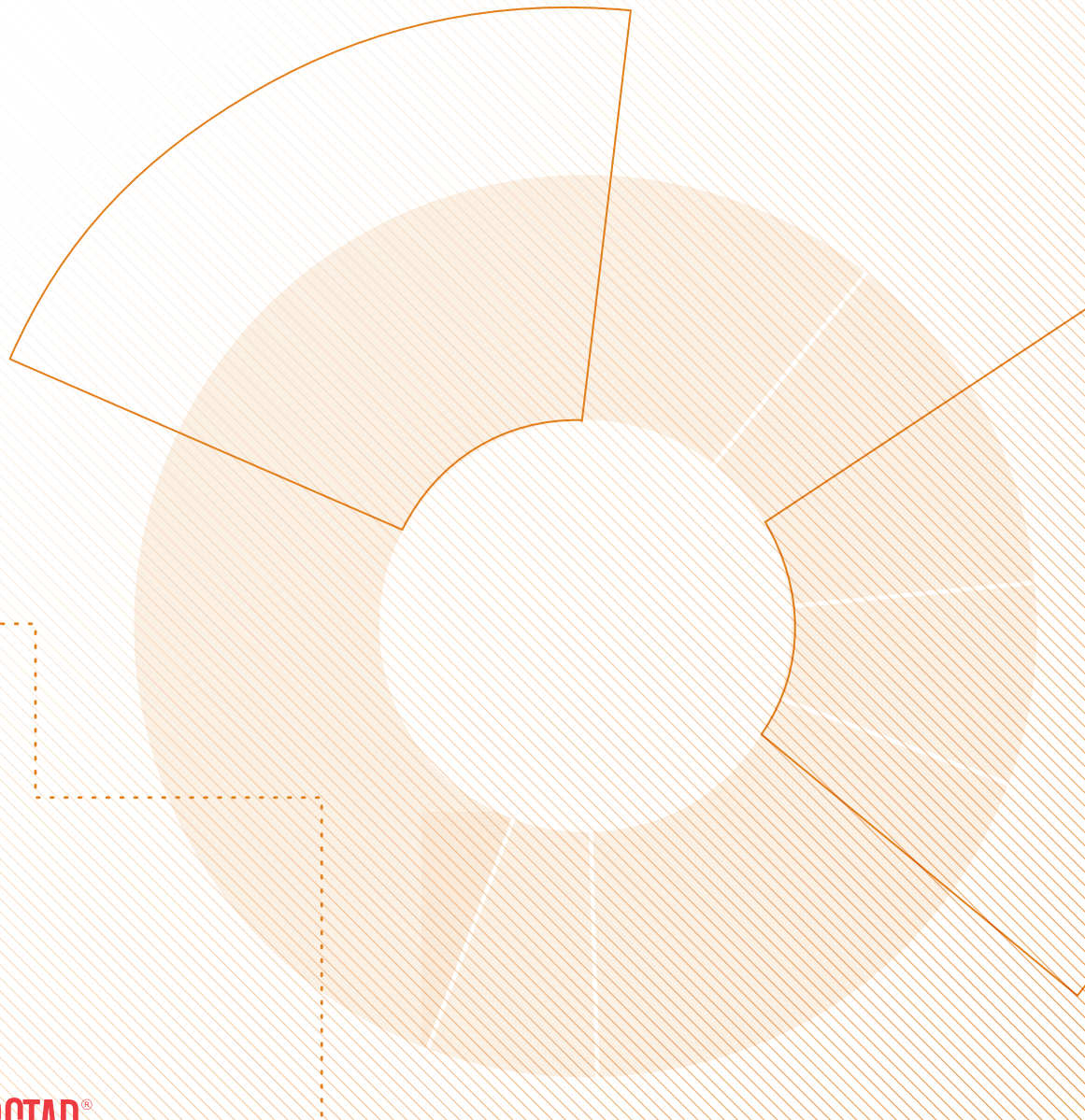


Active Passive Portfolios

Asset Allocation Series

Active or passive management? We tap into the strengths of both approaches in five portfolios that span the risk spectrum.



Diversified portfolios designed to offer you the best of both approaches

Each portfolio uses a valuation-driven process with active investments which aim to increase return potential, and passive investments to help remain diversified, lower-cost, and tax-efficient.

We Find Value

Our investment professionals around the world study global markets to find what others may be missing. We begin with a blank sheet of paper, not a benchmark, pushing ourselves to find value, which we define as getting more than what you pay for. Our disciplined and principled approach to finding value builds risk management into every purchase.

Active Management

Because markets are in constant motion, we constantly monitor our portfolios. We're firm believers in active investing, and embrace an independent approach by selecting flexible managers or lesser-known boutique shops—seeking those with the potential to deliver above-average risk-adjusted results over the long term.

Passive Management

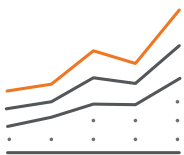
Passive investments seek to replicate the performance of an index for a low fee, using indexed mutual funds and/or exchange-traded funds, or ETFs. They're typically cost-effective, with lower portfolio turnover and more favorable tax consequences for investors. To build each portfolio, we select passive investments that closely track their asset class or benchmark index.

Getting the Most From Each Approach

We carefully monitor the overall risk level of a portfolio when combining active and passive strategies. We select active managers in areas where we think a skilled manager's research and knowledge has the potential to boost performance, such as emerging markets or small-cap stocks. In areas in which manager skill is less likely to affect performance—such as government bonds—we tend to favor lower-cost passive investments.

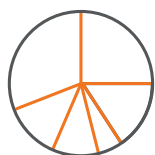
Building Holistic Portfolios

Each portfolio is created using our investment process.



In-Depth Valuation Analysis

We analyze capital markets with a valuation lens to find ways we can get more than we'll pay for, and gauge market sentiment to help ensure we're taking a contrarian look at markets.



Develop Asset Class Views

Our asset allocation best thinking stems from valuation-based opportunities in stock and bond markets, as we seek to maximize return for a given level of risk.



Investment Selection

Our manager research team meets personally with managers to evaluate their investment styles using a five-pillar system to identify the most appropriate strategies to include in our portfolios.



Portfolio Construction

When building portfolios, we look at the whole picture. Considering risk and return characteristics of investments may adjust our asset class thinking as we bring pieces together into a portfolio.



Ongoing Monitoring

As markets change, so do our portfolios. Our investment team monitors them each day to stay well-positioned and risk-aware through the market's ups and downs.

Active/Passive Portfolios

Our portfolios are designed to put your needs front and center—where they belong. We think your portfolio should be working for you no matter which investment approach or style is in favor at any given time. That's why we keep them broadly diversified across asset classes, managers, and investment styles.

We offer portfolios for both taxable and tax-deferred accounts. To select a portfolio, talk to your financial advisor, who can help you build a wealth strategy focused on your long-term goals.

● Equity ● Fixed Income ● Alts ● Cash

PORTFOLIOS	GOAL	ASSET CLASS RANGE	ALLOCATION
Aggressive Growth	Long-term capital appreciation. The portfolio invests primarily in domestic and foreign equities, while seeking to cushion equity market downturns with modest exposure to fixed-income securities.	80-100% 0-20% 0-20% 0-25%	
Growth	Long-term capital appreciation. Designed to help investors to take advantage of the potential for stock market growth by investing primarily in domestic and foreign equities.	65-95% 5-35% 0-20% 0-25%	
Moderate Growth	Long-term growth with moderate volatility. Built with a focus on providing balanced and varied exposure by investing in both equity and fixed-income securities.	45-75% 25-55% 0-20% 0-25%	
Income & Growth	Moderate capital appreciation combined with current income. Combines the growth potential of equities with the balance that fixed-income securities can provide.	25-55% 45-75% 0-20% 0-25%	
Conservative	Protection from capital loss and a safeguard against inflation. Invested in fixed-income and equity securities, it's designed to be best suited for investors who seek current income and stability.	5-35% 65-95% 0-20% 0-25%	

*Allocation ranges shown above are for the tax-deferred portfolios. Tax-sensitive versions of the portfolios are available for taxable accounts and may include tax-exempt asset classes such as municipal bonds in addition to asset classes shown above.

Asset classes shown are determined by Morningstar, Inc. Category groups. Allocation at the individual account level may vary. Neither diversification nor asset allocation ensure a profit or guarantee against a loss. Those asset classes noted may be known to be a growth engine, income producer, or volatility dampener but there is no guarantee this will hold true. For illustrative purposes only.

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About Morningstar's Investment Management group

Drawing on our core capabilities in asset allocation, investment selection, and portfolio construction, Morningstar's Investment Management group provides a global point of view and local market experience. Our investment professionals, located around the world, are guided by core principles focused on long-term investment results and helping end investors reach their financial goals. Built around world-class investment strategies and harnessing the global resources of Morningstar, Inc., our investment offerings support financial advisors, institutions, and the investors they serve.

Morningstar® Managed Portfolios™ provides professional guidance and access to strategies that can help investors reach their financial goals.

Important Information

It is important to note that investments in securities (e.g., mutual funds, exchange-traded funds, common stocks) involve risk and will not always be profitable. ETFs, like all investments, carry certain risks that may adversely affect their net asset value, market price, and/or performance. An ETF's net asset value (NAV) will fluctuate in response to market activity. Because ETFs are traded throughout the day and the price is determined by market forces, the market price you pay for an ETF may be more or less than the net asset value. Because ETFs are not actively managed, their value may be affected by a general decline in the U.S. market segments relating to their underlying indexes. Similarly, an imperfect match between an ETF's holdings and those of its underlying index may cause its performance to not match the performance of its underlying index. Like other concentrated investments, an ETF with concentrated holdings may be more vulnerable to specific economic, political, or regulatory events than an ETF that mirrors the general U.S. market.

Neither diversification nor asset allocation ensure a profit or guarantee against a loss.

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Morningstar Managed Portfolios offered by Morningstar Investment Services LLC or Morningstar Investment Management LLC are intended for citizens or legal residents of the United States or its territories and can only be offered by a registered investment adviser or investment adviser representative.

Portfolio construction and ongoing monitoring and maintenance of the portfolios within the Program is provided on Morningstar Investment Services' behalf by Morningstar Investment Management LLC, a registered investment adviser and subsidiary of Morningstar, Inc.

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