 0.64 0.74
		Geo Avg Mkt Cap \$mil	2672 0.06 0.55
<b>Fixed-Income Style</b>	Short Int	Long	High Med Low
		Avg Eff Duration	—
		Avg Eff Maturity	—
		Avg Credit Quality	—
		Avg Wtd Coupon	3.46
		Avg Wtd Price	103.90
<b>Credit Analysis NA</b>	Bond %		
AAA	—		
AA	—		
A	—		
BBB	—		
BB	—		
B	—		
Below B	—		
NR/NA	—		

Sector Weightings		
	Stocks %	Rel Std Index
<b>Information Economy</b>	<b>14.1</b>	<b>0.58</b>
Software	6.9	1.53
Hardware	4.4	0.48
Media	1.2	0.37
Telecommunication	1.5	0.21
<b>Service Economy</b>	<b>53.1</b>	<b>1.36</b>
Healthcare Services	14.3	1.30
Consumer Services	22.7	2.70
Business Services	6.4	2.00
Financial Services	9.8	0.60
<b>Manufacturing Economy</b>	<b>32.8</b>	<b>0.89</b>
Consumer Goods	14.2	1.60
Industrial Goods	11.6	0.96
Energy	6.9	0.56
Utilities	0.1	0.03

# Fidelity Strategic Income

Overall Morningstar Rtg™ **★★★★** (198)  
**Standard Index**  
 Barcap Agg

Incept 05-01-98 Type MF Total Assets \$7,962 mil Morningstar Cat Multisector Bond (MF)  
**Category Index**  
 Barcap US Bnd-Univ

Performance 12-31-2010					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2008	0.92	-0.23	-4.24	-8.09	-11.37
2009	2.28	13.34	10.77	2.62	31.77
2010	2.79	0.11	6.15	0.63	9.92
Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	9.92	8.68	7.92	8.61	7.52
Std 12-31-2010	9.92	—	7.92	8.61	7.52
Total Return	9.92	8.68	7.92	8.61	7.52
+/- Std Index	3.38	2.78	2.12	2.77	—
+/- Cat Index	2.76	2.66	2.02	2.53	—
% Rank Cat	64	19	10	17	—
No. in Cat	268	198	162	105	—
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 ten-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 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 call 800-544-6666 or visit [www.fidelity.com](http://www.fidelity.com).

### Fees and Expenses

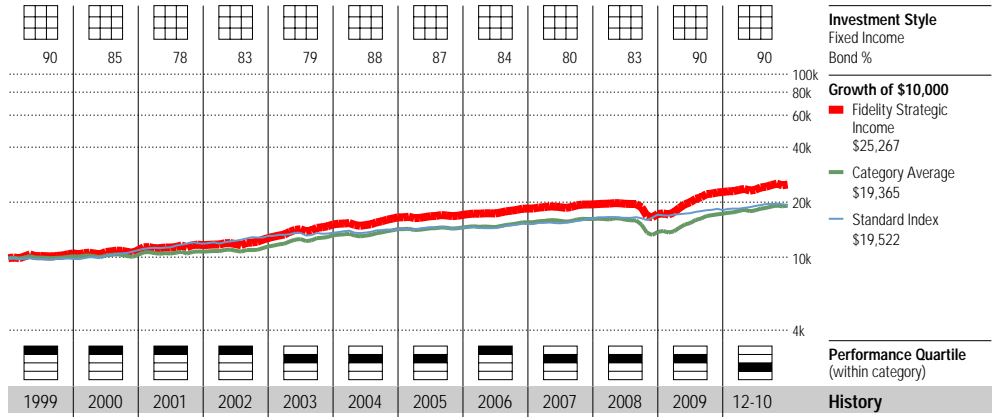
Sales Charges	
Front-End Load %	NA
Deferred Load %	NA
Fund Expenses	
Management Fees %	0.57
12b1 Expense %	NA
Prospectus Gross Exp Ratio %	0.74

### Risk and Return Profile

	3 Yr	5 Yr	10 Yr
Morningstar Rating™	4★	4★	4★
Morningstar Risk	Avg	Avg	Avg
Morningstar Return	+ Avg	+ Avg	+ Avg
Standard Deviation	9.69	7.65	6.40
Mean	8.68	7.92	8.61
Sharpe Ratio	0.84	0.73	0.96
MPT Statistics	Standard Index	Best Fit Index	
		ML US High Yld Master II	
Alpha	1.76	2.66	
Beta	1.23	0.52	
R-Squared	29.00	87.00	
12-Month Yield	4.84%		
30-day SEC Yield	4.39		
Potential Cap Gains Exp	5.00% Assets		

### Operations

Family:	Fidelity Investments	Objective:	Multi-Sector Bond	Minimum IRA Purchase:	\$2,500
Manager:	Bewick/Sharpe	Ticker:	FSICX	Min Auto Investment Plan:	\$0
Tenure:	2.2 Years	Minimum Initial Purchase:	\$2,500	Purchase Constrains:	NA



Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	12-10	History
NAV	9.44	9.13	9.15	9.40	10.50	10.77	10.43	10.64	10.48	8.72	10.81	11.09	NAV
Total Return %	6.35	4.07	6.52	9.38	18.62	9.43	3.12	8.18	5.40	-11.37	31.77	9.92	Total Return %
+/- Standard Index	7.17	-7.56	-1.92	-0.88	14.52	5.09	0.69	3.85	-1.57	-16.61	25.84	3.38	+/- Standard Index
+/- Category Index	6.18	-6.75	-1.57	-0.46	12.80	4.46	0.40	3.21	-1.10	-13.75	23.17	2.76	+/- Category Index
% Rank Cat	17	25	25	20	40	29	32	18	40	32	31	64	% Rank Cat
No. of Funds in Cat	132	160	170	189	170	162	167	173	183	215	242	268	No. of Funds in Cat

### Portfolio Analysis 09-30-2010

Composition %	Long %	Short%	Net %	Share Chg since 06-30-2010	Share Amount	17 Total Stocks	1162 Total Fixed-Income	% Net Assets	
Cash	8.0	0.0	8.0			202%	Turnover Ratio		
U.S. Stocks	0.6	0.0	0.6	⊕	122 mil	Germany (Federal Republic Of)		2.13	
Non-U.S. Stocks	0.3	0.0	0.3	⊕	99 mil	Bundesrepublik Deutschland 1.		1.64	
Bonds	89.8	0.0	89.8	⊕	114 mil	Canada Govt 3.5%		1.42	
Other	1.3	0.0	1.4	⊕	83 mil	US Tr Bds 12 C-2012		1.30	
Total	100.0	0.0	100.0	⊕	88 mil	US Treasury Bond 3.875%		1.10	
Equity Style	Portfolio Value Blend Growth	Port Statistics	Rel Avg	Rel Index	Rel Cat				
		P/E Ratio TTM	—	—	—	⊕	81 mil	US Treasury Note 3.125%	1.06
		P/C Ratio TTM	—	—	—	⊕	84 mil	US Treasury Note 1.5%	1.04
		P/B Ratio TTM	—	—	—	⊕	79 mil	US Treasury Note 1.75%	0.99
		Geo Avg Mkt	—	—	—	⊕	43 mil	United Kingdom (Government Of)	0.93
		Cap \$mil	—	—	—	⊕	65 mil	US Treasury Note 2.625%	0.83
						⊕	62 mil	Gmac 8%	0.80
						⊖	40 mil	United Kingdom (Government Of)	0.80
						⊖	54 mil	Russian Federation 7.5%	0.78
						⊕	61 mil	Fannie Mae 3.5% 15 Year	0.76
						⊕	58 mil	US Treasury Note 3.125%	0.75
Fixed-Income Style	Short Int	Long	Avg Eff Duration	—					
			Avg Eff Maturity	—					
			Avg Credit Quality	—					
			Avg Wtd Coupon	5.82					
			Avg Wtd Price	107.96					
Credit Analysis NA			Bond %						
AAA			—						
AA			—						
A			—						
BBB			—						
BB			—						
B			—						
Below B			—						
NR/NA			—						
Regional Exposure		Stocks %	Rel Std Index						
Americas		69.5	—						
Greater Europe		30.5	—						
Greater Asia		0.0	—						
Sector Weightings		Stocks %	Rel Std Index						
Information Economy		8.9	—						
Software		0.0	—						
Hardware		4.4	—						
Media		4.5	—						
Telecommunication		0.0	—						
Service Economy		16.2	—						
Healthcare Services		0.0	—						
Consumer Services		0.0	—						
Business Services		16.2	—						
Financial Services		0.0	—						
Manufacturing Economy		74.9	—						
Consumer Goods		0.1	—						
Industrial Goods		74.5	—						
Energy		0.0	—						
Utilities		0.2	—						

# Fidelity US Bond Index

Overall Morningstar Rtg™ **★★★** (1026)  
**Standard Index**  
 Barcap Agg

Incept 03-08-90 Type MF Total Assets \$10,794 mil Morningstar Cat Intermediate-Term Bond (MF)  
**Category Index**  
 Barcap 5-10Yr Gvt/Cred

Performance 12-31-2010					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2008	1.80	-0.91	-0.65	3.53	3.76
2009	0.74	1.76	3.66	0.17	6.45
2010	1.67	3.55	2.40	-1.40	6.29
Trailing Returns					
	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	6.29	5.49	5.24	5.58	7.02
Std 12-31-2010	6.29	—	5.24	5.58	7.02
Total Return	6.29	5.49	5.24	5.58	7.02
+/- Std Index	-0.25	-0.41	-0.56	-0.26	—
+/- Cat Index	-3.13	-1.49	-1.21	-1.11	—
% Rank Cat	77	58	56	40	—
No. in Cat	1164	1026	878	560	—
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 ten-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 redeemed, may be worth more or less than their original cost.

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### Fees and Expenses

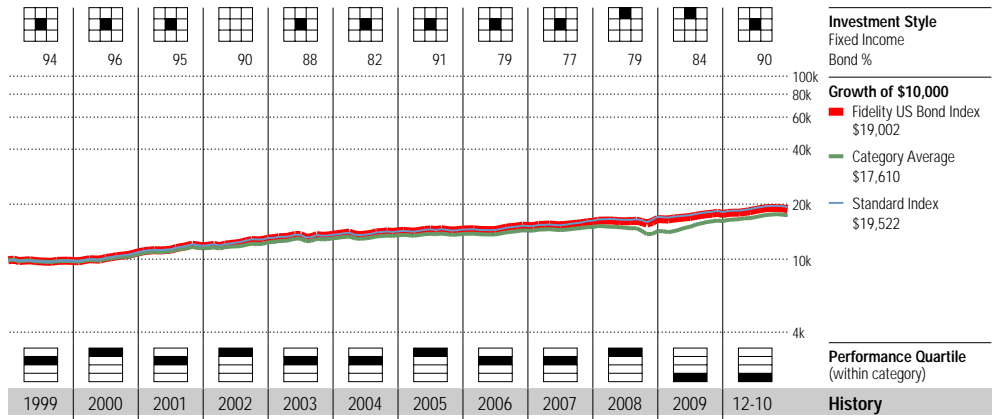
Sales Charges	
Front-End Load %	NA
Deferred Load %	NA
Fund Expenses	
Management Fees %	0.22
12b1 Expense %	NA
Prospectus Gross Exp Ratio %	0.36

### Risk and Return Profile

	3 Yr	5 Yr	10 Yr
	1026 funds	878 funds	560 funds
MorningstarRating™	3★	3★	3★
Morningstar Risk	-Avg	-Avg	-Avg
Morningstar Return	Avg	Avg	Avg
MPT Statistics			
	Standard Index	Best Fit Index Barcap Aggregate	
Alpha	-0.02	-0.02	
Beta	0.93	0.93	
R-Squared	98.00	98.00	
12-Month Yield	3.03%		
30-day SEC Yield	2.57		
Potential Cap Gains Exp	3.00% Assets		

### Operations

Family:	Fidelity Investments	Objective:	Growth and Income
Manager:	O'Neil/Hollingsworth	Ticker:	FBIDX
Tenure:	5.6 Years	Minimum Initial Purchase:	\$10,000



History	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	12-10
NAV	10.19	10.59	10.80	11.24	11.19	11.14	10.90	10.86	10.89	10.79	11.06	11.33
Total Return %	-0.95	11.42	8.08	10.22	4.91	4.36	2.26	4.35	5.37	3.76	6.45	6.29
+/- Standard Index	-0.13	-0.21	-0.36	-0.04	0.81	0.02	-0.17	0.02	-1.60	-1.48	0.52	-0.25
+/- Category Index	1.93	-1.02	-0.74	-2.81	-1.06	-0.94	0.43	0.54	-2.18	-1.30	-0.05	-3.13
% Rank Cat	38	16	36	11	38	32	25	30	45	17	88	77
No. of Funds in Cat	561	614	706	784	952	1035	1043	1092	1097	1135	1123	1164

### Portfolio Analysis 10-31-2010

Composition %	Long %	Short%	Net %	Share Chg since 09-30-2010	Share Amount	0 906 Total Fixed-Income Turnover Ratio	% Net Assets	
Cash	10.3	0.0	10.3					
U.S. Stocks	0.0	0.0	0.0	⊖	534 mil	Fannie Mae 4.5% 30 Year	4.63	
Non-U.S. Stocks	0.0	0.0	0.0	⊖	508 mil	Fannie Mae 5.5% 30 Year	4.52	
Bonds	89.7	0.0	89.7	⊖	412 mil	FNMA 5%	3.63	
Other	0.0	0.0	0.0	⊖	312 mil	FNMA 6%	2.82	
Total	100.0	0.0	100.0	⊖	321 mil	US Treasury Note 0.625%	2.66	
Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat				
Value Blend Growth	P/E Ratio TTM	—	—	—	⊖	214 mil	GNMA 5%	1.91
	P/C Ratio TTM	—	—	—	⊖	205 mil	US Treasury Note 2.625%	1.81
	P/B Ratio TTM	—	—	—	⊖	203 mil	GNMA 4.5%	1.79
	Geo Avg Mkt	—	—	—	⊖	141 mil	Fannie Mae 4% 30 Year	1.21
	Cap \$mil	—	—	—	⊖	137 mil	US Treasury Note 2.375%	1.20
					⊖	134 mil	Fannie Mae 4.5% 15 Year	1.17
					⊖	133 mil	FHLB 5%	1.17
					⊖	127 mil	Fannie Mae 6.5% 30 Year	1.17
					⊖	132 mil	Fannie Mae 4% 15 Year	1.14
					⊖	123 mil	US Treasury Note 2.625%	1.08

### Fixed-Income Style

Short Int	Long	Avg Eff Duration	3.50
		Avg Eff Maturity	5.50
		Avg Credit Quality	—
		Avg Wtd Coupon	4.25
		Avg Wtd Price	108.36

### Credit Analysis 08-31-2010

	Bond %
AAA	77.35
AA	3.27
A	7.98
BBB	7.54
BB	0.29
B	0.03
Below B	0.03
NR/NA	3.51

### Regional Exposure

	Stocks %	Rel Std Index
Americas	—	—
Greater Europe	—	—
Greater Asia	—	—

### Sector Weightings

	Stocks %	Rel Std Index
<b>Information Economy</b>	—	—
Software	—	—
Hardware	—	—
Media	—	—
Telecommunication	—	—
<b>Service Economy</b>	—	—
Healthcare Services	—	—
Consumer Services	—	—
Business Services	—	—
Financial Services	—	—
<b>Manufacturing Economy</b>	—	—
Consumer Goods	—	—
Industrial Goods	—	—
Energy	—	—
Utilities	—	—

# Lord Abbett Short Duration Income A LW

Overall Morningstar Rtg™ **★★★★★** (376)  
**Standard Index**  
 Barcap Agg

Incept 11-04-93 Type MF  
**Total Assets** —  
**Morningstar Cat** Short-Term Bond (MF)  
**Category Index**  
 Barcap 1-5 Gvt/Cred

Performance 12-31-2010					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2008	1.13	0.93	-1.59	-1.53	-1.09
2009	4.06	5.55	4.90	1.51	16.96
2010	2.24	1.08	2.60	0.33	6.38
Trailing Returns					
	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	6.38	7.16	6.17	4.86	4.77
Std 12-31-2010	6.38	—	6.17	4.86	4.77
Total Return	6.38	7.16	6.17	4.86	4.77
+/- Std Index	-0.16	1.26	0.37	-0.98	—
+/- Cat Index	2.30	2.55	1.11	-0.02	—
% Rank Cat	11	2	1	13	—
No. in Cat	432	376	322	185	—
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 ten-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 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 call 888-522-2388 or visit [www.lordabbett.com](http://www.lordabbett.com).

### Fees and Expenses

Sales Charges	
Front-End Load %	NA
Deferred Load %	NA
Fund Expenses	
Management Fees %	0.32
12b1 Expense %	0.20
Prospectus Gross Exp Ratio %	0.68

### Risk and Return Profile

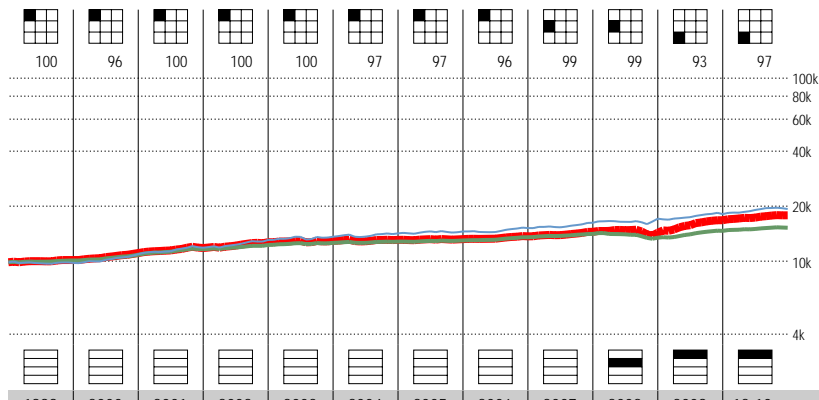
	3 Yr	5 Yr	10 Yr
Morningstar Rating™	5★	5★	4★
Morningstar Risk	+ Avg	+ Avg	+ Avg
Morningstar Return	High	High	+ Avg
	376 funds	322 funds	185 funds
Standard Deviation			
	4.70	3.75	3.21
Mean			
	7.16	6.17	4.86
Sharpe Ratio			
	1.35	0.97	0.78

MPT Statistics	Standard Index	Best Fit Index
Alpha	3.46	3.75
Beta	0.57	0.26
R-Squared	26.00	86.00

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

### Operations

Family:	Lord Abbett
Manager:	O'Brien/Lee
Tenure:	13.2 Years



History	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	12-10	NAV	Total Return %	+/- Standard Index	+/- Category Index	% Rank Cat	No. of Funds in Cat
NAV	4.33	4.40	4.44	4.58	4.49	4.41	4.29	4.27	4.34	4.09	4.54	4.60	4.60	6.38	-0.16	2.30	11	432
Total Return %	2.81	9.18	6.54	7.60	1.79	1.18	0.92	3.54	5.88	-1.09	16.96	6.38	6.38	11.03	-0.16	2.30	11	432
+/- Standard Index	3.63	-2.45	-1.90	-2.66	-2.31	-3.16	-1.51	-0.79	-1.09	-6.33	11.03	-0.16	-0.16	11.03	-0.16	2.30	11	432
+/- Category Index	0.72	0.25	-2.49	-0.52	-1.56	-0.67	-0.52	-0.68	-1.39	-6.22	12.34	2.30	2.30	12.34	2.30	2.30	11	432
% Rank Cat	—	—	—	—	—	—	—	—	—	41	4	11	11	41	4	11	11	432
No. of Funds in Cat	205	251	259	284	349	405	426	442	444	439	432	432	432	432	432	432	432	432

### Portfolio Analysis 09-30-2010

Composition %	Long %	Short %	Net %	Share Chg since 06-30-2010	Share Amount	Total Stocks	% Net Assets
Cash	2.6	0.4	2.2		666	163%	1.03
U.S. Stocks	0.0	0.0	0.0	*	100 mil	FNMA	1.03
Non-U.S. Stocks	0.0	0.0	0.0	*	100 mil	FHLMC	0.98
Bonds	96.9	0.0	96.8	+	84 mil	Teck Resources 10.25%	0.79
Other	1.0	0.0	1.0	-	78 mil	FHLMC CMO 3.398%	0.79
Total	100.4	0.4	100.0	+	66 mil	Anglo Amer Cap 144A 9.375%	0.74
				+	74 mil	Genl Elec Cap Corp Fdic Tlgp	0.72
				+	71 mil	FHLMC CMO 3.342%	0.72
				+	73 mil	Bk Of Amer Fdic Gtd Tlgp 2.1%	0.68
				+	66 mil	Societe De Financement De L E	0.66
				+	65 mil	FHLMC CMO 3.484%	0.65
				+	66 mil	Citigroup Fdg Inc Gtd Tlgp 1.	0.65
				+	58 mil	Bk Amer Fdg 7.375%	0.59
				+	55 mil	Wachovia Cbms 2005-C21 CMO	0.58
				*	57 mil	Gs Mtg Coml 2010-C1 CMO 3.679	0.56
				*	56 mil	Greenwich Cap Cbms 2007-Gg9 C	0.56

### Equity Style

Value Blend	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
Large	P/E Ratio TTM	—	—	—
Mid	P/C Ratio TTM	—	—	—
Small	P/B Ratio TTM	—	—	—
	Geo Avg Mkt	—	—	—
	Cap \$mil	—	—	—

### Fixed-Income Style

Short Int	Long	Avg Eff Duration	1.90
		Avg Eff Maturity	3.00
		Avg Credit Quality	—
		Avg Wtd Coupon	5.48
		Avg Wtd Price	106.28

### Credit Analysis 09-30-2010

	Bond %
AAA	53.90
AA	3.00
A	5.90
BBB	16.60
BB	9.70
B	9.00
Below B	1.80
NR/NA	0.10

### Regional Exposure

	Stocks %	Rel Std Index
Americas	—	—
Greater Europe	—	—
Greater Asia	—	—

### Sector Weightings

	Stocks %	Rel Std Index
<b>Information Economy</b>	—	—
Software	—	—
Hardware	—	—
Media	—	—
Telecommunication	—	—
<b>Service Economy</b>	—	—
Healthcare Services	—	—
Consumer Services	—	—
Business Services	—	—
Financial Services	—	—
<b>Manufacturing Economy</b>	—	—
Consumer Goods	—	—
Industrial Goods	—	—
Energy	—	—
Utilities	—	—

# SPDR Gold Shares

Overall Morningstar Rtg™  
★★★★★

Prem/Discount  
0.77

Mkt Price  
138.72

Morningstar Cat  
Commodities Prcs Metals (MF)

Performance 12-31-2010					
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2008	9.64	1.09	-6.93	1.70	4.92
2009	4.35	1.00	8.41	8.56	24.03
2010	1.53	11.68	5.12	8.45	29.27
Trailing Returns					
	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Std Mkt 12-31-2010	29.27	—	21.88	—	20.48
Std NAV 12-31-2010	27.25	—	21.94	—	20.41
Mkt Total Ret	29.27	18.93	21.88	—	20.48
NAV Total Ret	27.25	18.55	21.94	—	20.41
+/- Mstar Lng	3.63	19.60	16.98	—	—
+/- DJ UBS Pr	-15.41	-2.38	-1.20	—	—
% Rank Cat	—	—	—	—	—
No. in Cat	—	—	—	—	—

### Performance Disclosure

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### Fees and Expenses

#### Sales Charges

Front-End Load % **NA**

Deferred Load % **NA**

#### Fund Expenses

Management Fees % 0.40

12b1 Expense % **NA**

Expense Ratio % **0.40**

### Risk and Return Profile

	3 Yr	5 Yr	10 Yr
MorningstarRating™	5★	—	—
Morningstar Risk	Low	—	—
Morningstar Return	High	—	—

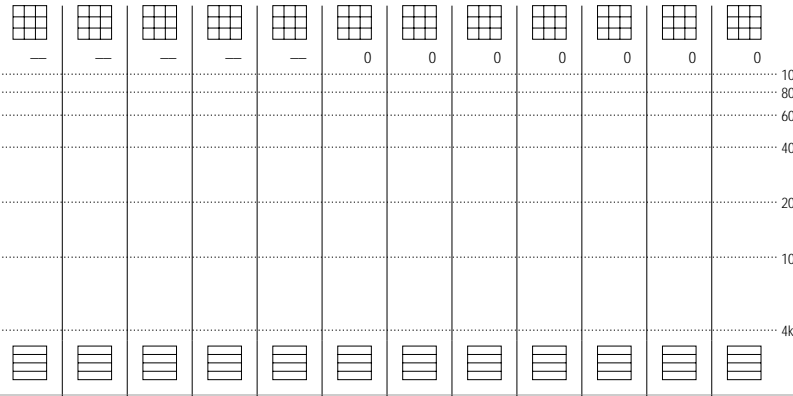
	3 Yr	5 Yr	10 Yr
Standard Deviation	21.31	19.32	—
Mean	18.55	21.94	—
Sharpe Ratio	0.90	1.01	—

MPT Statistics	Standard Index	Best Fit Index
	Mstar Lng-Only Commdt	DJ UBS Prcs Metals TR USD
Alpha	18.27	1.00
Beta	0.34	0.82
R-Squared	17.00	92.00

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

### Operations

Family:	State Street Global Advisors	Ticker:	GLD
Manager:	Management Team	Exchange:	ARCA
Tenure:	6.1 Years	Incept:	11-18-04
Total Assets	\$58,049 mil	NAV:	137.66



Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	12-10	History
Mkt Total Ret %	—	—	—	—	—	—	17.76	21.95	31.10	4.92	24.03	29.27	Mkt Total Ret %
NAV Total Ret %	—	—	—	—	—	—	16.65	23.44	31.07	2.99	27.12	27.25	NAV Total Ret %
+/- Mstar Lng	—	—	—	—	—	—	-8.89	23.67	-0.69	36.76	8.80	3.63	+/- Mstar Lng
+/- DJ UBS Pr	—	—	—	—	—	—	-3.79	-3.67	5.11	7.05	-2.08	-15.41	+/- DJ UBS Pr
% Rank Cat	—	—	—	—	—	—	—	—	—	—	—	—	% Rank Cat
No. of Funds in Cat	—	—	—	—	—	—	—	—	—	—	—	—	No. of Funds in Cat
Avg Prem/Discount %	—	—	—	—	—	-0.21	-0.04	0.52	0.01	-0.25	0.23	0.77	Avg Prem/Discount %

### Portfolio Analysis 12-31-2010

Composition %	Long %	Short%	Net %	Share Chg since 12-30-2010	Share Amount	0 Total Stocks	0 Total Fixed-Income	0 Turnover Ratio	% Net Assets
Cash	0.0	0.0	0.0						
U.S. Stocks	0.0	0.0	0.0						
Non-U.S. Stocks	0.0	0.0	0.0						
Bonds	0.0	0.0	0.0						
Other	100.0	0.0	100.0						
Total	100.0	0.0	100.0						

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
Value Blend Growth				
P/E Ratio TTM	—	—	—	—
P/C Ratio TTM	—	—	—	—
P/B Ratio TTM	—	—	—	—
Geo Avg Mkt	—	—	—	—
Cap \$mil	—	—	—	—

Fixed-Income Style	Short Int	Long	High	Med	Low
Avg Eff Duration	—	—	—	—	—
Avg Eff Maturity	—	—	—	—	—
Avg Credit Quality	—	—	—	—	—
Avg Wtd Coupon	—	—	—	—	—
Avg Wtd Price	—	—	—	—	—

Credit Analysis 12-31-2010	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR/NA	—

Regional Exposure	Stocks %	Rel Mstar Lng
Americas	—	—
Greater Europe	—	—
Greater Asia	—	—

Sector Weightings	Stocks %	Rel Mstar Lng
<b>Information Economy</b>	—	—
Software	—	—
Hardware	—	—
Media	—	—
Telecommunication	—	—
<b>Service Economy</b>	—	—
Healthcare Services	—	—
Consumer Services	—	—
Business Services	—	—
Financial Services	—	—
<b>Manufacturing Economy</b>	—	—
Consumer Goods	—	—
Industrial Goods	—	—
Energy	—	—
Utilities	—	—

## Disclosure for Standardized and Tax Adjusted Returns

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>

An investment in a money market fund is not insured or guaranteed by the FDIC 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 markets seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the fund.

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.

Annualized returns 12-31-2010										
Standardized Returns (%)	7-day Yield	1Yr	5Yr	10Yr	Since Inception	Inception Date	Max Front Load %	Max Back Load %	Net Exp Ratio %	Gross Exp Ratio %
DFA Emerging Markets Value I	--	22.06	16.78	21.13	16.67	04-01-98	NA	NA	0.62	0.62
DFA US Large Cap Value I	--	20.17	1.60	5.30	9.26	02-19-93	NA	NA	0.30	0.30
FAM Value Inv	--	17.02	1.93	6.33	10.25	01-02-87	NA	NA	1.28	1.28
Fidelity Advisor New Insights I	--	16.34	4.71	--	10.66	07-31-03	NA	NA	0.96	0.96
Fidelity International Discovery	--	11.00	3.52	6.00	8.27	12-31-86	NA	NA	1.05	1.05
Fidelity Low-Priced Stock	--	20.70	5.41	11.21	14.48	12-27-89	NA	NA	0.99	0.99
Fidelity Strategic Income	--	9.92	7.92	8.61	7.52	05-01-98	NA	NA	0.74	0.74
Fidelity US Bond Index	--	6.29	5.24	5.58	7.02	03-08-90	NA	NA	0.32 <sup>1</sup>	0.36
Lord Abbett Short Duration Income A LW	--	6.38	6.17	4.86	4.77	11-04-93	NA	NA	0.68	0.68
Energy Select Sector SPDR-NAV	--	21.72	7.88	9.17	10.97	12-16-98	NA	NA	0.21	0.21
Energy Select Sector SPDR-Market	--	21.81	7.89	9.21	11.11	12-16-98	NA	NA	0.21	0.21
SPDR Gold Shares-NAV	--	27.25	21.94	--	20.41	11-18-04	NA	NA	0.40	0.40
SPDR Gold Shares-Market	--	29.27	21.88	--	20.48	11-18-04	NA	NA	0.40	0.40
<b>Standard &amp; Poor's 500</b>	--	<b>15.06</b>	<b>2.29</b>	<b>1.41</b>	--	--				
<b>BarCap's Agg Bond Index</b>	--	<b>6.54</b>	<b>5.80</b>	<b>5.84</b>	--	--				
<b>MSCI EAFE Index Ndrd_D</b>	--	<b>7.75</b>	<b>2.46</b>	<b>3.50</b>	--	--				
<b>3 Month T-Bill</b>	--	<b>0.14</b>	<b>2.31</b>	<b>2.27</b>	--	--				

1. Contractual waiver that may expire at any time.

Returns after Taxes (%)	on Distribution					on Distribution and Sales of Shares			
	1Yr	5Yr	10Yr	Since Inception	Inception Date	1Yr	5Yr	10Yr	Since Inception
DFA Emerging Markets Value I	20.54	15.02	19.60	15.08	04-01-98	15.17	13.84	18.41	14.21
DFA US Large Cap Value I	19.39	0.75	4.36	7.80	02-19-93	13.05	0.97	4.13	7.49
FAM Value Inv	16.72	1.32	5.73	9.37	01-02-87	11.37	1.48	5.37	9.00
Fidelity Advisor New Insights I	16.16	4.47	--	10.47	07-31-03	10.61	3.96	--	9.35
Fidelity International Discovery	10.25	2.81	5.43	7.39	12-31-86	7.14	2.73	5.00	7.03
Fidelity Low-Priced Stock	20.51	4.24	10.07	12.46	12-27-89	13.45	4.36	9.60	12.11
Fidelity Strategic Income	7.53	5.63	6.27	5.09	05-01-98	6.61	5.44	6.04	4.97
Fidelity US Bond Index	5.06	3.68	3.85	4.67	03-08-90	4.22	3.57	3.76	4.61
Lord Abbett Short Duration Income A LW	4.59	4.48	3.26	2.85	11-04-93	4.13	4.28	3.19	2.86
Energy Select Sector SPDR-NAV	20.99	7.32	8.55	--	12-16-98	14.04	6.47	7.71	--
SPDR Gold Shares-NAV	27.25	21.94	--	--	11-18-04	17.71	19.54	--	--

# Hypothetical Report Disclosure Statement

## General

This is an illustration of a simulated investment and assumes the portfolio holding(s) were purchased on the first day of the period indicated. Sales and tax charges, including those required in the event of transfers between assets, are taken into account at the rates shown and may be higher or lower than what an investor would have actually paid had the investments been purchased then or now. The performance data represents past performance and is not indicative of future results. Principal value and investment returns will fluctuate, and an investor's shares/units when redeemed may be worth more or less than the original investment.

The underlying holdings of the portfolio are not federally or FDIC-insured and are not deposits or obligations of, or guaranteed by, any financial institution. Investment in securities involve investment risks including possible loss of principal and fluctuation in value.

The investment returns do not reflect active trading and do not necessarily reflect the results that might have been achieved by active management of the account. The investment returns of other clients of the adviser may differ materially from the investment portrayed.

The information contained in this report is from the most recent information available to Morningstar as of the release date, and may or may not be an accurate reflection of the current composition of the securities included in the portfolio. There is no assurance that the weightings, composition and ratios will remain the same.

## Pre-inception Returns

The analysis in this report may be based, in part, on adjusted historical returns for periods prior to the funds 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 reports Charges and Fees section. When pre-inception data are presented in the report, the header at the top of the report will indicate this.

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

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.

The investment returns do not necessarily reflect the deduction of all investment advisory fees. Client investment returns may be reduced if additional fees are incurred.

Performance for closed-end and exchange-traded funds is calculated based on the fund's end of the day market prices as reported by the New York Stock Exchange. Separate account performance is based on the mean experience of an investor in the account.

This illustration may reflect the results of systematic investments and/or withdrawals. Systematic investment does not ensure a profit, nor does it protect the investor against a loss in a declining market. Also, systematic investing will not keep an investor from losing money if shares are sold when the market is down.

## Investment Summary Graph

The investment summary graph plots the approximate market value of the security or portfolio over the investing horizon. It may also include the total investment assumed in the illustration and/or a benchmark. Total investment includes dollar inflows and outflows, including inflows representing noted taxes and annual fees paid out of pocket. If a benchmark index is included on a graph, it assumes a similar pattern of investment/withdrawal as for the security or portfolio. Taxes and transaction costs are not applied to the benchmark index. Note that direct investment in an index is not possible. Indexes are unmanaged portfolios representing different asset classes, with varying levels of associated risk. The benchmark index included in the graph may or may not represent an appropriate or accurate comparison with the security or portfolio illustrated.

## Standardized Returns

For ETFs, the standardized returns reflect performance, both at market price and NAV price, without adjusting for the effects of taxation or brokers commissions. These returns are adjusted to reflect all ongoing ETF expenses and assume reinvestment of dividends and capital gains. If adjusted, the effects of taxation would reduce the performance quoted.

For HOLDERS, the standardized returns reflect performance at market price, without adjusting for the effects of taxation or brokers commissions. These returns are adjusted to reflect all ongoing expenses and assume reinvestment of dividends and capital gains. If adjusted, the effects of taxation would reduce the performance quoted.

For money market mutual funds, standardized return is total return adjusted for sales charges and reflects all ongoing fund expenses. Current 7-day yield more closely reflects the current earnings of the money market fund than the total return quotation.

For mutual funds, standardized return is total return adjusted for sales charges and reflects all ongoing fund expenses. Following this disclosure statement, standardized returns for each portfolio holding are shown.

For VA subaccounts, standardized return is total return based on its inception date within the separate account and is adjusted to reflect recurring and non-recurring charges such as surrender fees, contract charges, maximum front-end load, maximum deferred load, maximum M&E risk charge, administration fees, and actual ongoing fund-level expenses.

For VL subaccounts, standardized return is total return based on its inception date within the separate account and is adjusted to reflect recurring and non-recurring charges such as surrender fees, contract charges, maximum front-end load, maximum deferred load, maximum M&E risk charge, administration fees, and actual ongoing fund-level expenses. For VLS, additional fees specific to a VL policy such as transfer fees and cost of insurance fees, which are based on specific characteristics on an individual, are not included. If VL fees were included in the return calculations, the performance would have been significantly lower. An investor should contact their financial advisor and ask for a personalized performance illustration, either hypothetical or historical, which reflects all applicable fees and charges including the cost of insurance. Please review the prospectus and SAI for more detailed information.

## Investment Risk

**Market Price Risk:** The market price of ETFs and closed-end funds traded on the secondary market is subject to the forces of supply and demand and thus independent of the CE/ETFs NAV. This can result in the market price trading at a premium or discount to the NAV, which will affect the investment value.

## Hypothetical Report Disclosure Statement (Continued)

**Market Risk:** The market prices of closed-end funds, ETFs, and HOLDERS can fluctuate as the result of several factors, such as security-specific factors or general investor sentiment. Therefore, investors should be aware of the prospect of market fluctuations and the impact they may have on the market price.

**Non-Diversified Funds/Subaccounts:** Investing most of their assets in a small number of issuers involves additional risks, including share price fluctuations, because of the increased concentration of investments.

**Tax-Free Municipal Bond Funds/Subaccounts:** The income from tax-free municipal bond funds may be subject to state and local taxation and the Alternative Minimum Tax.

**High-Yield Bond Funds/Subaccounts:** Investing in lower-rated debt securities (commonly referred to as junk bonds) involves 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.

**Sector Funds/Subaccounts:** Investing exclusively in one sector or industry involves additional risks. The lack of industry diversification subjects the investor to increased industry-specific risks.

**Small Company Stock Funds/Subaccounts:** Investing in stocks of small companies involves 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.

**Foreign Securities Funds/Subaccounts:** Investing in foreign securities involves special additional risks. These risks include, but are not limited to, currency risk, political risk, and risk associated with varying accounting standards.

**Emerging Market Funds/Subaccounts:** Investing in foreign securities involves 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.

**Mid Cap Funds/Subaccounts:** Investing in companies with smaller market capitalizations involves additional risks. The securities of these companies may be more volatile and less liquid than the securities of larger companies.

**HOLDERS:** The investor should note that these are narrow industry focused products that, if the industry is hit by hard times, will lack diversification and possible loss of investment would be likely. These securities can trade at a discount to market price, ownership is of a fractional share interest, the underlying investments may not be representative of the particular industry, the HOLDR might be delisted from the AMEX if the number of underlying companies drops below nine, and the investor may experience trading halts.

### Definitions of Report Terms

**Annual Fee Paid:** Your advisor was able to specify whether annual fees, if any, should be assumed paid out of pocket or from selling shares of securities held in the illustration.

**Average Annualized Return:** Average annualized money-weighted return (internal rate of return). In illustrations with time periods less than one year, this figure is not annualized.

**Capital Gains (Individual Report):** Percentage of the total market value of the holding that is attributable to the reinvestment of capital gains distributions.

**Charges & Fees (Investment Detail):** The sum of fees charged to the investor during the period, including front- or deferred loads, VA charges, and annual fees.

**Cumulative Return:** The total money-weighted return of the investment over the entire time period of the illustration.

**Distribution/Withdrawl:** The sum of distributions not reinvested, plus any cash withdrawals during the period.

**Income (Individual Report):** The percentage of the total market value of the holding that is attributable to the reinvestment of income or dividend distributions.

**Liquidate:** Indicates whether the advisor chose to liquidate the holding on the end date.

**Median (Comparison Report):** The total money-weighted return (internal rate of return) of the median security in the illustration for the calendar year indicated.

**New investment:** Any new cash invested during the period.

**Principal (Individual Reports):** The percentage of the total market value of the holding that is attributable to new investment.

**Rebalance (Planning Assumptions):** Indicates whether rebalancing is used, and its frequency. "No" indicates no rebalancing. Options for rebalancing frequency are monthly, quarterly, semi-annually, and annually.

**Rebalance (Investment Assumptions):** Percentage of total asset allocation to be maintained in this holding through rebalancing.

**Securities Returns (Comparison Report):** The total money-weighted return (internal rate of return) for the holding in the calendar year indicated, taking into account cash flows, charges, and fees.

**Subsequent Invest/Withdrawl:** The amount, type, and frequency of subsequent investments or withdrawals from the holding. Withdrawals are represented by a negative number. Systematic investments and withdrawals may be made monthly, quarterly, semi-annually, or annually. If "Custom," a custom schedule of investments or withdrawals was used.

**Taxes Due:** The total amount of taxes due from the investor, determined by applying specified tax rates to distributions and sale of shares during each calendar year.

**Taxes Paid:** Your advisor was able to specify whether taxes, if any, should be assumed paid out of pocket or from selling shares of securities held in the illustration.



## Hypothetical Report Disclosure Statement (Continued)

*Net Dollars Invested:* The total out-of-pocket expense for the investor. Includes new investment and annual fees and taxes due that are paid out of pocket.

*Total Reinvest:* The sum of distributions reinvested during the period.

*Total Return %:* The total money-weighted return (internal rate of return) on investments for the period.

# Mutual Fund Detail Report Disclosure Statement

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. Portfolio information is based on the most recent information available to Morningstar.

Morningstar Associates, LLC, a registered investment advisor and wholly owned subsidiary of Morningstar, Inc., provides various institutional investment consulting services, including asset allocation advice to investment advisors who have or will be creating a fund-of-fund/asset allocation product. However, despite the fact that such a relationship may exist, the information displayed for those products will not be influenced as they are objective measures and/or derived by quantitative driven formulas (i.e., Morningstar Rating). For more information on these Morningstar relationships, please visit the Release Notes section of this product.

Morningstar is not a FINRA-member firm.

## 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

The Morningstar Rating is calculated for funds with at least a three-year history. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's 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. The Overall Morningstar Rating for a mutual fund is derived from a weighted average of the performance figures associated with its three-, five- and 10-year (if applicable) Morningstar Rating metrics.

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.

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

### Portfolio Analysis

The Morningstar Style Box reveals a fund's investment strategy. For equity funds the vertical axis shows the market capitalization of the 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).

### Composition

The weighting of the portfolio in various asset classes, including "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.

### Equity Portfolio Statistics

The referenced data elements below are a weighted average of the 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 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.

# ETF Detail Report

## Disclosure Statement

The Exchange-traded Fund (ETF) Detail report is supplemental sales literature, and therefore must be preceded or accompanied by the fund's current prospectus or an equivalent statement. Please read this information carefully. In all cases, this disclosure statement should accompany the ETF Detail Report. Morningstar is not itself a FINRA-member firm. All data presented is based on the most recent information available to Morningstar.

ETF's trading on a secondary market may trade at, above, or below their net asset value ("NAV"). If an ETF's shares trade at a price above their NAV they are said to be trading at a "premium." Conversely, if they are trading at a price below their NAV, they are said to be trading at a "discount."

A holding company depository receipt (HOLDR) is similar to an ETF, but they focus on narrow industry groups and initially own 20 stocks which are unmanaged, and can become more concentrated due to mergers, or the disparate performance of their holdings. HOLDRs can only be bought in 100-share increments. Investors may exchange shares of a HOLDR for its underlying stocks at any time.

The market price noted on the Detail Report is the price of the ETF as of the close of trading on the last business day at month-end. This date is listed at the top of the Detail Report.

### 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 sold may be worth more or less than the original investment. Portfolio statistics change over time. ETFs and HOLDRs are not FDIC-insured, may lose value, and are not guaranteed by a bank or other financial institution.

For ETFs standardized total return is reflected as of month- and quarter-end time periods. It depicts performance without adjusting for brokerage commissions and the effects of taxation, but is adjusted to reflect all actual ongoing ETF fund expenses and assumes reinvestment of dividends and capital gains. If adjusted, the effects of brokerage commissions and taxation would reduce the performance quoted.

For HOLDRs, the standardized total return reflects performance at market price, without adjusting for the effects of taxation or brokers commissions. These returns are adjusted to reflect all ongoing expenses and assume reinvestment of dividends and capital gains. If adjusted, the effects of taxation would reduce the performance quoted.

The 12-month yield is derived by summing the trailing 12-month's income distributions and dividing the sum by the last month's ending NAV, plus any capital gains distributed over the same period. Income refers only to interest payments from fixed-income securities and dividend payoffs from common stocks.

### Growth of \$10,000

The graph compares the growth of \$10,000 invested in an ETF with that of an index and the average for all funds in its Morningstar Category. The NAV total returns are not adjusted to reflect the effects of taxation, but they are adjusted to reflect actual ongoing fund expenses and assume reinvestment of dividends and capital gains. If adjusted, effect of taxation would reduce the performance quoted. Please note, while the investor obtaining an ETF through the secondary market does not obtain it at NAV, the purpose in presenting this graph based on NAV is to provide an illustration of the historical performance of the ETF strategy. In no way should this performance be considered indicative of or a guarantee of the future performance of this ETF nor should it be viewed as a substitute for an actual investor experience.

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.

### Risk and Return Profile

The Morningstar Rating is calculated for ETFs with at least a three-year history, relative to open-end mutual funds in the same category. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in 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. The Overall Morningstar Rating for an open-end mutual fund is derived from a weighted average of the performance figures associated with its three-, five- and 10-year (if applicable) Morningstar Rating metrics. Morningstar then compares each ETF's risk-adjusted return to the open-end rating breakpoints for that category. The overall rating for an ETF is based on a weighted average of the time-period ratings.

Morningstar Return rates an ETF'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. Morningstar will use returns based on NAVs for the ETF rating. This approach captures the manager's performance independent of market sentiment or stale prices. For ETFs, a 0.2% front load and a 0.2% deferred load is used in the rating methodology to represent the estimated commission. 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 fund. ETFs with less than three years of performance history are not rated.

Morningstar Risk evaluates an ETFs 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 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 fund. ETFs with less than three years of performance history are not rated.

## Risk Measures

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

Standard deviation is a statistical measure of the volatility of the ETF NAV returns.

Mean represents the annualized geometric NAV 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 an ETF's NAV 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 an ETF'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 an ETF's movements that are explained by movements in its benchmark index, showing the degree of correlation between the ETF and the benchmark. This figure is also helpful in assessing how likely it is that alpha and beta are statistically significant.

## Portfolio Analysis

The Morningstar Style Box reveals an ETF's investment strategy. For equity ETFs, the vertical axis shows the market capitalization of the stocks owned and the horizontal axis shows investment style (value, blend, or growth). For fixed-income ETFs, 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).

## Composition

The weighting of the portfolio in various asset classes, including "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.

## Equity Portfolio Statistics

The referenced data elements below are a weighted average of the 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 gives you 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 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.

### Investment Risk

**High-Yield Bond ETFs:** The investor should note that ETFs with underlying holdings in lower-rated debt securities (commonly referred to 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.

**HOLDERS:** The investor should note that these are narrow industry focused products that, if the industry is hit by hard times, will lack diversification and possible loss of investment would be likely. These securities can trade at a discount to market price, ownership is of a fractional share interest, the underlying investments may not be representative of the particular industry, the HOLDER might be delisted from the AMEX if the number of underlying companies drops below nine, and the investor may experience trading halts.

**International/Emerging Market ETFs:** The investor should note that ETFs with underlying holdings 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.

**Liquidity Risk:** The risk that the trading of an ETF may be halted due to such things as market conditions.

**Market Price Risk:** The market price of ETFs/HOLDERS traded on the secondary market is subject to the forces of supply and demand and thus independent of the ETF's/HOLDER's NAV. This can result in the market price trading at a premium or discount to the NAV which will affect an investors value.

**Market Risk:** The market prices of ETFs/HOLDERS can fluctuate due to the result of several factors such as security-specific factors or general investor sentiment. Therefore, investors should be aware of the prospect of market fluctuations and the impact they may have on the market price.

**Mid Cap ETFs:** The investor should note that ETFs with underlying holdings in companies with smaller market capitalizations involve additional risks. The securities of these companies may be more volatile and less liquid than the securities of larger companies.

**Sector ETFs:** The investor should note that ETFs with underlying holdings exclusively in one sector or industry involve additional risks. The lack of industry diversification subjects the investor to increased industry-specific risks.

**Small Cap ETFs:** The investor should note that ETFs with underlying holdings 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.

### Index Definitions

**Barclays Aggregate Bond Index:** composed of the Barclays Govt/Credit Index, the Mortgage-backed Securities Index, and the Asset-backed Securities Index.

**MSCI EAFE Index Ndtr\_D:** Listed for foreign stock funds (EAFE refers to

Europe, Australasia and Far East). Widely accepted as a benchmark for international stock performance, the EAFE Index is an aggregate of 21 individual country indexes that collectively represent many of the major markets of the world.

**Standard & Poor's 500:** A market capitalization-weighted index of 500 widely held stocks often used as a proxy for the stock market.

**Russell 1000:** Consists of the 1000 largest companies within the Russell 3000 index. Also known as the Market-oriented Index, because it represents the group of stocks from which most active money managers choose. The returns for the index are total returns, which include reinvestment of dividends.

**Russell 2000:** Consists of the smallest 2000 companies in the Russell 3000 Index, representing approximately 7% of the Russell 3000 total market capitalization. The returns published for the index are total returns, which include reinvestment of dividends.

## Benchmark Disclosure

### Barcap 1-5 Yr Govt/Credit

Represents a combination of the Government and Corporate Bond indices for bonds with maturities between one and five years. The returns we publish for the index are total returns, which include reinvestment of dividends.

### Barcap 5-10 Yr Govt/Credit

Represents a combination of the Government and Corporate Bond indices for bonds with maturities between 5 and 10 years. Includes both corporate (publicly-issued, fixed-rate, nonconvertible, investment grade, dollar-denominated, SEC-registered, corporate dept.) and government (Treasury Bond index, Agency Bond index, and Government index) indices. The returns we publish for the index are total returns, which include reinvestment of dividends.

### Barcap Aggregate Bond TR

Govt/Credit Index, the Mortgage-Backed Securities Index, and the Asset-Backed Securities Index.

### Barcap US Universal Bond

Barcap U.S. Universal Bond Index: The U.S. Universal Index mirrors the increasingly popular Core Plus choice set used by many U.S.-dollar investors. It is the union of the U.S. Aggregate Index, the U.S. High Yield Corporate Index, the 144A Index, the Eurodollar Index, the Emerging Markets Index, the non-ERISA portion of the CMBS Index, and the CMBS High Yield Index. Municipal debt, private placements, and non-dollar-denominated issues are excluded from the Universal Index.

### DJ UBS Precious Metals TR USD

### ML US High Yield Master II

### Morningstar Lng-Only Commdty TR

The Morningstar Long-Only Commodity Index is a fully collateralized commodity futures index that is long all in eligible commodities. This index provides investors with a means of understanding the performance of the commodity futures markets and serves as a benchmark for investment performance of commodities as an asset class.

### Morningstar Mid Core TR

The Morningstar Mid Core Index measures the performance of mid-cap stocks where neither growth nor value characteristics predominate.

### Morningstar Small Cap TR

The Morningstar Small Cap Index tracks the performance of U.S. small-cap stocks that fall between 90th and 97th percentile in market capitalization of the investable universe. In aggregate, the Small Cap Index represents 7 percent of the investable universe.

### Morningstar US Growth TR

The Morningstar US Growth Index tracks the performance of stocks that are expected to grow at a faster pace than the rest of the market as measured by forward earnings, historical earnings, book value, cash flow and sales.

### MSCI AC World Ex USA NR USD

### MSCI EAFE NR USD

This Europe, Australasia, and Far East index is a market-capitalization-weighted index of 21 non-U.S., industrialized country indexes.

### MSCI EM NR USD

### MSCI World Ex US NR USD

This index measures the performance of the stock market in 21 non-U.S. industrialized countries.

### Russell 1000 Growth TR

Tracks the companies within the Russell 1000 with higher price-to-book ratios and higher forecasted growth values.

### Russell 1000 Value TR

Tracks the companies within the Russell 1000 with lower price-to-book ratios and lower forecasted growth values.

### S&P 1500 Energy TR

### S&P 500 TR

A market capitalization-weighted index of 500 widely held stocks often used as a proxy for the stock market.

### S&P Midcap 400 TR

This index is comprised of stocks in the middle-capitalization range, and includes approximately 10% of the capitalization of U.S. equity securities.