

State Street Emerging Markets Index Ret Acct

Transamerica Asset Classification
International Stocks
Emerging Market Stocks

Benchmark
MSCI EM NR USD

Overall Morningstar Rating™
★★★

Morningstar Return
Average

Morningstar Risk
Average

Rated against 734 Diversified Emerging Mkts funds. **An investment's overall Morningstar Rating, based on its risk-adjusted return, is a weighted average of its applicable 3-, 5-, and 10-year Ratings. See disclosure for details.**

Investment Information

The State Street Emerging Markets Index Ret Acct is a Separate Account Sub-Account maintained by TFLIC and invests exclusively in the State Street Emerging Markets Index Ret Opt, a Transamerica Life Insurance Company (TLIC) Separate Account. The TLIC Separate Account invests in the State Street Emerging Markets Index NL Class A, a State Street Global Advisors bank commingled fund (Fund). Prior to 01-01-2016, the underlying commingled fund was named the SSgA Emerging Markets Index Non-Lending Series Fund Class A.

Investment Objective & Strategy

The State Street Emerging Markets Index Fund (the "Fund") seeks an investment return that approximates as closely as practicable, before expenses, the performance of the MSCI Emerging Markets Index (the "Index") over the long term.

Operations

Redemption Fee/Term	—
Expense Ratio	Type 3*: 0.99% of fund assets
Underlying Incept Date	08-29-03
Underlying Initial Share Class Incept Date	—
Separate Account Incept	08-30-06
Closed to New Investors	—
Trading Restrictions	—

*See Disclosure Page under "Charges, Fees and Expenses" for more details.

Portfolio Manager(s)

Management Team. Since 1999.

Advisor State Street Global Advisors
Subadvisor —

Hypothetical Growth of \$10,000 start date 12-31-11	06-30-22
Investment Choice	\$12,605
Benchmark	\$14,055

Notes

Effective 03-31-16, the SSgA Emerging Markets Index Ret Acct changed its name to the State Street Emerging Markets Index Ret Acct. Effective 09-30-11, the SSgA MSCI Emerging Markets Index Ret Acct changed its name to the SSgA Emerging Markets Index Ret Acct. This Separate Account invests in the State Street Emerging Markets Index Ret Opt, a TLIC Separate Account. The historical performance prior to the TLIC Separate Account portfolio inception date is calculated utilizing actual past performance for the underlying bank commingled fund and adjusted for the Separate Account Maintenance (SAM) and Administrative (Admin) Charges. The TLIC Separate Account historical return prior to 08-31-03 is calculated based on the performance of the State Street Global Advisors' Daily Emerging Markets Index base fund and is adjusted for the SAM and Admin Charges.

Principal Risks

Hedging Strategies, Lending, Currency, Emerging Markets, Foreign Securities, Loss of Money, Country or Region, Capitalization, Index Correlation/Tracking Error, Market/Market Volatility, Equity Securities, Restricted/Illiquid Securities,

Performance

	Investment Choice Annual Returns as of year-end			Trailing Returns as of 06-30-22			
	Total Ret %	Bmark %	Fund Rank %	Total Ret %	Bmark %	Fund Rank %	
2015	-16.00	-14.92	67	YTD	-17.99	-17.63	44
2016	10.28	11.19	38	3 Mo	-10.71	-11.45	27
2017	36.01	37.28	43	1 Yr	-26.01	-25.28	53
2018	-15.55	-14.58	47	3Yr Avg	-0.44	0.57	65
2019	17.11	18.44	67	5Yr Avg	1.16	2.18	65
2020	17.21	18.31	48	10Yr Avg	1.97	3.06	73
2021	-3.56	-2.54	72	Since Incep	—	—	—

Morningstar Proprietary Statistics

	1-Year	3-Year	5-Year	10-Year
Morningstar Rating™	—	★★★	★★★	★★
Fund Rank Percentile	53	65	65	73
Out of # of Investments	817	734	635	364

Performance Disclosure: The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value will fluctuate. Upon redemption, units may be worth more or less than their original cost. Current performance may be lower or higher than return data quoted herein. Go to www.TA-Retirement.com to obtain performance current to the most recent month-end. See performance section of the disclosure page for more important information.

Investment choices are available from Transamerica Financial Life Insurance Company (TFLIC or Transamerica) under contract form # TA-AP-2001-CONT or TA-PC-2000-CONT, group variable annuity contracts underwritten by TFLIC. TFLIC is not authorized and does not do business in the following jurisdictions: Guam, Puerto Rico, and the U.S. Virgin Islands. Contract fees and charges may apply. For complete information, contact your Transamerica representative.

NOT FDIC INSURED. MAY LOSE VALUE. NO BANK GUARANTEE.

Underlying Portfolio Analysis

Composition as of 06-30-22	% Assets	Top 10 Holdings as of 06-30-22	% Assets
U.S. Stocks	0.2	Taiwan Semiconductor Manufacturing Co Ltd	5.61
Non U.S. Stocks	96.1	Tencent Holdings Ltd	4.04
Bonds	0.5	Future on MSCI Emerging Market	3.62
Cash	3.2	Alibaba Group Holding Ltd Ordinary Shares	3.06
Other	0.0	Samsung Electronics Co Ltd	3.00
		Meituan Class B	1.45
		Reliance Industries Ltd	1.42
		China Construction Bank Corp Class H	0.93
		JD.com Inc Ordinary Shares - Class A	0.93
		Infosys Ltd	0.88
		Total Number of Stock Holdings	1430
		Total Number of Bond Holdings	1
		Annual Turnover Ratio %	0.71

Morningstar Style Box™ as of 06-30-22

	% Mkt Cap
Giant	56.43
Large	33.41
Medium	9.84
Small	0.32
Micro	0.00

Morningstar World Regions as of 06-30-22

	% Fund
Americas	8.13
North America	0.24
Latin America	7.89
Greater Europe	13.13
United Kingdom	0.00
Europe Developed	0.94
Europe Emerging	1.19
Africa/Middle East	10.99
Greater Asia	78.74
Japan	0.00
Australasia	0.00
Asia Developed	26.63
Asia Emerging	52.11

Equity Statistics as of 06-30-22	Port Avg
P/E Ratio	10.65
P/B Ratio	1.48
GeoAvgCap (\$mil)	36,665.29

Risk Measures as of 06-30-22	3-Year	5-Year	10-Year
Std Dev	18.38	17.24	15.82
Beta	1.00	1.00	1.00
Sharpe Ratio	0.04	0.09	0.16
Alpha	-0.96	-0.98	-1.05
R-squared	98.60	98.83	99.06

Release Date: 06-30-2022

Pricing, Regulation/Government Intervention, China Region,
Custody, OTC, Passive Management, Real Estate/REIT Sector,
Reliance on Trading Partners, Replication Management,
Sampling

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For more information please see the Principal Risks section of
the Disclosure Page.

Disclosure

The investment fact sheets must be accompanied by this disclosure statement. The performance data given represents past performance and should not be considered indicative of future results. An investment in these investment choices, other than the Transamerica Stable Value investment choice(s), is subject to market risk. 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. Current performance may be lower or higher than the performance data quoted herein. Separate account investment choice statistics change over time. The investment choice is not FDIC insured, may lose value and is not guaranteed by a bank or other financial institution.

The separate account investment choices offered are exempt from registration with the SEC; therefore, no prospectuses are filed for them. However, certain of the separate account investment choices, other than the Stable Value investment choices, invest in mutual funds which are subject to SEC registration.

Translations of any materials or text into languages other than English are intended solely as a convenience to the non-English language speakers and are not legally binding. Such materials and their translation help to facilitate the administration and operation of the plan and are not intended as an investment solicitation or an investment recommendation. We have attempted to provide an accurate translation of the original material in English, but due to the nuances in translating to a foreign language, slight differences may exist. Assistance may be available to non-English language speakers in order to help understand the retirement plan materials and any applicable related investment disclosure materials (which may be available only in the English language) for the investment options under the plan. Such assistance may be accessed through your employer or by calling our Customer Contact Center and asking to speak with a Spanish-speaking representative. You should carefully review the content of any prospectus applicable to an investment before you invest.

Prospectuses and summary prospectus, if applicable, for these mutual funds can be ordered directly from the fund company or obtained upon request from Transamerica Retirement Solutions at www.TA-Retirement.com. Investors should consider the investment objectives, risks, and charges and expenses of the fund carefully before investing. The prospectus and summary prospectus, if applicable, for each fund contains this and other important information about that fund. Read each prospectus carefully before investing. Additional information on all the investment choices is available on the investment fact sheets.

Performance

Unless otherwise noted, all data is shown as of the release date of these investment fact sheets. Performance shown is average annual total separate account investment choice returns (except 3 months and year-to-date) for the period indicated, net of the total operating expenses of the separate account and underlying investment (if applicable) as listed on the individual investment fact sheets. Performance returns reflect reinvestment of dividends and capital gains distributions. Performance does not reflect application of the contract asset charges and any discontinuance charges or service fees deducted from an account: such charges and

fees would reduce a participant's return.

For separate account investment choices invested in mutual fund shares, except as otherwise indicated, historical performance prior to the separate account investment choice inception date is calculated utilizing past performance for the underlying mutual fund.

Performance shown since inception is from the inception date of the separate account or underlying investment as described on the individual investment fact sheets. See individual investment fact sheet for the date of inception.

While performance prior to the inception of the separate account is intended to provide insight into how the strategy has performed historically, it is important to remember this is not the actual performance of the separate account and future performance of the separate account may differ. No representation is made that the separate account's performance would have been the same as the preinception performance had the separate account been in existence during such time and the related performance of the Underlying Fund has certain limitations which should be considered. For example, it does not reflect the current investment strategy or the actual trading of the separate account and due to a number of factors including, but not limited to asset flows or market disruptions, may result in differences in performance between the separate account and the Underlying Fund. Moreover, there is no guarantee that the investment strategy of the separate account and related accounts will be the same going forward.

The benchmarks are unmanaged indices and have no fees or expense charges. One cannot invest directly in an index.

Fund Ranking: This is the total return percentile rank within each Morningstar Category. The highest (or most favorable) percentile rank is 1 and the lowest (or least favorable) percentile rank is 100. Historical percentile ranks are based on a snapshot of the funds as they were at the time of the calculation. Percentile ranks within categories are most useful in those groups that have a large number of funds. For small universes, funds will be ranked at the highest percentage possible. For instance, if there are only two utility funds with 10-year average total returns, Morningstar will assign a percentile rank of 1 to the top-performing fund, and the second fund will earn a percentile rank of 51 (indicating the fund underperformed 50% of the sample).

Hypothetical Growth: The value of a hypothetical \$10,000 investment over the past 10 years (or since inception for investment choices lacking 10-year history). Data assumes reinvestment of dividends and capital gains. Results reflect past performance and do not guarantee future results.

Adjusted Historical Returns and Extended Performance Rating: Morningstar provides adjusted historical returns and an extended performance rating for some mutual funds in its universe. This means that any share class that doesn't have a 10-year performance history may show adjusted returns and receive a hypothetical Morningstar Rating based on the oldest surviving share class of the fund. Morningstar will adjust the performance history of the original portfolio to

reflect any differences in fees between the original share class and the new share class. Because share classes are based on the same underlying portfolio of securities, the only differences in performance can be attributable to fees. First, Morningstar computes the funds' new return stream by appending an adjusted return history of the oldest share class. Next, the Extended Performance Rating is determined by comparing the adjusted-historical returns to the current open-end mutual fund universe to identify placement in the bell curve used to assign the Morningstar Rating.

Morningstar Rating™

The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The Morningstar Rating does not include any adjustment for sales loads. The top 10% of products in each product 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 managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods.

For private funds, the Morningstar Rating presented is hypothetical, because Morningstar does not independently analyze private funds. Rather, the rating is assigned as a means to compare these funds with the universe of mutual funds that Morningstar rates. The evaluation of this investment does not affect the retail mutual fund data published by Morningstar.

Morningstar Return

The Morningstar Return rates a fund's performance relative to other managed products in its Morningstar Category. It is an assessment of a product's excess return over a risk-free rate (the return of the 90-day Treasury Bill) in comparison with the products in its Morningstar category. In each Morningstar category, the top 10% of products 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 product. Products with less than three years of performance history are not rated.

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Morningstar Risk

Morningstar Risk evaluates a fund's downside volatility relative to that of other products in its Morningstar Category. It is an assessment of the variations in monthly returns, with an emphasis on downside variations, in comparison with the products in its Morningstar category. In each Morningstar category, the 10% of products 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 product. Products with less than three years of performance history are not rated.

Asset Classes

The investment choices have been assigned to various asset classes by Transamerica Retirement Solutions. They may not be representative of that particular asset class in the future. The asset classes are described under "Principal Risk Definitions".

Risk Measures

R-squared reflects the percentage of an investment choice's movements that are explained by movements in its benchmark index, showing the degree of correlation between the investment choice and the benchmark.

Beta is a measure of an investment choice'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.

Alpha measures the difference between an investment choice's actual returns and its expected performance, given its level of risk (as measured by beta). Alpha is often considered to represent the value that a portfolio manager adds by actively managing the portfolio.

Sharpe ratio is the average return, less the risk free return, divided by the standard deviation of return. The ratio measures the relationship of reward to risk in an investment strategy. The higher the ratio, the safer the strategy.

Standard deviation is a statistical measure of the degree to which an individual value in a probability distribution tends to vary from the mean of the distribution. It is widely applied in modern portfolio theory, for example, where the past performance of securities is used to determine the range of possible future performances and a probability is attached to each performance. The standard deviation of performance can then be calculated for each security and for the portfolio as a whole. The greater the degree of dispersion, the greater the risk. Standard deviation, therefore, is a statistical measure of the volatility of the investment choice's returns.

Morningstar Style Box™

The Morningstar Style Box™ reveals a fund's investment strategy as of the date noted on this report.

For equity funds, the vertical axis shows the market capitalization of the long stocks owned, and the horizontal axis shows the investment style (value, blend, or growth.) A darkened cell in the style box matrix indicates the weighted average style of the portfolio.

For portfolios holding fixed-income investments, a Fixed Income Style Box is calculated. The vertical axis shows the credit quality based on credit ratings and the horizontal axis shows interest-rate sensitivity as measured by effective duration. There are three credit categories - "High", "Medium", and "Low"; and there are three interest rate sensitivity categories - "Limited", "Moderate", and "Extensive"; resulting in nine possible combinations. As in the Equity Style Box, the combination of credit and interest rate sensitivity for a portfolio is represented by a darkened square in the matrix. Morningstar uses credit rating information from credit rating agencies (CRAs) that have been designated Nationally Recognized Statistical Rating Organizations (NRSROs) by the Securities and Exchange Commission (SEC) in the United States. For a list of all NRSROs, please visit <https://www.sec.gov/ocr/ocr-current-nrsros.html>. Additionally, Morningstar will use credit ratings from CRAs which have been recognized by foreign regulatory institutions that are deemed the equivalent of the NRSRO designation. To determine the rating applicable to a holding and the subsequent holding weighted value of a portfolio two methods may be employed. First is a common methodology approach where if a case exists such that two CRAs have rated a holding, the lower rating of the two should be applied; if three or more CRAs have rated a holding, the median rating should be applied; and in cases where there are more than two ratings and a median rating cannot be determined, the lower of the two middle ratings should be applied. Alternatively, if there is more than one rating available an average can be calculated from all and applied.

Please Note: Morningstar, Inc. is not an NRSRO nor does it issue a credit rating on the fund. Credit ratings for any security held in a portfolio can change over time.

Morningstar uses the credit rating information to calculate a weighted-average credit quality value for the portfolio. This value is based only upon those holdings which are considered to be classified as "fixed income", such as government, corporate, or securitized issues. Other types of holdings such as equities and many, though not all, types of derivatives are excluded. The weighted-average credit quality value is represented by a rating symbol which corresponds to the long-term rating symbol schemas employed by most CRAs. Note that this value is not explicitly published but instead serves as an input in the Style Box calculation. This symbol is then used to map to a Style Box credit quality category of "low," "medium," or "high". Funds with a "low" credit quality category are those whose weighted-average credit quality is determined to be equivalent to the commonly used High Yield classification, meaning a rating below "BBB", portfolios assigned to the "high" credit category have either a "AAA" or "AA+" average credit quality value, while "medium" are those with an average rating of "AA-" inclusive to "BBB-". It is expected and intended that the majority of portfolios will be assigned a credit category of "medium".

For assignment to an interest-rate sensitivity category, Morningstar uses the average effective duration of the portfolio. From this value there are three distinct methodologies employed to determine assignment to category. Portfolio which are assigned to Morningstar municipal-bond categories employ static breakpoints between categories. These breakpoints are: "Limited" equal to 4.5 years or less, "Moderate" equal to 4.5 years to less than 7 years; and "Extensive" equal to more than 7 years. For portfolios assigned to Morningstar categories other than U.S. Taxable, including all domiciled outside the United States, static duration breakpoints are also used: "Limited" equals less than or equal to 3.5 years, "Moderate" equals greater than 3.5 years but less than or equal to 6 years, and "Extensive" is assigned to portfolios with effective durations of more than 6 years.

Note: Interest-rate sensitivity for non-U.S. domiciled portfolios (excluding those in Morningstar convertible categories) may be assigned using average modified duration when average effective duration is not available.

For portfolios Morningstar classifies as U.S. Taxable Fixed-Income, interest-rate sensitivity category assignment is based on the effective duration of the Morningstar Core Bond Index (MCBI). The classification assignment is dynamically determined relative to the benchmark index value. A "Limited" category will be assigned to portfolios whose average effective duration is between 25% to 75% of MCBI average effective duration, where the average effective duration is between 75% to 125% of the MCBI the portfolio will be classified as "Moderate", and those portfolios with an average effective duration value 125% or greater of the average effective duration of the MCBI will be classified as "Extensive".

Charges, Fees and Expenses

Deposits made by plan participants are not subject to any front-end loads/sales fees of the underlying mutual fund. Therefore, such fees are not reflected in the performance reported.

Type 1: The expense ratio quoted reflects the maximum total operating expenses, of the investment choice, which include the Separate Account Maintenance and Investment Account Class I Administrative Charges assessed by Transamerica, if applicable. The actual expense ratio experienced may be less than the expense ratio quoted. There may also be charges to your balance in the separate accounts for contract asset charges, discontinuance charges or service fees, as applicable under your contract, which are not reflected on these fact sheets.

Type 2: The expense ratio quoted reflects the total operating expenses, of the underlying investment, net of any fee waivers. There may also be charges to your balance in the separate accounts for contract asset charges, discontinuance charges or service fees, as applicable under your contract, which are not reflected on these fact sheets.

Type 3: The expense ratio quoted reflects the maximum total operating expenses, of the investment choice which include the underlying TLIC Separate Account Maintenance and

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total operating expenses of the investment choice, which include the underlying TLIC Separate Account Maintenance and Investment Account Class 32 Administrative Charge, assessed by Transamerica (if applicable), and the total operating expenses of the underlying investment, net of any fee waivers. There may also be charges to your balance in the separate accounts for contract asset charges or service fees, as applicable under your contract, which are not reflected on these fact sheets.

Type 44: The expense ratio quoted reflects the maximum total operating expenses of the investment choice, which include the underlying TLIC Separate Account Maintenance and Investment Account Class 32 Administrative Charge, assessed by Transamerica. There may also be charges to your balance in the separate accounts for contract asset charges or service fees, as applicable under your contract, which are not reflected on these fact sheets.

Type 45: The expense ratio quoted reflects the maximum total operating expenses of the investment choice, which include the underlying TLIC Separate Account Maintenance and Investment Account Class 80 Administrative Charge, assessed by Transamerica (if applicable), and the total operating expenses of the underlying investment, net of any fee waivers. There may also be charges to your balance in the separate accounts for contract asset charges or service fees, as applicable under your contract, which are not reflected on these fact sheets.

Type 46: The expense ratio quoted reflects the maximum total operating expenses of the investment choice, which include the underlying TLIC Separate Account Maintenance Charge, assessed by Transamerica (if applicable). For separate accounts that invest in underlying investments, the expense ratio also includes any expenses collected by the underlying investment, if applicable. There may also be charges to your balance in the separate accounts for contract asset charges or service fees, as applicable under your contract, which are not reflected on these fact sheets.

Type 47: The expense ratio quoted reflects the maximum total operating expenses of the investment choice, which reflects the total operating expenses of the underlying investment, net of any fee waivers. There may also be charges to your balance in the separate accounts for contract asset charges or service fees, as applicable under your contract, which are not reflected on these fact sheets.

Type 48: The expense ratio quoted reflects the maximum total operating expenses of the investment choice, which include the underlying TLIC Separate Account Maintenance Charge, assessed by Transamerica (if applicable). For separate accounts that invest in underlying investments, the expense ratio also includes any expenses collected by the underlying investment, if applicable. There may also be charges to your balance in the separate accounts for contract asset charges or service fees, as applicable under your contract, which are not reflected on these fact sheets.

Type 49: The expense ratio quoted reflects the maximum total operating expenses of the investment choice, which reflects the total operating expenses of the underlying

investment, net of any fee waivers. There may also be charges to your balance in the separate accounts for contract asset charges or service fees, as applicable under your contract, which are not reflected on these fact sheets.

Principal Risk Definitions (except BlackRock investments)

Active Management: The investment is actively managed and subject to the risk that the advisor's usage of investment techniques and risk analyses to make investment decisions fails to perform as expected, which may cause the portfolio to lose value or underperform investments with similar objectives and strategies or the market in general.

Amortized Cost: If the deviation between the portfolio's amortized value per share and its market-based net asset value per share results in material dilution or other unfair results to shareholders, the portfolio's board will take action to counteract these results, including potentially suspending redemption of shares or liquidating the portfolio.

Asset Transfer Program: The portfolio is subject to unique risks because of its use in connection with certain guaranteed benefit programs, frequently associated with insurance contracts. To fulfill these guarantees, the advisor may make large transfers of assets between the portfolio and other affiliated portfolios. These transfers may subject the shareholder to increased costs if the asset base is substantially reduced and may cause the portfolio to have to purchase or sell securities at inopportune times.

Bank Loans: Investments in bank loans, also known as senior loans or floating-rate loans, are rated below-investment grade and may be subject to a greater risk of default than are investment-grade loans, reducing the potential for income and potentially leading to impairment of the collateral provided by the borrower. Bank loans pay interest at rates that are periodically reset based on changes in interest rates and may be subject to increased prepayment and liquidity risks.

Capitalization: Concentrating assets in stocks of one or more capitalizations (small, mid, or large) may be subject to both the specific risks of those capitalizations as well as increased volatility because stocks of specific capitalizations tend to go through cycles of beating or lagging the market as a whole.

Cash Drag: The portfolio may fail to meet its investment objective because of positions in cash and equivalents.

Cash Transactions: Redemptions of exchange-traded fund shares for cash, rather than in-kind securities, may require the portfolio to sell securities. This may increase shareholder tax liability, potentially through capital gain distributions.

China Region: Investing in the China region, including Hong Kong, the People's Republic of China, and Taiwan, may be subject to greater volatility because of the social, regulatory, and political risks of that region, as well as the Chinese government's significant level of control over China's economy and currency. A disruption of relations between China and its neighbors or trading partners could severely impact China's export-based economy.

Closed-End Fund: Investments in closed-end funds ("CEF") generally reflect the risks of owning the underlying securities, although they may be subject to greater liquidity risk and higher costs than owning the underlying securities directly because of their management fees. Shares of CEFs are subject to market trading risk, potentially trading at a premium or discount to net asset value.

Commodity: Investments in commodity-related instruments are subject to the risk that the performance of the overall commodities market declines and that weather, disease, political, tax, and other regulatory developments adversely impact the value of commodities, which may result in a loss of principal and interest. Commodity-linked investments face increased price volatility and liquidity, credit, and issuer risks compared with their underlying measures.

Compounding: Because the investment is managed to replicate a multiple or inverse multiple of an index over a single day (or similar short-term period), returns for periods longer than one day will generally reflect performance that is greater or less than the target in the objective because of compounding. The effect of compounding increases during times of higher index volatility, causing long-term results to further deviate from the target objective.

Conflict of Interest: A conflict of interest may arise if the advisor makes an investment in certain underlying funds based on the fact that those funds are also managed by the advisor or an affiliate or because certain underlying funds may pay higher fees to the advisor than others. In addition, an advisor's participation in the primary or secondary market for loans may be deemed a conflict of interest and limit the ability of the investment to acquire those assets.

Convertible Securities: Investments in convertible securities may be subject to increased interest-rate risks, rising in value as interest rates decline and falling in value when interest rates rise, in addition to their market value depending on the performance of the common stock of the issuer. Convertible securities, which are typically unrated or rated lower than other debt obligations, are secondary to debt obligations in order of priority during a liquidation in the event the issuer defaults.

Country or Region: Investments in securities from a particular country or region may be subject to the risk of adverse social, political, regulatory, or economic events occurring in that country or region. Country- or region-specific risks also include the risk that adverse securities markets or exchange rates may impact the value of securities from those areas.

Credit and Counterparty: The issuer or guarantor of a fixed-income security, counterparty to an over-the-counter derivatives contract, or other borrower may not be able to make timely principal, interest, or settlement payments on an obligation. In this event, the issuer of a fixed-income security may have its credit rating downgraded or defaulted, which may reduce the potential for income and value of the portfolio.

Credit Default Swaps: Credit default swaps insure the buyer

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in the event of a default of a fixed-income security. The seller of a credit default swap receives premiums and is obligated to repay the buyer in the event of a default of the underlying creditor. Investments in credit default swaps may be subject to increased counterparty, credit, and liquidity risks.

Currency: Investments in securities traded in foreign currencies or more directly in foreign currencies are subject to the risk that the foreign currency will decline in value relative to the U.S. dollar, which may reduce the value of the portfolio. Investments in currency hedging positions are subject to the risk that the value of the U.S. dollar will decline relative to the currency being hedged, which may result in a loss of money on the investment as well as the position designed to act as a hedge. Cross-currency hedging strategies and active currency positions may increase currency risk because actual currency exposure may be substantially different from that suggested by the portfolio's holdings.

Custody: Foreign custodial and other foreign financial services are generally more expensive than they are in the United States and may have limited regulatory oversight. The investment may have trouble clearing and settling trades in less-developed markets, and the laws of some countries may limit the investment's ability to recover its assets in the event the bank, depository, or agent holding those assets goes into bankruptcy.

Depository Receipts: Investments in depository receipts generally reflect the risks of the securities they represent, although they may be subject to increased liquidity risk and higher expenses and may not pass through voting and other shareholder rights. Depository receipts cannot be directly exchanged for the securities they represent and may trade at either a discount or premium to those securities.

Derivatives: Investments in derivatives may be subject to the risk that the advisor does not correctly predict the movement of the underlying security, interest rate, market index, or other financial asset, or that the value of the derivative does not correlate perfectly with either the overall market or the underlying asset from which the derivative's value is derived. Because derivatives usually involve a small investment relative to the magnitude of liquidity and other risks assumed, the resulting gain or loss from the transaction will be disproportionately magnified. These investments may result in a loss if the counterparty to the transaction does not perform as promised.

Distressed Investments: Investments in distressed or defaulted investments, which may include loans, loan participations, bonds, notes, and issuers undergoing bankruptcy organization, are often not publicly traded and face increased price volatility and liquidity risk. These securities are subject to the risk that the advisor does not correctly estimate their future value, which may result in a loss of part or all of the investment.

Dollar Rolls: Dollar rolls transactions may be subject to the risk that the market value of securities sold to the counterparty declines below the repurchase price, the counterparty defaults on its obligations, or the portfolio

turnover rate increases because of these transactions. In addition, any investments purchased with the proceeds of a security sold in a dollar rolls transaction may lose value.

Early Close/Late Close/Trading Halt: The investment may be unable to rebalance its portfolio or accurately price its holdings if an exchange or market closes early, closes late, or issues trading halts on specific securities or restricts the ability to buy or sell certain securities or financial instruments. Any of these scenarios may cause the investment to incur substantial trading losses.

Emerging Markets: Investments in emerging- and frontier-markets securities may be subject to greater market, credit, currency, liquidity, legal, political, and other risks compared with assets invested in developed foreign countries.

Equity Securities: The value of equity securities, which include common, preferred, and convertible preferred stocks, will fluctuate based on changes in their issuers' financial conditions, as well as overall market and economic conditions, and can decline in the event of deteriorating issuer, market, or economic conditions.

ETF: Investments in exchange-traded funds ("ETF") generally reflect the risks of owning the underlying securities they are designed to track, although they may be subject to greater liquidity risk and higher costs than owning the underlying securities directly because of their management fees. Shares of ETFs are subject to market trading risk, potentially trading at a premium or discount to net asset value.

ETN: Investments in exchange-traded notes ("ETN") may be subject to the risk that their value is reduced because of poor performance of the underlying index or a downgrade in the issuer's credit rating, potentially resulting in default. The value of these securities may also be impacted by time to maturity, level of supply and demand, and volatility and lack of liquidity in underlying markets, among other factors. The portfolio bears its proportionate share of fees and expenses associated with investment in ETNs, and its decision to sell these holdings may be limited by the availability of a secondary market.

Event-Driven Investment/Arbitrage Securities: Arbitrage strategies involve investment in multiple securities with the expectation that their prices will converge at an expected value. These strategies face the risk that the advisor's price predictions will not perform as expected. Investing in event-driven or merger arbitrage strategies may not be successful if the merger, restructuring, tender offer, or other major corporate event proposed or pending at the time of investment is not completed on the terms contemplated.

Extension: The issuer of a security may repay principal more slowly than expected because of rising interest rates. In this event, short- and medium-duration securities are effectively converted into longer-duration securities, increasing their sensitivity to interest-rate changes and causing their prices to decline.

Financials Sector: Concentrating assets in the financials sector may disproportionately subject the portfolio to the

risks of that industry, including loss of value because of economic recession, availability of credit, volatile interest rates, government regulation, and other factors.

Fixed Income Securities: The value of fixed-income or debt securities may be susceptible to general movements in the bond market and are subject to interest-rate and credit risk.

Foreign Securities: Investments in foreign securities may be subject to increased volatility as the value of these securities can change more rapidly and extremely than can the value of U.S. securities. Foreign securities are subject to increased issuer risk because foreign issuers may not experience the same degree of regulation as U.S. issuers do and are held to different reporting, accounting, and auditing standards. In addition, foreign securities are subject to increased costs because there are generally higher commission rates on transactions, transfer taxes, higher custodial costs, and the potential for foreign tax charges on dividend and interest payments. Many foreign markets are relatively small, and securities issued in less-developed countries face the risks of nationalization, expropriation or confiscatory taxation, and adverse changes in investment or exchange control regulations, including suspension of the ability to transfer currency from a country. Economic, political, social, or diplomatic developments can also negatively impact performance.

Forwards: Investments in forwards may increase volatility and be subject to additional market, active management, currency, and counterparty risks as well as liquidity risk if the contract cannot be closed when desired. Forwards purchased on a when-issued or delayed-delivery basis may be subject to risk of loss if they decline in value prior to delivery, or if the counterparty defaults on its obligation.

Futures: Investments in futures contracts and options on futures contracts may increase volatility and be subject to additional market, active management, interest, currency, and other risks if the contract cannot be closed when desired.

Growth Investing: Growth securities may be subject to increased volatility as the value of these securities is highly sensitive to market fluctuations and future earnings expectations. These securities typically trade at higher multiples of current earnings than do other securities and may lose value if it appears their earnings expectations may not be met.

Hedging Strategies: The advisor's use of hedging strategies to reduce risk may limit the opportunity for gains compared with unhedged investments, and there is no guarantee that hedges will actually reduce risk.

High Portfolio Turnover: Active trading may create high portfolio turnover, or a turnover of 100% or more, resulting in increased transaction costs. These higher costs may have an adverse impact on performance and generate short-term capital gains, creating potential tax liability even if an investor does not sell any shares during the year.

High Yield Securities: Investments in below-investment-grade

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debt securities and unrated securities of similar credit quality, commonly known as "junk bonds" or "high-yield securities," may be subject to increased interest, credit, and liquidity risks.

Income: The investment's income payments may decline depending on fluctuations in interest rates and the dividend payments of its underlying securities. In this event, some investments may attempt to pay the same dividend amount by returning capital.

Increase in Expenses: The actual cost of investing may be higher than the expenses listed in the expense table for a variety of reasons, including termination of a voluntary fee waiver or losing portfolio fee breakpoints if average net assets decrease. The risk of expenses increasing because of a decrease in average net assets is heightened when markets are volatile.

Index Correlation/Tracking Error: A portfolio that tracks an index is subject to the risk that certain factors may cause the portfolio to track its target index less closely, including if the advisor selects securities that are not fully representative of the index. The portfolio will generally reflect the performance of its target index even if the index does not perform well, and it may underperform the index after factoring in fees, expenses, transaction costs, and the size and timing of shareholder purchases and redemptions.

Industry and Sector Investing: Concentrating assets in a particular industry, sector of the economy, or markets may increase volatility because the investment will be more susceptible to the impact of market, economic, regulatory, and other factors affecting that industry or sector compared with a more broadly diversified asset allocation.

Inflation/Deflation: A change of asset value may occur because of inflation or deflation, causing the portfolio to underperform. Inflation may cause the present value of future payments to decrease, causing a decline in the future value of assets or income. Deflation causes prices to decline throughout the economy over time, impacting issuers' creditworthiness and increasing their risk for default, which may reduce the value of the portfolio.

Inflation-Protected Securities: Unlike other fixed-income securities, the values of inflation-protected securities are not significantly impacted by inflation expectations because their interest rates are adjusted for inflation. Generally, the value of inflation-protected securities will fall when real interest rates rise and rise when real interest rates fall.

Interest Rate: Most securities are subject to the risk that changes in interest rates will reduce their market value.

Intraday Price Performance: The investment is rebalanced according to the investment objective at the end of the trading day, and its reported performance will reflect the closing net asset value. A purchase at the intraday price may generate performance that is greater or less than reported performance.

Inverse Floaters: Investments in inverse floaters may be

subject to increased price volatility compared with fixed-rate bonds that have similar credit quality, redemption provisions, and maturity. The performance of inverse floaters tends to lag fixed-rate bonds in rising long-term interest-rate environments and exceed them in falling or stable long-term interest-rate environments.

Investment-Grade Securities: Investments in investment-grade debt securities that are not rated in the highest rating categories may lack the capacity to pay principal and interest compared with higher-rated securities and may be subject to increased credit risk.

IPO: Investing in initial public offerings ("IPO") may increase volatility and have a magnified impact on performance. IPO shares may be sold shortly after purchase, which can increase portfolio turnover and expenses, including commissions and transaction costs. Additionally, IPO shares are subject to increased market, liquidity, and issuer risks.

Issuer: A stake in any individual security is subject to the risk that the issuer of that security performs poorly, resulting in a decline in the security's value. Issuer-related declines may be caused by poor management decisions, competitive pressures, technological breakthroughs, reliance on suppliers, labor problems or shortages, corporate restructurings, fraudulent disclosures, or other factors. Additionally, certain issuers may be more sensitive to adverse issuer, political, regulatory, market, or economic developments.

Large Cap: Concentrating assets in large-capitalization stocks may subject the portfolio to the risk that those stocks underperform other capitalizations or the market as a whole. Large-cap companies may be unable to respond as quickly as small- and mid-cap companies can to new competitive pressures and may lack the growth potential of those securities. Historically, large-cap companies do not recover as quickly as smaller companies do from market declines.

Lending: Investing in loans creates risk for the borrower, lender, and any other participants. A borrower may fail to make payments of principal, interest, and other amounts in connection with loans of cash or securities or fail to return a borrowed security in a timely manner, which may lead to impairment of the collateral provided by the borrower. Investments in loan participations may be subject to increased credit, pricing, and liquidity risks, with these risks intensified for belowinvestment-grade loans.

Leverage: Leverage transactions may increase volatility and result in a significant loss of value if a transaction fails. Because leverage usually involves investment exposure that exceeds the initial investment, the resulting gain or loss from a relatively small change in an underlying indicator will be disproportionately magnified.

Long-term Outlook and Projections: The investment is intended to be held for a substantial period of time, and investors should tolerate fluctuations in their investment's value.

Loss of Money: Because the investment's market value may fluctuate up and down, an investor may lose money, including

part of the principal, when he or she buys or sells the investment.

Management: Performance is subject to the risk that the advisor's asset allocation and investment strategies do not perform as expected, which may cause the portfolio to underperform its benchmark, other investments with similar objectives, or the market in general. The investment is subject to the risk of loss of income and capital invested, and the advisor does not guarantee its value, performance, or any particular rate of return.

Market Trading: Because shares of the investment are traded on the secondary market, investors are subject to the risks that shares may trade at a premium or discount to net asset value. There is no guarantee that an active trading market for these shares will be maintained.

Market/Market Volatility: The market value of the portfolio's securities may fall rapidly or unpredictably because of changing economic, political, or market conditions, which may reduce the value of the portfolio.

Master/Feeder: The portfolio is subject to unique risks related to the master/feeder structure. Feeder funds bear their proportionate share of fees and expenses associated with investment in the master fund. The performance of a feeder fund can be impacted by the actions of other feeder funds, including if a larger feeder fund maintains voting control over the operations of the master fund or if large-scale redemptions by another feeder fund increase the proportionate share of costs of the master fund for the remaining feeder funds.

Maturity/Duration: Securities with longer maturities or durations typically have higher yields but may be subject to increased interest-rate risk and price volatility compared with securities with shorter maturities, which have lower yields but greater price stability.

Mid-Cap: Concentrating assets in mid-capitalization stocks may subject the portfolio to the risk that those stocks underperform other capitalizations or the market as a whole. Mid-cap companies may be subject to increased liquidity risk compared with large-cap companies and may experience greater price volatility than do those securities because of more-limited product lines or financial resources, among other factors.

MLP: Investments in master limited partnerships ("MLP") may be subject to the risk that their value is reduced because of poor performance of the underlying assets or if they are not treated as partnerships for federal income tax purposes. Investors in MLPs have more-limited control and voting rights on matters affecting the partnership compared with shareholders of common stock.

Money Market: The risks pertaining to money market funds, those in compliance with Rule 2a-7 under the Investment Company Act of 1940, vary depending on the fund's operations as reported in SEC Form N-MFP. Institutional money market funds are considered those that are required to transact at a floating net asset value. These funds can

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experience capital gains and losses in normal conditions just like other mutual funds. Additionally, most institutional, government, and retail money market funds may impose a fee upon the sale of your shares, or may suspend your ability to sell shares if the fund's liquidity falls below required minimums, because of market conditions or other factors. While retail and government funds electing to maintain liquidity through suspending redemptions or imposing fees attempt to preserve the value of shares at \$1.00, the funds cannot guarantee they will do so. Some government money market funds have not elected to permit liquidity fees or suspend redemptions. Although these funds also seek to preserve the value of investments at \$1.00 per share, they cannot guarantee they will do so. An investment in any money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency and can result in a loss of money. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.

Money Market Fund Ownership: An investment in a money market fund is not a deposit in a bank and is not guaranteed by the FDIC, any other governmental agency, or the advisor itself. Money market funds report investment characteristics in SEC Form N-MFP. Institutional money market funds have a net asset value that may fluctuate on a day-to-day basis in ordinary conditions. All are subject to the risk that they may not be able to maintain a stable NAV of \$1.00 per share. Money market funds may opt to maintain liquidity through imposing fees on certain redemptions or a suspension of redemptions because of market conditions. Only exempt government money market funds are permitted to opt out of incorporating these liquidity maintenance measures to support the stable share price of \$1.00.

Mortgage-Backed and Asset-Backed Securities: Investments in mortgage-backed ("MBS") and asset-backed securities ("ABS") may be subject to increased price volatility because of changes in interest rates, issuer information availability, credit quality of the underlying assets, market perception of the issuer, availability of credit enhancement, and prepayment of principal. The value of ABS and MBS may be adversely affected if the underlying borrower fails to pay the loan included in the security.

Multimanager: Managers' individual investing styles may not complement each other. This can result in both higher portfolio turnover and enhanced or reduced concentration in a particular region, country, industry, or investing style compared with an investment with a single manager.

Municipal Obligations, Leases, and AMT-Subject Bonds: Investments in municipal obligations, leases, and private activity bonds subject to the alternative minimum tax have varying levels of public and private support. The principal and interest payments of general-obligation municipal bonds are secured by the issuer's full faith and credit and supported by limited or unlimited taxing power. The principal and interest payments of revenue bonds are tied to the revenues of specific projects or other entities. Federal income tax laws may limit the types and volume of bonds qualifying for tax exemption of interest and make any further purchases of tax-

exempt securities taxable.

Municipal Project-Specific: Investments in municipal bonds that finance similar types of projects, including those related to education, health care, housing, transportation, utilities, and industry, may be subject to a greater extent than general obligation municipal bonds to the risks of adverse economic, business, or political developments.

New Fund: Investments with a limited history of operations may be subject to the risk that they do not grow to an economically viable size in order to continue operations.

Nondiversification: A nondiversified investment, as defined under the Investment Act of 1940, may have an increased potential for loss because its portfolio includes a relatively small number of investments. Movements in the prices of the individual assets may have a magnified effect on a nondiversified portfolio. Any sale of the investment's large positions could adversely affect stock prices if those positions represent a significant part of a company's outstanding stock.

Not FDIC Insured: The investment is not a deposit or obligation of, or guaranteed or endorsed by, any bank and is not insured by the Federal Deposit Insurance Corporation, the Federal Reserve Board, or any other U.S. governmental agency.

Options: Investments in options may be subject to the risk that the advisor does not correctly predict the movement of an option's underlying stock. Option purchases may result in the loss of part or all of the amount paid for the option plus commission costs. Option sales may result in a forced sale or purchase of a security at a price higher or lower than its current market price.

OTC: Investments traded and privately negotiated in the over-the-counter ("OTC") market, including securities and derivatives, may be subject to greater price volatility and liquidity risk than transactions made on organized exchanges. Because the OTC market is less regulated, OTC transactions may be subject to increased credit and counterparty risk.

Other: The investment's performance may be impacted by its concentration in a certain type of security, adherence to a particular investing strategy, or a unique aspect of its structure and costs.

Passive Management: The investment is not actively managed, and the advisor does not attempt to manage volatility or take defensive positions in declining markets. This passive management strategy may subject the investment to greater losses during general market declines than actively managed investments.

Portfolio Diversification: Investments that concentrate their assets in a relatively small number of issuers, or in the securities of issuers in a particular market, industry, sector, country, or asset class, may be subject to greater risk of loss than is a more widely diversified investment.

Preferred Stocks: Investments in preferred stocks may be

subject to the risks of deferred distribution payments, involuntary redemptions, subordination to debt instruments, a lack of liquidity compared with common stocks, limited voting rights, and sensitivity to interest-rate changes.

Prepayment (Call): The issuer of a debt security may be able to repay principal prior to the security's maturity because of an improvement in its credit quality or falling interest rates. In this event, this principal may have to be reinvested in securities with lower interest rates than the original securities, reducing the potential for income.

Pricing: Some investments may not have a market observed price; therefore, values for these assets may be determined through a subjective valuation methodology. Fair values determined by a subjective methodology may differ from the actual value realized upon sale. Valuation methodologies may also be used to calculate a daily net asset value.

Quantitative Investing: Holdings selected by quantitative analysis may perform differently from the market as a whole based on the factors used in the analysis, the weighting of each factor, and how the factors have changed over time.

Real Estate/REIT Sector: Concentrating assets in the real estate sector or REITs may disproportionately subject the portfolio to the risks of that industry, including loss of value because of changes in real estate values, interest rates, and taxes, as well as changes in zoning, building, environmental, and other laws, among other factors. Investments in REITs may be subject to increased price volatility and liquidity risk, and shareholders indirectly bear their proportionate share of expenses because of their management fees.

Regulation/Government Intervention: The business of the issuer of an underlying security may be adversely impacted by new regulation or government intervention, impacting the price of the security. Direct government ownership of distressed assets in times of economic instability may subject the portfolio's holdings to increased price volatility and liquidity risk.

Reinvestment: Payments from debt securities may have to be reinvested in securities with lower interest rates than the original securities.

Reliance on Trading Partners: Investments in economies that depend heavily on trading with key partners may be subject to the risk that any reduction in this trading may adversely impact these economies.

Replication Management: The investment does not seek investment returns in excess of the underlying index. Therefore, it will not generally sell a security unless it was removed from the index, even if the security's issuer is in financial trouble.

Repurchase Agreements: Repurchase agreements may be subject to the risk that the seller of a security defaults and the collateral securing the repurchase agreement has declined and does not equal the value of the repurchase price. In this event, impairment of the collateral may result in additional costs.

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Restricted/Illiquid Securities: Restricted and illiquid securities may fall in price because of an inability to sell the securities when desired. Investing in restricted securities may subject the portfolio to higher costs and liquidity risk.

Sampling: Although the portfolio tracks an index, it maintains a smaller number of holdings than does the index. Use of this representative sampling approach may lead the portfolio to track the index less closely.

Shareholder Activity: Frequent purchases or redemptions by one or multiple investors may harm other shareholders by interfering with the efficient management of the portfolio, increasing brokerage and administrative costs and potentially diluting the value of shares. Additionally, shareholder purchase and redemption activity may have an impact on the per-share net income and realized capital gains distribution amounts, if any, potentially increasing or reducing the tax burden on the shareholders who receive those distributions.

Short Sale: Selling securities short may be subject to the risk that an advisor does not correctly predict the movement of the security, resulting in a loss if a security must be purchased on the market above its initial borrowing price to return to the lender, in addition to interest paid to the lender for borrowing the security.

Small Cap: Concentrating assets in small-capitalization stocks may subject the portfolio to the risk that those stocks underperform other capitalizations or the market as a whole. Smaller, less-seasoned companies may be subject to increased liquidity risk compared with mid- and large-cap companies and may experience greater price volatility than do those securities because of limited product lines, management experience, market share, or financial resources, among other factors.

Socially Conscious: Adhering to social, moral, or environmental criteria may preclude potentially profitable opportunities in sectors or firms that would otherwise be consistent with the investment objective and strategy.

Sovereign Debt: Investments in debt securities issued or guaranteed by governments or governmental entities are subject to the risk that an entity may delay or refuse to pay interest or principal on its sovereign debt because of cash flow problems, insufficient foreign reserves, or political or other considerations. In this event, there may be no legal process for collecting sovereign debts that a governmental entity has not repaid.

Structured Products: Investments in structured products may be more volatile, less liquid, and more difficult to price than other assets. These securities bear the risk of the underlying investment as well as counterparty risk. Securitized structured products including collateralized mortgage obligations, collateralized debt obligations, and other securitized products may increase volatility and be subject to increased liquidity and pricing risks compared with investing directly in the assets securitized within the product. Assets invested in structured products may be subject to full loss of value if the counterparty defaults on its obligation.

Suitability: Investors are expected to select investments whose investment strategies are consistent with their financial goals and risk tolerance.

Swaps: Investments in swaps, such as interest-rate swaps, currency swaps and total return swaps, may increase volatility and be subject to increased liquidity, credit, and counterparty risks. Depending on their structure, swaps may increase or decrease the portfolio's exposure to long- or short-term interest rates, foreign currency values, corporate borrowing rates, security prices, index values, inflation rates, credit, or other factors.

Target Date: Target-date funds, also known as lifecycle funds, shift their asset allocation to become increasingly conservative as the target retirement year approaches, which is the approximate date when an investor plans to start withdrawing the assets from their retirement account. Still, investment in target-date funds may lose value near, at, or after the target retirement date, and there is no guarantee they will provide adequate income at retirement.

Tax Management: A tax-sensitive investment strategy that uses hedging or other techniques may fail to limit distributions of taxable income and net realized gains and therefore create some tax liability for shareholders.

Tax Risk: Investors may be liable to pay state and federal taxes on income and capital gains distributions paid out by the investment.

Tax-Exempt Securities: Tax-exempt securities could be reclassified as taxable by the IRS or a state tax authority, or their income could be reclassified as taxable by a future legislative, administrative, or court action. This may result in increased tax liability as interest from a security becomes taxable, and such reclassifications could be applied retroactively.

Technology Sector: Concentrating assets in the technology sector may disproportionately subject the portfolio to the risks of that industry, including loss of value because of intense competitive pressures, short product cycles, dependence on intellectual property rights, legislative or regulatory changes, and other factors.

Temporary Defensive Measures: Temporary defensive positions may be used during adverse economic, market, or other conditions. In this event, up to 100% of assets may be allocated to securities, including cash and cash equivalents that are normally not consistent with the investment objective.

U.S. Federal Tax Treatment: Changes in the tax treatment of dividends, derivatives, foreign transactions, and other securities may have an impact on performance and potentially increase shareholder liability. Additionally, this includes the risk that the fund fails to qualify as a regulated investment company, potentially resulting in a significantly higher level of taxation.

U.S. Government Obligations: Investments in U.S.

government obligations are subject to varying levels of government support. In the event of default, some U.S. government securities, including U.S. Treasury obligations and Ginnie Mae securities, are issued and guaranteed as to principal and interest by the full faith and credit of the U.S. government. Other securities are obligations of U.S. government-sponsored entities but are neither issued nor guaranteed by the U.S. government.

U.S. State or Territory-Specific: Investments in the municipal securities of a particular state or territory may be subject to the risk that changes in the economic conditions of that state or territory will negatively impact performance.

Underlying Fund/Fund of Funds: A portfolio's risks are closely associated with the risks of the securities and other investments held by the underlying or subsidiary funds, and the ability of the portfolio to meet its investment objective likewise depends on the ability of the underlying funds to meet their objectives. Investment in other funds may subject the portfolio to higher costs than owning the underlying securities directly because of their management fees.

Unrated Securities: Investments in unrated securities may be subject to increased interest, credit, and liquidity risks if the advisor does not accurately assess the quality of those securities.

Valuation Time: Net asset value ("NAV") is not calculated on days and times when the U.S. exchange is closed, though foreign security holdings may still be traded. In this event, the net asset value may be significantly impacted when shareholders are not able to buy or sell shares. Conversely, performance may vary from the index if the NAV is calculated on days and times when foreign exchanges are closed.

Value Investing: Value securities may be subject to the risk that these securities cannot overcome the adverse factors the advisor believes are responsible for their low price or that the market may not recognize their fundamental value as the advisor predicted. Value securities are not expected to experience significant earnings growth and may underperform growth stocks in certain markets.

Variable-Rate Securities: Investments in variable-rate securities, which periodically adjust the interest-rate paid on the securities, may be subject to greater liquidity risk than are other fixed-income securities. Because variable-rate securities are subject to less interest-rate risk than other fixed-income securities, their opportunity to provide capital appreciation is comparatively reduced.

Warrants: Investments in warrants may be subject to the risk that the price of the underlying stock does not rise above the exercise price. In this event, the warrant may expire without being exercised and lose all value.

Zero-Coupon Bond: Investments in zero-coupon bonds, which do not pay interest prior to maturity, may be subject to greater price volatility and liquidity risks than are fixed-income securities that pay interest periodically. Still, interest accrued on these securities prior to maturity is reported as income and distributed to shareholders.

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Principal Risk Definitions (BlackRock investments only)

Active Strategy Risk: Active strategies could result in underperformance as compared to funds with similar investment objectives and strategies.

Asset Allocation Model Risk: The asset allocation model may not effectively maximize returns or minimize risk, or be appropriate for every investor seeking a particular risk profile. The model developed by BTC could result in underperformance as compared to funds with similar investment objectives and strategies.

Balancing Risk Exposure Strategy Risk: The Fund seeks to balance exposure to interest rate risk and credit spread risk. There is no guarantee that these risks will be balanced, or that the returns on the Fund's long or short positions will produce high, or even positive, returns. The Fund could lose money if either or both the Fund's long and short positions produce negative returns.

Calculation Methodology Risk: The Underlying Index relies on various sources of information to assess the criteria of issuers included in the Underlying Index (or its Parent Index), including information that may be based on assumptions and estimates. BTC cannot offer assurances that the Underlying Index's calculation methodology or sources of information will provide an accurate assessment of included issuers.

Commodity Futures Risk: Commodity futures markets can be illiquid, and it may not always be possible for the Fund to exit an investment in commodity futures. There may be an imperfect correlation between the price of a futures contract and movements in the price of the underlying index. The potential need to make additional margin payments could require the Fund to liquidate securities at a disadvantageous time. Also, the Fund is subject to the risk of default of a counterparty or guaranteeing agent, and restrictions on trading imposed by futures exchanges.

Commodity Markets Risk: Commodity markets can be extremely volatile and are especially affected by regulatory developments and developments in other markets.

Commodity-Related Investment Risk 1: Exposure to the commodity markets may subject the Fund to greater volatility than investments in traditional equity or fixed-income markets. The value of commodity-linked derivative investments, such as commodity futures, may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, or factors affecting a particular industry or commodity, such as drought, floods, weather, embargoes, tariffs and international economic, political and regulatory developments.

Commodity-Related Investment Risk 2: The value of commodity-linked derivative investments may be significantly affected by changes in overall market movements, commodity index volatility, changes in interest rates, or factors affecting a particular industry or commodity, such as drought, floods, weather, embargoes, tariffs and international economic, political and regulatory developments.

Convertible Securities Risk: If interest rates rise, the market value of a convertible security usually falls. Convertible securities are subject to the risk that the issuer may not honor its obligation to pay interest or dividends when due, and their market value may change based on changes in the issuer's credit rating or the market's perception of the issuer's creditworthiness. Because a convertible security derives a portion of its value from the common stock into which it may be converted, a convertible security is also subject to the same types of risk that apply to the underlying common stock.

Derivatives Risk 1: Investments in derivatives (such as futures contracts, forward contracts, swaps and options) may reduce the Fund's returns and/or increase volatility. Fluctuations in the values of derivatives may not correlate perfectly with the overall securities markets. The other party in the transaction may not fulfill its contractual obligation. The possible lack of a liquid secondary market for derivatives could expose the Fund to losses.

Derivatives Risk 2: Investments in derivatives (such as futures contracts, forward contracts, swaps and options) may reduce the Fund's returns and/or increase volatility and are subject to the risk that the other party in the transaction will not fulfill its contractual obligation. The possible lack of a liquid secondary market for derivatives could expose the Fund to losses.

Derivatives Risk 3: Investments in derivatives may reduce the Fund's returns and/or increase volatility. Fluctuations in the values of derivatives may not correlate perfectly with the overall securities markets. The other party in the transaction may not fulfill its contractual obligation. The possible lack of a liquid secondary market for derivatives could expose the Fund to losses.

Derivatives Risk 4: Investments in derivatives (such as futures contracts, forward contracts, swaps and options) may reduce a Fund's returns and/or increase volatility. The other party in the transaction may not fulfill its contractual obligation. The possible lack of a liquid secondary market for derivatives could expose a Fund to losses.

Derivatives Risk 5: Investments in derivatives (such as futures contracts, forward contracts, swaps and options) may reduce a Fund's returns and/or increase volatility. Fluctuations in the values of derivatives may not correlate perfectly with the overall securities markets. The other party in the transaction may not fulfill its contractual obligation. The possible lack of a liquid secondary market for derivatives could expose a Fund to losses.

Emerging Markets Risk 1: Investments in emerging markets are subject to a greater risk of loss than investments in developed markets due to the potential for greater market volatility, lower trading volume, inflation, currency devaluations, limitations on foreign investment, and political and/or economic instability. In addition, settlement, registration and custody may be less reliable as compared to developed markets. Risks traditionally associated with investments in emerging markets, including economic, political, liquidity and currency risks, may be more pronounced with respect to investments in frontier markets.

Emerging Markets Risk 2: Investments in emerging markets are subject to a greater risk of loss than investments in developed markets due to the potential for greater market volatility, lower trading volume, inflation, currency devaluations, limitations on foreign investment, and political and/or economic instability.

Emerging Markets Risk 3: Investments in emerging markets are subject to a greater risk of loss than investments in developed markets due to the potential for greater market volatility, lower trading volume, inflation, currency devaluations, limitations on foreign investment, and political and/or economic instability. In addition, settlement, registration and custody may be less reliable as compared to developed markets.

Equity Investment Risk: The price of an equity security fluctuates based on changes in the issuer's financial condition and overall market and economic conditions. Equity securities are subject to changes in value that may be more volatile than other asset classes.

ESG Investment Strategy Risk: The Fund's ESG investment strategy limits the types and number of investment opportunities available to the Fund and, as a result, the Fund may underperform other funds that do not have an ESG focus. The Fund's ESG investment strategy may result in the Fund investing in securities or industry sectors that underperform the market as a whole or underperform other funds screened for ESG standards.

Fixed Income for Money Market: An increase in interest rates may cause the value of fixed-income securities held by the Fund to decline, and the Fund may incur a loss if required to sell a fixed-income security prior to its scheduled maturity. The Fund's income may decline when interest rates fall. This decline can occur because the Fund must invest in lower-yielding bonds as bonds in its portfolio mature or the Fund needs to purchase additional bonds. Debt issuers may not honor their obligations.

Fixed Income Investment Risk 1: An increase in interest rates may cause the value of fixed-income securities held by the Fund to decline. The Fund's income may decline when interest rates fall. Debt issuers may not honor their obligations. Securities that are rated below investment grade may be more volatile and less liquid than higher-rated securities of similar maturity.

Fixed Income Investment Risk 2: An increase in interest rates may cause the value of fixed-income securities held by the Fund to decline, and the Fund may incur a loss if required to sell a fixed-income security prior to its scheduled maturity. The Fund's income may decline when interest rates fall. This decline can occur because the Fund must invest in lower-yielding bonds as bonds in its portfolio mature or the Fund needs to purchase additional bonds. Debt issuers may not honor their obligations. Securities that are rated below investment grade may be more volatile and less liquid than higher-rated securities of similar maturity.

Fixed Income Investment Risk 3: An increase in interest rates

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may cause the value of fixed-income securities held by the Fund to decline, and the Fund may incur a loss if required to sell a fixed-income security prior to its scheduled maturity. The Fund's income may decline when interest rates fall. Debt issuers may not honor their obligations. Securities that are rated below investment grade may be more volatile and less liquid than higher-rated securities of similar maturity.

Fixed Income Investment Risk 4: An increase in interest rates may cause the value of fixed income securities held by the Fund to decline, and the Fund may incur a loss if required to sell a fixed income security prior to its scheduled maturity. The Fund's income may decline when interest rates fall. Debt issuers may not honor their obligations. Securities that are rated below investment grade may be more volatile and less liquid than higher-rated securities of similar maturity.

Fixed Income Investment Risk 5: The Account is subject to the risk that debt issuers may not honor their obligations. An increase in interest rates may cause the value of fixed income securities held by the Account to decline, and the Account may incur a loss if required to sell a fixed income security prior to its scheduled maturity. The Account's income may decline when interest rates fall. This decline can occur because the Account must invest in lower-yielding bonds as bonds in its portfolio mature or the Account needs to purchase additional bonds.

Fixed Income Investment Risk 6: An increase in interest rates may cause the value of fixed income securities held by the Fund to decline, and the Fund may incur a loss if required to sell a fixed income security prior to its scheduled maturity. The Fund's income may decline when interest rates fall. This decline can occur because the Fund must invest in lower-yielding bonds as bonds in its portfolio mature or the Fund needs to purchase additional bonds. Debt issuers may not honor their obligations. Securities that are rated below investment grade may be more volatile and less liquid than higher-rated securities of similar maturity.

Fixed Income Investment Risk 7: An increase in interest rates may cause the value of fixed income securities held by the Fund to decline. The Fund's income may decline when interest rates fall. There is also a risk that debt issuers may not honor their obligations. Securities that are rated below investment grade may be more volatile and less liquid than higher-rated securities of similar maturity.

Fixed Income Investment Risk 8: An increase in interest rates may cause the value of fixed income securities held by a Fund to decline. A Fund's income may decline when interest rates fall. Debt issuers may not honor their obligations. Securities that are rated below investment grade may be more volatile and less liquid than higher-rated securities of similar maturity.

Fixed Income Investment Risk 9: An increase in interest rates may cause the value of fixed income securities to decline, and the Fund may incur a loss if required to sell a fixed income security prior to its scheduled maturity. The Fund's income may decline when interest rates fall. Debt issuers may not honor their obligations. Securities that are rated below investment grade may be more volatile and less liquid than higher-rated securities of similar maturity.

Fixed Income Investment Risk 10: An increase in interest rates may cause the value of fixed-income securities held by the Fund to decline. The Fund's income may decline when interest rates fall. Debt issuers may not honor their obligations. Securities that are rated below investment grade may be more volatile and less liquid than higher-rated securities of similar maturity.

Fixed Income Investment Risk 11: An increase in interest rates may cause the value of fixed income securities held by a Fund to decline, and a Fund may incur a loss if required to sell a fixed income security prior to its scheduled maturity. A Fund's income may decline when interest rates fall. This decline can occur because a Fund must invest in lower-yielding bonds as bonds in its portfolio mature or a Fund needs to purchase additional bonds. Debt issuers may not honor their obligations. Securities that are rated below investment grade may be more volatile and less liquid than higher-rated securities of similar maturity.

Fixed Income Investment Risk 12: An increase in interest rates may cause the value of fixed income securities held by the Fund to decline, and the Fund may incur a loss if required to sell a fixed income security prior to its scheduled maturity. The Fund's income may decline when interest rates fall. This decline can occur because the Fund must invest in lower-yielding bonds as bonds in its portfolio mature or the Fund needs to purchase additional bonds. Debt issuers may not honor their obligations. Securities that are rated below investment grade may be more volatile, less liquid and subject to greater levels of credit or default risk than higher-rated securities.

Foreign Investment Risk 1: The Fund may suffer losses due to political, legal, economic and geographic events affecting a non-U.S. issuer or market. The prices of non-U.S. securities may be more volatile than those of securities issued by U.S. corporations or other U.S. entities. Securities of non-U.S. issuers denominated in non-U.S. currencies will expose the Fund to fluctuations in foreign currency exchange prices.

Foreign Investment Risk 2: The Fund may suffer losses due to political, legal, economic and geographic events affecting a non-U.S. issuer or market. Securities of non-U.S. issuers denominated in non-U.S. currencies will expose the Fund to fluctuations in foreign currency exchange prices.

Foreign Investment Risk 3: The Account may suffer losses due to political, legal, economic and geographic events affecting a non-U.S. issuer or market. Foreign government issuers may be unable or unwilling to repay principal or interest when due, and the prices of these securities may be more volatile than those issued by corporations or other governments.

Foreign Investment Risk 4: A Fund may suffer losses due to political, legal, economic and geographic events affecting a non-U.S. issuer or market. The prices of non-U.S. securities may be more volatile than those of securities issued by U.S. corporations or other U.S. entities. Securities of non-U.S. issuers denominated in non-U.S. currencies will expose a Fund to fluctuations in foreign currency exchange prices.

Foreign Investment Risk 5: The Fund may suffer losses due to political, legal, economic and geographic events affecting a non-U.S. issuer or market. The prices of non-U.S. securities may be more volatile than those of securities issued by U.S. corporations or other U.S. entities. Securities of non-U.S. issuers denominated in non-U.S. currencies will expose the Fund to fluctuations in foreign currency exchange prices. Investments in emerging markets are subject to a greater risk of loss than investments in developed markets.

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Indexing Risk: The Fund does not seek to outperform its Underlying Index and may hold securities of companies that present risks that a manager researching individual securities might seek to avoid. Errors in index data may occur from time to time and may not be identified and corrected. Imperfect correlation between a Fund's portfolio securities and those in its Underlying Index may result in divergence between Fund and index performance.

Inflation-Indexed Bond Risk: The value of inflation-indexed bonds is expected to change in response to changes in real interest rates, which are tied to the relationship between nominal interest rates and inflation expectations. Inflation-indexed bonds are fixed-income securities whose principal value is periodically adjusted according to the rate of inflation. If the index measuring inflation falls, the principal value of inflation-indexed bonds will be adjusted downward, and consequently the interest payable on these securities (calculated with respect to a smaller principal amount) will be reduced.

Inflation-Indexed Bond Risk 2: The value of inflation-indexed bonds is expected to change in response to changes in real interest rates, which are tied to the relationship between nominal interest rates and inflation expectations. If the index measuring inflation falls, the principal value of inflation-indexed bonds will be adjusted downward, and the interest payable on these securities will be reduced.

Investment Model Risk: The investment model may not effectively maximize returns or minimize risk, or be appropriate for every investor seeking a particular risk profile.

Large-Capitalization Companies Risk: Large-capitalization companies may be less able than smaller capitalization companies to adapt to changing market conditions. Large-capitalization companies may be more mature and subject to more limited growth potential compared with smaller capitalization companies. Over certain periods, the performance of large capitalization companies has trailed the performance of overall markets.

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Leverage Risk 1: Some transactions may give rise to a form of leverage. These transactions may include, among others, derivatives, and may expose the Fund to greater risk and increase its costs. The use of leverage may cause the Fund to liquidate portfolio positions when it may not be advantageous to do so to satisfy its obligations or to meet any required asset segregation requirements. Increases and decreases in the value of the Fund's portfolio will be magnified when the Fund uses leverage.

Leverage Risk 2: Some transactions may give rise to a form of leverage, which may expose the Fund to greater risk and increase its costs. The use of leverage may cause the Fund to liquidate portfolio positions when it may not be advantageous to do so to satisfy its obligations or to meet any required asset segregation requirements. Fluctuations in the value of the Fund's portfolio will be magnified when the Fund uses leverage.

Leverage Risk 3: Some transactions may give rise to a form of leverage, and may include derivatives and expose the Fund to greater risk and increased cost. The use of leverage may cause the Fund to liquidate portfolio positions when it may not be advantageous to do so to satisfy its obligations or to meet required asset segregation requirements. Fluctuations in the value of the Fund's portfolio will be magnified when the Fund uses leverage.

Mid-Capitalization Companies Risk: Compared to large-capitalization companies, mid-capitalization companies may be less stable and more susceptible to adverse developments, and their securities may be more volatile and less liquid.

Momentum Securities Risk: Stocks that have previously exhibited high momentum characteristics may not experience positive momentum in the future or may experience more volatility than the market as a whole. The Index Provider may be unsuccessful in creating an index that emphasizes momentum securities. In addition, there may be periods when the momentum style of investing is out of favor and the investment performance of the Fund may suffer.

Mortgage- and Asset-Backed Securities Risk 1: Mortgage- and asset-backed securities represent interests in "pools" of mortgages or other assets, including consumer loans or receivables held in trust. Mortgage- and asset-backed securities are subject to credit, interest rate, prepayment and extension risks. These securities also are subject to risk of default on the underlying mortgage or asset, particularly during periods of economic downturn. Small movements in interest rates (both increases and decreases) may quickly and significantly reduce the value of certain mortgage-backed securities.

Mortgage- and Asset-Backed Securities Risk 2: Mortgage- and asset-backed securities represent interests in "pools" of mortgages or other assets. Mortgage- and asset-backed securities are subject to credit, interest rate, prepayment and extension risks, and risk of default on the underlying mortgage or asset, particularly during periods of economic downturn. Small movements in interest rates may quickly and significantly reduce the value of mortgage-backed securities.

Non-U.S. Sovereign and Quasi-Sovereign Issuer Risk: Non-U.S. sovereign debt obligations are debt securities issued or guaranteed by a non-U.S. government, and non-U.S. quasi-sovereign debt obligations are debt securities issued or guaranteed by an entity affiliated with or backed by a non-U.S. government. A non-U.S. sovereign or quasi-sovereign debt issuer may be unable or unwilling to repay principal or pay interest when due, and the Fund may have limited recourse in the event of a default. Changes in the financial condition or credit rating of a non-U.S. government may cause the value of sovereign or quasi-sovereign debt securities, including treasury obligations, issued by that government to decline.

Quality Stocks Risk: The Fund invests in stocks that are deemed by the Index Provider to be of high quality based on a number of factors, including, among others, historical and expected high returns on equity, stable earnings growth and low debt-to equity, but there is no guarantee that the past performance of these stocks will continue. The Index Provider may be unsuccessful in creating an index that reflects the quality of individual stocks. Companies that issue these stocks may not be able to sustain consistently high returns on equity, earnings and growth year after year and may need to borrow money or issue debt despite their prior history. Earnings, growth and other measures of a stock's quality can be adversely affected by market, regulatory, political, environmental and other factors. The price of a stock also may be affected by factors other than those factors considered by the Index Provider. The degree to which these factors affect a stock's performance can be difficult to predict.

Real Estate-Related Securities Risk 1: The main risk of real estate related securities is that the value of the underlying real estate may go down. Real estate values can be affected by many factors including both the general and local economies, the amount of new construction in a particular area, the laws and regulations (including zoning and tax laws) affecting real estate, the costs of owning, maintaining and improving real estate, availability of mortgages, and changes in interest rates. If the Fund's real estate related investments are concentrated in one geographic area or in one property type, the Fund will be particularly subject to the risks associated with that area or property type. Investments in REITs involve unique risks. REITs may have limited financial resources, may trade less frequently and in limited volume and may be more volatile than other securities.

Real Estate-Related Securities Risk 2: Real estate values can be negatively affected by many factors including both the general and local economies, the amount of new construction in a particular area, the laws and regulations affecting real estate, the costs of owning, maintaining and improving real estate, availability of mortgages, and changes in interest rates.

Repurchase Agreement Risk 1: If the other party to a repurchase agreement defaults on its obligation under the agreement, the Fund may suffer delays and incur costs or lose money in exercising its rights under the agreement. If

the seller fails to repurchase the security and the market value of the security declines, the Fund may lose money.

Repurchase Agreement Risk 2: If the other party to a repurchase agreement defaults on its obligation under the agreement, the Account may suffer delays and incur costs or lose money in exercising its rights under the agreement. If the seller fails to repurchase the security and the market value of the security declines, the Account may lose money.

Securities Lending Risk 1: The Fund may engage in securities lending, which involves borrower credit risk, settlement risk, and cash collateral-related risks, such as the risk that the return on the cash collateral is insufficient to cover the fees the Fund is committed to pay and the risk that cash collateral may be invested in securities or other instruments that suffer losses or become illiquid.

Securities Lending Risk 2: The Fund and the iShares funds in which the Fund may invest may engage in securities lending, which involves borrower credit risk, settlement risk, and cash collateral-related risks, such as the risk that the return on the cash collateral is insufficient to cover the fees the Fund or the iShares fund, as applicable, is committed to pay and the risk that cash collateral may be invested in securities or other instruments that suffer losses or become illiquid.

Securities Lending Risk 3: A Fund may engage in securities lending, which involves borrower credit risk, settlement risk, and cash collateral-related risks, such as the risk that the return on the cash collateral is insufficient to cover the fees a Fund is committed to pay and the risk that cash collateral may be invested in securities or other instruments that suffer losses or become illiquid.

Short Selling Risk 1: Because making short sales in securities that it does not own exposes the Fund to the risks associated with those securities, such short sales involve speculative exposure risk. The Fund may incur a loss if the price of the security increases between the date of the short sale and the date on which the Fund replaces the security sold short.

Short Selling Risk 2: Because making short sales in securities that it does not own exposes a Fund to the risks associated with those securities, such short sales involve speculative exposure risk. A Fund may incur a loss if the price of the security sold short increases between the date of the short sale and the date on which a Fund replaces the security.

Small-Capitalization Companies Risk: Compared to mid- and large-capitalization companies, small-capitalization companies may be less stable and more susceptible to adverse developments, and their securities may be more volatile and less liquid.

Target Date Risk 1: A "target date" fund may incur losses close to or after the fund's target retirement date, and there is no guarantee that the fund will provide adequate income for an investor's retirement.

Target Date Risk 2: A "target date" account may incur losses close to or after the account's target retirement date, and there is no guarantee that the account will provide adequate

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income for an investor's retirement.

U.S. Government Issuers Risk: Obligations of the U.S. government and its agencies and instrumentalities are supported by varying degrees of credit. Debentures issued by U.S. government agencies are generally backed only by the general creditworthiness and reputation of the government agency issuing the debenture and are not backed by the full faith and credit of the U.S. government. U.S. Treasury obligations may differ in their interest rates, maturities, times of issuance and other characteristics.

Underlying Fund Risk 1: The investment objective and strategies of a collective investment trust in which the Fund invests ("Underlying Fund") may differ from the Fund, and there is no assurance that an Underlying Fund will achieve its objective.

Underlying Fund Risk 2: The investment objective and strategies of an Underlying Fund in which the Fund invests may differ from the Fund, and there is no assurance that an Underlying Fund will achieve its objective.

Underlying Fund Risk 3: The investment objective and strategies of a collective investment trust or iShares fund in which the Fund invests ("Underlying Fund") may differ from the Fund, and there is no assurance that an Underlying Fund will achieve its objective.

Underlying Fund Risk 4: The investment objective and strategies of a Fund may differ from the Account, and there is no assurance that a Fund will achieve its objective.

Value Securities Risk: Value securities are those issued by companies that may be perceived as undervalued. Value securities may fail to appreciate for long periods of time and may never realize their full potential value. The Index Provider may be unsuccessful in creating an index that emphasizes undervalued securities. Value securities have generally performed better than non-value securities during periods of economic recovery. Value securities may go in and out of favor over time.

Volatility Risk: Although the Underlying Index was created by the index provider to seek lower volatility than the Parent Index, there is no guarantee that this strategy will be successful. The Fund's name reflects the name of the Underlying Index as provided by the index provider. However, the index provider may be unsuccessful in creating an index that minimizes volatility, and there is a risk that the Fund may experience more than minimum volatility.

Contract Asset Charges

The applicable monthly contract asset charges (CAC) range from 0.0000% to 0.3333%.

Plan sponsors should consult their investment contract and participants should consult their enrollment kit for any CAC charges applicable to their plan.

Contract asset charges may be affected by the arrangement between the plan sponsor and its broker.

Charges Upon Termination

Depending on the features elected by your plan, a discontinuance charge may apply at the time the investment contract is terminated.

Closed to New Investors

Investment choices which are closed to new investors are not available to be added to contracts/plans as of the date listed on the individual investment fact sheet. For this purpose, participants in plans which already included this investment choice prior to that date are not treated as new investors.

Trading Restrictions

The ability to exchange units of the separate account may be restricted in the event that a sponsor or participant engages in trading patterns which are detrimental to the separate account or the underlying investment.

Investment choices may be subject to certain transfer restrictions. Participant-directed transfers into this contract account may be limited. Additionally, plan-level restrictions may apply. Automatic scheduled transactions such as payroll contributions, loan repayment, etc. may not be subject to these restrictions. However, you may transfer funds out of this contract account at any time. These restrictions may be changed at any time to comply with any restrictions on trading imposed by the underlying mutual fund.

Type A: Transfers into the investment choice are restricted for a rolling 28-day period once a round trip transfer ("in" and "out") has been made.

Type B: Participants who exchange shares out of an investment choice will not be permitted to exchange shares into the same investment choice for 60 calendar days. The policy will not prevent regular employer or participant contributions into an investment choice, nor will it prevent a participant from exchanging out of an investment choice at any time. Reallocation and rebalancing transactions completed systematically or directly by participants will not be exempt from the frequent-trading policy.

Type C: Transfers into the investment choice are restricted for a rolling 30-day period once a transfer out has been made.

Redemption Fees

The redemption fees may change at any time. A redemption fee may be assessed if investment choice units are transferred/purchased and sold within a period of days that is shorter than the mutual fund company's defined "holding period." Redemption fees are paid to the mutual funds, and are not retained by Transamerica Retirement Solutions.

Benchmark Index Descriptions

The Bloomberg Government/Credit 1-5 Yr TR 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.

The Bloomberg US Agg Bond TR USD is composed of approximately 7,000 asset-backed, corporate, government, and mortgage backed bonds. The index's total return consists of price appreciation/depreciation and income as a

percentage of the original investment. The underlying component indexes (BarCap Government/Corporate Bond Index, Mortgage-Backed Securities Index and the Asset-Backed Securities Index) are rebalanced monthly by market capitalization.

The Bloomberg US Government Long TR USD includes those indexes found in the LB Government index which have a maturity of 10 years or more. The returns published for the index are total returns, which include reinvestment of dividends.

The Bloomberg US Government TR USD is listed for government-bond general and Treasury funds. Because it tracks the returns of U.S. Treasuries, agency bonds, and one- to three-year U.S. government obligations, this index is effective for tracking portfolios holding non-mortgage government securities. The returns we publish for the index are total returns, which include reinvestment of dividends.

The Bloomberg US Govt/Credit 5-10 Yr TR USD represents a combination of the Government and Corporate Bond indices for bonds with maturities between five and 10 years. The returns we publish for the index are total returns, which include reinvestment of dividends.

The Bloomberg Capital U.S. Government/Credit Bond TR Index represents a combination of the Government and Corporate Bond indices. The returns we publish for the index are total returns, which include reinvestment of dividends.

The Bloomberg US Treasury US TIPS TR USD consists of Inflation-Protection securities issued by the U.S. Treasury. The holdings have at least one year to final maturity, are fixed rate, and are at least investment grade Baa3/BBB-.

The Bloomberg US Universal TR USD 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

The BofAML Convertible Bonds All Qualities Index tracks the returns of US-traded convertible debt issued by companies with a significant presence in the United States. The index is composed of various combinations of convertible structure and credit quality, e.g. it includes investment-grade, speculative grade, and non-rated issues. The returns we publish for the index are total returns, which include reinvestment of dividends.

The BofAML US High Yield Master II TR USD is a commonly used benchmark for Corporate High Yield Bonds. The index tracks the performance of below investment grade US denominated corporate bonds publicly issued in the US domestic market.

The Citigroup WGBI NonUSD Index covers thirteen government-bond markets: Australia, Austria, Belgium, Canada, Denmark, France, Germany, Italy, Japan, the

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Netherlands, Spain, Sweden, and the United Kingdom. For inclusion in this index, a market must total at least (U.S.) \$20 billion for three consecutive months. Also, a country will be removed if there are barriers to entry. For example, if a market actively discourages foreign investor participation or does not show commitment to its own policies, it is not eligible for inclusion in this index.

The Citigroup Three-month Treasury Bill Index are government-backed short-term investments considered to be risk-free and as good as cash because the maturity is only three months. Morningstar collects yields on the T-bill on a monthly basis from the Treasury Department.

The DJ US Financial TR USD consists of companies included in the Dow Jones Global Universe Index and derive their primary revenue from the financial sector. The Dow Jones Global Universe Index covers 95% of the underlying free-float market capitalization at the country level for developed markets (excluding Europe) and at the aggregate level for Europe and emerging markets (all Europe and all emerging markets).

The DJ US Health Care TR USD consists of companies included in the Dow Jones Global Universe Index and derive their primary revenue from the healthcare sector. The Dow Jones Global Universe Index covers 95% of the underlying free-float market capitalization at the country level for developed markets (excluding Europe) and at the aggregate level for Europe and emerging markets (all Europe and all emerging markets).

The DJ US Select REIT TR USD tracks the performance of publicly traded Real Estate Investment Trusts. To be included in this index a company must be an owner and operator of commercial or residential real estate, derive at least 75% of its revenue from real estate assets, have a market capitalization of more than \$200 million and meet certain stock liquidity requirements.

The DJ Utilities Average TR USD consists of 15 geographically representative gas and electric utility companies. The index is price weighted, meaning it is calculated by adding up the daily prices of the 15 stocks and dividing by a stock split-adjusted divisor. Dividends are reinvested to reflect the actual performance of the underlying securities, thus the figure is a total return.

The Morningstar Aggressive Target Risk represents a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in a static allocation appropriate for U.S. investors who seek above-average exposure to equity market risk and returns.

The Morningstar Lifetime Moderate 2010 Index represents a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a U.S. investor who is near retirement. The Moderate risk profile is for investors who are comfortable with average exposure to equity market volatility.

The Morningstar Lifetime Moderate 2015 Index represents a

portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a U.S. investor who is about five years away from retirement. The Moderate risk profile is for investors who are comfortable with average exposure to equity market volatility.

The Morningstar Lifetime Moderate 2020 represents a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a U.S. investor who is about ten years away from retirement. The Moderate risk profile is for investors who are comfortable with average exposure to equity market volatility.

The Morningstar Lifetime Moderate 2025 represents a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a U.S. investor who is about 15 years away from retirement. The Moderate risk profile is for investors who are comfortable with average exposure to equity market volatility.

The Morningstar Lifetime Moderate 2030 represents a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a U.S. investor who is about 20 years away from retirement. The Moderate risk profile is for investors who are comfortable with average exposure to equity market volatility.

The Morningstar Lifetime Moderate 2035 represents a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a U.S. investor who is about 25 years away from retirement. The Moderate risk profile is for investors who are comfortable with average exposure to equity market volatility.

The Morningstar Lifetime Moderate 2040 represents a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a U.S. investor who is about 30 years away from retirement. The Moderate risk profile is for investors who are comfortable with average exposure to equity market volatility.

The Morningstar Lifetime Moderate 2045 represents a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a U.S. investor who is about 35 years away from retirement. The Moderate risk profile is for investors who are comfortable with average exposure to equity market volatility.

The Morningstar Lifetime Moderate 2050 represents a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a U.S. investor who is about 40 years away from retirement. The Moderate risk profile is for investors who are comfortable with average exposure to equity market volatility.

The Morningstar Lifetime Moderate Income represents a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a U.S. investor who is at least ten years into retirement. The Moderate risk profile is for investors who are comfortable with average exposure to equity market volatility.

The Morningstar Moderately Aggressive Target Risk represents a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in a static allocation appropriate for U.S. investors who seek a slightly above-average exposure to equity market risk and returns.

The Morningstar Moderately Conservative Target Risk represents a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in a static allocation appropriate for U.S. investors who seek a slightly below-average exposure to equity market risk and returns.

The Morningstar SEC/Technology TR USD tracks the performance of publicly traded companies engaged in the design, development, and support of computer operating systems and applications.

The MSCI ACWI Ex USA NR USD is a capitalization-weighted index of stocks from Argentina, Australia, Austria, Belgium, Brazil, Canada, Chile, Columbia, Denmark, Finland, France, Germany, Greece, Hong Kong, India, Indonesia, Ireland, Israel, Italy, Japan, Jordan, Korea, Luxembourg, Malaysia, Mexico, Netherlands, New Zealand, Norway, Pakistan, Peru, Philippines, Poland, Portugal, Singapore, South Africa, Spain, Sri Lanka, Sweden, Switzerland, Taiwan, Thailand, Turkey, United Kingdom, and Venezuela. The returns reported for this index are listed in US dollars. NDTR_D indexes provide an estimate of the total return that would be achieved by reinvesting one twelfth of the annual yield reported at every month end. It also takes into account actual dividends before withholding taxes, but excludes special tax credits declared by companies. In addition, NDTR_D indexes subtract withholding taxes retained at the source, for foreigners who do not benefit from a double taxation treaty.

The MSCI EAFE Growth NR USD is 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. MSCI Barra utilizes a two dimensional framework for style differentiation. Categorization between value and growth is done via a multi-factor model, with five variables used to define the growth investment style and the objective to target 50% of the free float adjusted market capitalization of the underlying market index. NDTR_D indexes provide an estimate of the total return that would be achieved by reinvesting one twelfth of the annual yield reported at every month end. It also takes into account actual dividends before withholding taxes, but excludes special tax credits declared by companies. In addition, NDTR_D indexes subtract withholding taxes retained at the source, for foreigners who do not benefit from a double taxation treaty. The returns we publish for the index are total returns, which include

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reinvestment of dividends and are in USD dollars.

The MSCI EAFE Value GR Index is a free float-adjusted market capitalization weighted index that is designed to measure the performance of value oriented stocks in the world's equity markets, excluding the U.S. and Canada.

The MSCI EAFE Value NR USD is 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. MSCI Barra utilizes a two dimensional framework for style differentiation. Categorization between value and growth is done via a multi-factor model, with three variables used to define the value investment style and the objective to target 50% of the free float adjusted market capitalization of the underlying market index. NDTR_D indexes provide an estimate of the total return that would be achieved by reinvesting one twelfth of the annual yield reported at every month end. It also takes into account actual dividends before withholding taxes, but excludes special tax credits declared by companies. In addition, NDTR_D indexes subtract withholding taxes retained at the source, for foreigners who do not benefit from a double taxation treaty. The returns we publish for the index are total returns, which include reinvestment of dividends and are in USD dollars.

The Morgan Stanley Capital International (MSCI) Emerging Markets Free Index is typically made up of stocks from approximately 26 emerging market countries. NDTR_D indexes are calculated daily and take into account actual dividends reinvested daily before withholding taxes, but exclude special tax credits declared by companies. In addition, NDTR_D indexes subtract withholding taxes retained at the source, for foreigners who do not benefit from a double taxation treaty.

The MSCI Europe NR Index is listed for Europe stock funds. This index measures the performance of stock markets in Austria, Belgium, Denmark, Finland, France, Germany, Italy, the Netherlands, Norway, Spain, Sweden, Switzerland, Ireland, Portugal, and the United Kingdom. Total returns date back to December 1981. NR indices provide an estimate of the total return that would be achieved by reinvesting one twelfth of the annual yield reported at every month end. It also takes into account actual dividends before withholding taxes, but excludes special tax credits declared by companies. In addition, NR indices subtract withholding taxes retained at the source, for foreigners who do not benefit from a double taxation treaty.

The MSCI Pacific NR Index, formerly known as MS Pacific, is listed for Pacific stock funds and measures the performance of stock markets in Australia, Hong Kong, Japan, New Zealand, and Singapore, and Malaysia. NR indices provide an estimate of the total return that would be achieved by reinvesting one twelfth of the annual yield reported at every month end. It also takes into account actual dividends before withholding taxes, but excludes special tax credits declared by companies. In addition, NR indices subtract withholding taxes retained at the source, for foreigners who do not benefit from a double taxation treaty. The returns we publish for the index are total returns, which include reinvestment of

dividends.

The MSCI World ex US NR Index measures the performance of the stock market in the following countries: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Italy, Japan, Malaysia, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden, Switzerland and the United Kingdom.

The MSCI World NR USD includes all 23 MSCI developed market countries NDTR_D indexes are calculated daily and take into account actual dividends reinvested daily before withholding taxes, but exclude special tax credits declared by companies. In addition, NDTR_D indexes subtract withholding taxes retained at the source, for foreigners who do not benefit from a double taxation treaty. The returns we publish for the index are total returns, which included.

The MSCI World Metals & Mining ID Index is subset of the MSCI World index covering those securities whose primary operations are in industries related to metals and mining. The MSCI World Index is a free float-adjusted market capitalization index that is designed to measure global developed market equity performance. As of April 2002 the MSCI World Index consisted of the following 23 developed market country indices: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom and the United States.

The MSCI World/Real Estate NR USD is a subset of the MSCI World index covering those securities whose primary operations are in industries related to real estate. The MSCI World Index is a free float-adjusted market capitalization index that is designed to measure global developed market equity performance. As of April 2002 the MSCI World Index consisted of the following 23 developed market country indices: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom and the U.S.A. NDTR_D indexes provide an estimate of the total return that would be achieved by reinvesting one twelfth of the annual yield reported at every month end. It also takes into account actual dividends before withholding taxes, but excludes special tax credits declared by companies. In addition, NDTR_D indexes subtract withholding taxes retained at the source, for foreigners who do not benefit from a double taxation treaty. The returns we publish for the index are total returns, which include reinvestment of dividends and are in USD dollars.

The Russell 1000 Growth TR USD measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. The Russell 1000 Index measures the performance of the 1,000 largest U.S. companies based on total market capitalization, which represent approximately 98% of the investable U.S. equity market.

The Russell 1000 TR USD is a benchmark that measures the performance of the 1,000 largest companies in the Russell

3000 Index, which represents approximately 92% of the total market capitalization of the Russell 3000 Index.

The Russell 1000 Value TR USD measures the performance of those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values. The Russell 1000 Index measures the performance of the 1,000 largest U.S. companies based on total market capitalization, which represent approximately 98% of the investable U.S. equity market.

The Russell 2000 Growth TR USD is a Market-weighted total return index that measures the performance of companies within the Russell 2000 Index having higher price-to-book ratios and higher forecasted growth values. The Russell 2000 Index includes the 2000 firms from the Russell 3000 Index with the smallest market capitalizations. The Russell 3000 Index represents 98% of the of the investable US equity market.

The Russell 2000 TR USD consists of the smallest 2000 companies in the Russell 3000 Index, representing approximately 7% of the Russell 3000 total market capitalization. The returns we publish for the index are total returns, which include reinvestment of dividends.

The Russell 2000 Value TR USD is a market-weighted total return index that measures the performance of companies within the Russell 2000 Index having lower price-to-book ratios and lower forecasted growth values. The Russell 2000 Index includes the 2000 firms from the Russell 3000 Index with the smallest market capitalizations. The Russell 3000 Index represents 98% of the of the investable US equity market.

The Russell 2500 Growth TR Index is comprised of those growth stocks that belong to the Russell 2500 Index, which tracks the performance of the smallest 2,500 stocks by market capitalization in the Russell 3000 Index. Growth stocks are determined for inclusion in this index using a "non-linear probability" method, based on a security's relative book-to-price ratio and I/B/E/S forecast long-term growth mean. Stocks represented in this index have higher price-to-book ratios and higher forecasted growth ratios.

The Russell Mid Cap Growth TR USD is a market-weighted total return index that measures the performance of companies within the Russell Midcap Index having higher price-to-book ratios and higher forecasted growth values. The Russell Midcap Index includes firms 201 through 1000, based on market capitalization, from the Russell 3000 Index. The Russell 3000 Index represents 98% of the of the investable US equity market.

The Russell Mid Cap Value TR USD is a market-weighted total return index that measures the performance of companies within the Russell Midcap Index having lower price-to-book ratios and lower forecasted growth values. The Russell Midcap Index includes firms 201 through 1000, based on market capitalization, from the Russell 3000 Index. The Russell 3000 Index represents 98% of the of the investable US equity market.

Disclosure

The S&P 1500 Cons Discretionary TR comprises those companies included in the S&P Composite 1500 that are classified as members of the GICS consumer discretionary sector.

The S&P MidCap 400 TR covers over 7% of the U.S. equity market, and seeks to remain an accurate measure of mid-sized companies, reflecting the risk and return characteristics of the broader mid-cap universe on an on-going basis.

The S&P North American Natural Resources TR Index is a modified capitalization-weighted index and is used as an equity benchmark for U.S. traded natural resource-related stocks. Security inclusion for the index is determined by the S&P Equity Industry Index Committee and the following criteria: the exchange on which the stock is traded, minimum market capitalization, minimum float and liquidity requirements. The weight of a particular stock in the sub-index is capped at a predetermined limit. Stocks are classified by the Global Industry Classification Standard (GICS).

USTREAS Treasury Bill Auction Average 3 Month is a government backed short-term investment considered to be risk-free and as good as cash because the maturity is only three months. Morningstar collects yields on the T-bill on a weekly basis from the Wall Street Journal.