

SURVSHFWXV IRU GHWDLOHG LQIRUPDWLRQ

'HILQLWLRQV

3HUIRUPDQFH

\$OSKJ PHDVXUH RI WKH GLIIHUHQ

- - -7KH 7RWDO 5HWXUQV OLTVH SWLXD O KUHWWKHSRUDWQGGIEV X GH SHC
OHYHO IHV DQG H[SHQVHV UHUU VHWDP I FGDVRIU EGYEG B B W D QSR
GLVWULEXWLRQV &XUHQW SHUWKHPSPDFWIRDL E HK D R ZSHU IRW R K G K E
WKDQ WKH SHUIRUPDQFH UHIOH SW H G L F Q V W K L V F S Q V B D W W 5 B W Q X U D W
LQFOXGH DQ\ SROLF\ FKDUJHV KHUVI K Q S D H O I S H I Z I R X U P G E H J L Y H Q W K H
VLJQL LFDQWO\ ORZHU DIWHU D G E V S R G L F \ I H H V D Q G H [S H Q V H V D U
GHGXFWHG 7KH FRVW RI OLIH L Q V A U D O F I B D O N G H E C H O H N L W H V R Y H R U D Q
WKURXJK WKH SROLF\ LV GHGXFWKHG P R S R U K W O I R Q Q R V B M W R U P J H I R S P R I
FKDUJHV ZKLFK PD\ LQFOXGH E F X V S L D V D H O Q P D W D R E L I R H G D W E R R V W K H
, Q V X U D Q F H F K D U J H V D G P L Q L V W W % B W D Y D H F F K D W X U M R A R D J W D Q G L W \ V D H O

- - -9DULDEOH 8QLYHUVDO /LIH H S V K Q D H Q B H V J H E K D D O H X U H T Y X L W D P R Y I F R B Q V H V \$ D S R U D Q R O I L S I Z W W K D
D G G L W L R Q D O S U H P L X P S D \ P H Q W F K D U W H V W K L H E E L S R L O D O F \ S E H I P U X P Y R O D W L E H S V U K R G K F W K H \ R D U N H W D O
H L W K H U Q R S U H P L X P V D U H S D L G H Q F F U R X U E V H H G X H R Q D V S U H P L X P O L I D U H Q W X U H D V F H R S U D R G L O F H W W K D Q D W K H P
L Q V X I I L F L H Q W W R F R Q W L Q X H F R Y H H W D R G D O W H G S G O X V E Q H D W I K F O N E B R I G E H U B D E R O X F O R L S B Q D D H D E R Q G
Z L O O H [S L U H / L I H L Q V X U D Q F H L F K D X B M H F W H S R R U W Q G M R U E H D S L Q R J I X Q G E M U W W E I Q G I K E Z W W E B D S O R L F \ G H
D S S U R Y D O R I W K H D S S O L F D W L R G K D Q G H Z L O D I H L Q W X I R X P R S W G D F \ S R D B H E R D G X H V Q B W H H W K E G S S S O L F W E R O
F K D U J H V

SURGXFW SURVSHFWXV IRU PRUSHLQHRQVADWHRQI DLRGSLGRORRIVHF

- - -(DFK YDULDEOH LQYHVWPHQWDRISWVLRQKIHQYHFDAVEHQPDOWL SLOHGLQV TXKODLHV FODWLHQV OLVVWVHG
FRUHVSRQGLQJ SRUWIORL RI WKKHVP H S H U R L F W Q 1) K V G D V Q V K D D E F H D O G V M V S W K D W H D S S I S D R I L V Q K W K L D W
6HULHV)XQGV %1< 0HOOR 9DULDEOH LQYHVWPHQWV X Q G S / L Q Z L W D Q G B H % S W R G D W L Q J 3 D U H D W K H H I R I
% O D F N 5 R F N S 9 D U L D E O H 6 H U L H V \ R X Q G S 3 / , Q E V X U D Q G F W S R F M S L G H W X H G I W R W K H R D S G O H F D E P H
'LPHQVLRQV *URXS ,QF) L G H O L M X G S G D D Q D E O K D L C H K O D Q F H V 3 U R G K I F W R Z H U W K D Q % % R I W H Q F D O O
) X Q G V) U D Q N O L Q 7 H P S O H W R Q 9 B U L D E O H S E M X R U D P O F H F B U I R G X F M U / D T U H F W Q Q G V G H I Q F X G R I E S H T X L R G V V R
, Q Y H V F R 9 D U L D E O H , Q V X U D Q F H Y K L P G V Z K E Q X R V S K V S U H Q G Y H U L W F H Q D V D W Q Q J W P H Q W D Q G P E H P O R Q D D H E F R
5 H W L U H P H Q W 6 H U L H V , Q F / H J J W K D W R Q I X Q G W D Q G V R U D Z K D E O I H Q Y E R L O R V H Q W S W R O L S F L H D V U D Q G W S K R I V R E
7 U X V W / H J J O D V R Q 3 D U W Q H U V 9 D U L D E O H Q G W H D R Q G , Q F R I P H G L U X H V H G / L Q R R O D S B G F G E W D I G B V Q G R G R D W H R U V
9 D U L D E O H , Q V X U D Q F H 3 U R G X F W F U D Q J H V / R B S X S E H G V D U G H D V H R Q B B Z L Q J D Y D L O D E O H -
, Q F 0) 6 S 9 D U L D E O H , Q V X U D Q F H 7 U X V W 0) X Q G , Q F 1 H X E H U J H U X U D W L R Q S H H B W L A H G X U D W L R Q L
% H U P D Q \$ G Y L V H U V O D Q D J H P H Q W 7 X X Y W Q G D W H U E D W D R E G D O) X D G L W R Q X Q G S R O W H U H V W O D W H V H Q V L W
3,0&2 9DULDEOH ,QVXUDQFH 7UXVWJ5 R B B & D S X W D Q Q X R Q 6 W D W D R I S P R U H V H Q V L W L Y H W K H I X Q G L
6 W U H H W 9 D U L D E O H , Q V X U D Q F H 6 H U L H V) X Q G V , Q F 7 5 R Z H 3 U L K H D W L R Q L V G H W H U P L Q H G E \ D I R
(T X L W \ 6 H U L H V , Q F 9 D Q (F N 9 , 3 D B K L W 6 B O G P H Q D Q D S H G % R U L O G R O D W H V H V D Q G E R Q G P D W X L W L H V -
, Q V X U D Q F H) X Q G (P H U J L Q J O D U N H W V R Q (P B U I D Q W L R D U N K W O H ' H E K R U R O H U P D W X

- - -\$OWKRXXJK VRPH IXQGV PD\ KDYH QDRDWLQJ ISOWHVWOFHPW RCKUDWLRQRZMKRHOODWLRQVKLS E
JRDOV REMHFWLYHV WKDW UHVHFDCHV KHFDHQFKWRQO IXQGALPDQUDHGRQRQG/ RQUDLJKWIRUZDUG
E\ WKH IXQG PDQDJHU WKHVH IXQGMUQDOLGRDQCKDFDOK&DSDRPHDUV DQGWZLFH DADYRHO&VSOH DV
XGGHUO\LQJ KROGLQJV RU SHUIRUPDQFH DV WKHQGHWDLORE&W&DS *LQZGWK RQ DQG
JRDOV REMHFWLYHV OLG &DS 9DOXH RQ 6PDOO &DS 9DOXH RQ

- - -7KHUH LV JUHDWHU SRWHQWLDO IRQGLJKHU7HFMQRORQVJRQRXJK WKH DQG
YDULDEOH LQYHVWPHQW RSWLRQV EXDQRMRQQYHVWPHQW LV Vxemhfw WR
WKH ULVN RI SRRU LQYHVWPHQW SHUIRUPDQFH DQG FDQ YDU\
GHSHQGLQJ RQ WKH SHUIRUPDQFH RI S W K H S Y D W D W D I E D F F R Q M V W P B Q M S H R I , Q Y H V W P H Q W & R P S D Q \
RSWLRQV \RX KDYH FKRvhQ (DFKHVWUW B G O H R L Q V H V W G E H V W R Y H W R Q H M O U X V W Z K L F L V U H J L V W H
K D Y H L W V R Z Q X L T X H U L V N V 7 W K H Y D E X I U R W H B F K [F B D Q D E O H R P P L V L R Q X Q G H U W K H , Q Y H V W P H Q W
L Q Y H V W P H Q W R S W L R Q Z L O O I O X F M X S I C H E W K R W K H Y D O K B H S I D W D M H S F F R X Q W 6 W D U W ' D W H
L Q Y H V W P H Q W V L W K R O G V D Q G U H S X H Q V Q D U M V O R H V G D W H D W K W H S I S U W R R O E R Q Z D V D G G H G D V D V X E D F
O R V H P R Q H \ E \ L Q Y H V W L Q J L Q W L C H S R R O K A \ D S S E Q X B E Q H G R S D U R W H S F F R X Q W
S U L Q F L S D O D Q G S U L R U H D U Q L Q J V 7 K H U H I R U H W K H D F W X D O Y D O X H R I D Q \

SROLF\ GLVWULEXWLRQ FDQ EH JUHDW KHU ERUO KHPD/UW KLOG LFWW RSLURV DQHGFRFVWHLQ PD\ QRW
<RX EHDU WKH ULVN RI DQ\ YDUUDHSHOH LHQW V D V P O I Q W D R S V O L R Q V E I R X
FKRRVH <RX VKRXOG UH D G H D F B S X O L G F B B S M S I X Q G X V S D R V S X O Q X V H V 6 H H W K H D S S O L F D E O H I X Q G V
E H I R U H L Q Y H V W L Q J < R X F D Q R E S U D R L V S H F X X Q G S U I R V S H F W K V C E N R U P D W L R Q
FRQWDFWLQJ \RXU OLIH LQVXUDQFH S U R G X F W R K H E L Q G H [W L H Q V X U H V W K H S H U I R U P D Q F H
Z Z Z 3 D F L I L F / L I H F R P 1 R D V V X U D Q F H F D O H O \ K J Y H Q W W K F D W D \ Q Q G H T X L W \ P D U N H W 6 W D Q G D U G D Q
Z L O O D F K L H Y L W L Q Y H V W P H Q W R R E M H F W R M M V P H P H U F R P S D L H V I R U W K H L Q G H [E D V H G R Q

- - -([SHQVH UDWLRV VKRZQ ZHB DUGHVH V I P \ H Q H G L E D X H G V R Q Q G L Q G V W U \ J U R X S U H S U H V H Q W D W L R
DYHJDH QHW DVVHWV DV RI WKH FDVXG H G B D H W B S H W R F N V X P O L H Q G X V W U L D O I L Q D Q F L D O X W L O L V
R W K H U Z L V H L Q G L F D W H G & H U W D L Q D S R V S R U R O D W L R Q F V R H S B B Q W V V 6 W B F O H P W G D W K L V F R P S R V L W L
FRQWUDFWXDO DGYLVRU\ IHH ZKLDVH E H Q G P R R U H I [S H Q V L E O F D B Q V K W R K X J Q X P E H U R I L V V X H V L Q H D F K
V S H F L I L H G S H U L R G 3 O H D V H V H V H F W H R D S I S D V L F D E L Q H G S R U W V L R O R D U W H W F D S L W D O L J D W L R Q Z H L J K W H G

HIHFWLYH PDWXULW\ E\ WKH PDUNHW YDOXH RI WKH VHFUXULW\ ,W WDNHV
LQWR FRQVLGHUDWLRQ DOO PRUWJDJH SUHSD\PHQWV SXWV DQG
DGMXVWDEOH FRXSRQV /RQJHU PDWXULW\ IXQGV DUH JHQHUDOO\
FRQVLGHUHG PRUH LQWUHVW UDWV VHQVLRWLYH WKDQ WKHLU VKRUWHU
FRXQWHUSDUWV -

~~3ULFH 3URVSHFWLYH ERRN YDOXH \LHOGV RI DOO WKH~~

DYHUDJH RI WKH SURVSHFWLYH ERRN YDOXH \LHOGV RI DOO WKH
GRPHVWLF VWRFNV LQ WKH IXQG V SRUWROLR DV RI WKH GDWH RI WKH
SRUWROLR ,W LV FDOFXODWHG E\ GLYLGLQJ WKH FRPSDQ\ V HVWLPDWHG
VKDUHKROGHUV HTXLW\ SHU VKDUH IRU WKH FXUUHQW ILVFDO \HDU E\
WKH FRPSDQ\ V PRQWK HQG VWRFN SULFH DV RI WKH SRUWROLR GDWH

~~3ULFH 3URVSHFWLYH HDUQLQJV \LHOG LV FDOFXODWHG E\ GLYLGLQJ WKH~~

ZHLJKWHG DYHUDJH RI WKH SULFH FDVK IORZ UDWLRV RI WKH VWRFNV
LQ D IXQG V SRUWROLR 3ULFH FDVK IORZ UHSUHVHQWV WKH DPRXQW
DQ LQYHVWRU LV ZLOOLQJ WR SD\ IRU D GROODU JHQHUDWHG IURP D
SDUWLFXODU FRPSDQ\ V RSHUDWLRQV 3ULFH FDVK IORZ VKRZV WKH
DELWLW\ RI D EXVLQHVV WR JHQHUDWH FDVK DQG DFWV DV D JDXJH RI
OLTXLGLW\ DQG VROYHQF\

~~3ULFH 3URVSHFWLYH HDUQLQJV \LHOG LV FDOFXODWHG E\ GLYLGLQJ WKH~~

DYHUDJH RI WKH SURVSHFWLYH HDUQLQJV \LHOGV RI DOO WKH GRPHVWLF
VWRFNV LQ WKH IXQG V SRUWROLR DV RI WKH GDWH RI WKH SRUWROLR - \$
VWRFN V SURVSHFWLYH HDUQLQJV \LHOG LV FDOFXODWHG E\ GLYLGLQJ WKH
FRPSDQ\ V HVWLPDWHG HDUQLQJV SHU VKDUH IRU WKH FXUUHQW ILVFDO
\HDU E\ WKH FRPSDQ\ V PRQWK HQG VKDUH SULFH DV RI WKH
SRUWROLR GDWH

WKDQ \HUV EXW OHVV WKDQ RU HTXDO WR \HUV DQG
([WHQVLYH LV DVVLJQHG WR SRUWIROLRV ZLWK HIIHFWLYH GXUDWLRQV
RI PRUH WKDQ \HUV
1RW ,QWHUHVW UDWH VHQLWLWLYLW\ IRU QRQ 8 6 GRPLFLOHG
SRUWIROLRV H[FOXGLQJ WKRVH LQ 0RUQLQJVVWU FRQYHUWLEOH
FDWHJRULHV PDI EH DVVLJQHG XVLQJ DYHUDJH PRGLLHG GXUDWLRQ
ZKHQ DYHUDJH HIIHFWLYH GXUDWLRQ LV QRW DYDLODEOH
)RU SRUWIROLRV 0RUQLQJVVWU FODVVLILHV DV 8 6 7D[DEOH]LHG
,QFRPH LQWHUHVW UDWH VHQLWLWLYLW\ FDWHJRULHV DVVLJQPHQW LV
EDVHG RQ WKH HIIHFWLYH GXUDWLRQ RI WKH 0RUQLQJVVWU &RUH %RQG
,QGH[0&%, 7KH FODVVLILFDWLRQ DVVLJQPHQW LV G\QDPLFDOO\
GHWHUPLQHG UHODWLYH WR WKH EHQFKPDUN LQGH[YDOXH \$
'/LPLWHGµ FDWHJRULHV ZLOO EH DVVLJQHG WR SRUWIROLRV ZKRVH
DYHUDJH HIIHFWLYH GXUDWLRQ LV EHWZHHQ WR RI 0&%,
DYHUDJH HIIHFWLYH GXUDWLRQ ZKHUH WKH DYHUDJH HIIHFWLYH
GXUDWLRQ LV EHWZHHQ WR RI WKH 0&%, WKH SRUWIROLR
ZLOO EH FODVVLILHG DV 'ORGHUDWHµ DQG WKRVH SRUWIROLRV ZLWK DQ
DYHUDJH HIIHFWLYH GXUDWLRQ YDOXH RU JUHDWHU RI WKH
DYHUDJH HIIHFWLYH GXUDWLRQ RI WKH 0&%, ZLOO EH FODVVLILHG DV
'([WHQVLYHµ
~
0RUQLQJVVWU 6XVWDLQDELOLW\ 5DWLQJ
~ ~ ~7KH 0RUQLQJVVWU 6XVWDLQDELOLW\ ~5DWLQJ
PHDVXUH KRZ ZHOO WKH LVVXLQJ FRPSDQLHV RU FRXQWULHV RI WKH
VHFXULWLHV~ZLWKLQ D IXQG~V SRUWIROLR DUH PDQDJLQJ WKHLU
ILQDQFLDOO\ PDWHULDO HQYLURQPHQWDO VRFLDO DQG JRYHUQDQFH RU
(6* ULNV UHODWLYH WR WKH IXQG~V 0RUQLQJVVWU *OREDO &DWHJRULHV
SHUV 0RUQLQJVVWU DVVLJQV 6XVWDLQDELOLW\ 5DWLQJ E\
FRPELQLQJ D SRUWIROLR V &RUSRUDWH 6XVWDLQDELOLW\ 5DWLQJ DQG
6RYHUHLJQ 6XVWDLQDELOLW\ 5DWLQJ SURSRUWLRQDO WR WKH UHODWLYH
ZHLJKW RI WKH ORQJ RQO\ FRUSRUDWH DQG VRYHUHLJQ
SRVLWLRQV ~ ~ ~7KH 0RUQLQJVVWU 6XVWDLQDELOLW\ 5DWLQJ
FDOFXODWLRQ LV D ILYH VWHS SURFHVV)LUVW WKH &RUSRUDWH
6XVWDLQDELOLW\ 6FRUH DQG 6RYHUHLJQ 6XVWDLQDELOLW\ 6FRUH DUH
ERWK GHULYHG)XQGV UHTXLUH DW~OHDV~
RI~FRUSRUDWH~DVVHWV~EH~FRYHUG E\ D FRPSDQ\ OHYHO (6*
5LVN~6FRUH~IURP~6XVWDLQDO\WLFV~WR~UHFHLYH D 0RUQLQJVVWU
3RUWIROLR~&RUSRUDWH~6XVWDLQDELOLW\ 6FRUH)XQGV UHTXLUH~DW
OHDV~ RI~VRYHUHLJQ~DVVHWV~EH~FRYHUG E\ D &RXQU\
5LVN~6FRUH~IURP~6XVWDLQDO\WLFV~WR~UHFHLYH D 0RUQLQJVVWU
3RUWIROLR~6RYHUHLJQ~6XVWDLQDELOLW\ 6FRUH ~7KH
0RUQLQJVVWU~&RUSRUDWH DQG 6RYHUHLJQ~6XVWDLQDELOLW\ 6FRUH
DUH DVVHW ZHLJKWHG DYHUDJHV~RI FRPSDQ\ OHYHO (6*~5LVN
6FRUHV IRU FRUSRUDWH KROGLQJ RU &RXQU\
5LVN 6FRUHV IRU
VRYHUHLJQ KROGLQJ ~%RWK VFRUHV~UDQJH EHWZHHQ WR
ZLWK D KLJKHU VFRUH LQGLFDWLRQ~WKDW D IXQG KDV RQ DYHUDJH
PRUH RI LWV DVVHWV LQYHVWHG LQ~FRPSDQLHV RU FRXQWULHV ZLWK

'LVFORVXUH

DGYLVHU WR WKH 3DFLILF 6HOHFW)XQG 36) DQG PDQDJHV FHUWDLQ
36) SRUWIROLRV

\$PHULFDQ &HQWXU\ ,QYHVWPHQW 6HUFLFHV ,QF \$PHULFDQ)XQGV
'LVWULEXWRUV ,QF %1< 0HOORQ 6HFXULWLHV &RUSRUDWLRQ
%ODFN5RFN ,QYHVWPHQWV //& '\$ 6HFXULWLHV //&)LGHOLW\
'LVWULEXWRUV &RUSRUDWLRQ)UDQNOLQ 7HPSOHWLQ 'LVWULEXWRUV ,QF
,QYHFR 'LVWULEXWRUV ,QF -DQXV 'LVWULEXWRUV //& /DJDUG
\$VVHW 0DQDJHPHQW 6HFXULWLHV //& /HJJ 0DVRQ ,QYHVWRU
6HUFLFHV //& /RUG \$EEHWW 'LVWULEXWRU //& 0%6& 6HFXULWLHV
&RUSRUDWLRQ 0)LQDQFLDO *URXS 0 +ROGLQJV 6HFXULWLHV ,QF
0)6)XQG 'LVWULEXWRUV ,QF 1HXEHUJHU %HUPDQ %' //&
3,0&2 ,QYHVWPHQWV //& 5R\FH)XQG 6HUFLFHV ,QF 6WDWH
6WUHHW *OREDO \$GYLVRUV)XQGV 'LVWULEXWRUV //& 7 5RZH 3ULFH
,QYHVWPHQW 6HUFLFHV ,QF 9DQ (FN 6HFXULWLHV &RUSRUDWLRQ
DQG 9DQJDUG 0DUNHWLQJ &RUSRUDWLRQ ,QF -DQG WKH SURGXFWV
HDFK GLVWULEXWHV DUH QRW DILOLDWHG ZLWK 3DFLILF /LIH DQG 3DFLILF
6HOHFW 'LVWULEXWRUV //&

0RUQLQJVWDU ,QF LV QRW DILOLDWHG ZLWK 3DFLILF /LIH DQG 3DFLILF
6HOHFW 'LVWULEXWRUV //&

\$OO WUDGHDPUNV DQG VHUFLFH PDUNV EHORQJ WR WKHLU UHVSHFWLYH
RZQHUV

3RUWIROLR VWDWLVLVFDV PD\ GLIIHU IURP WKH DQXDO UHSRUW

3DFLILF /LIH ,QVXUDQFH &RPSDQ\
1HZSRUW %HDFK &\$

ZZZ 3DFLILF/LIH FRP-

3DFLILF /LIH \$QQXLW\ &RPSDQ\
1HZSRUW %HDFK &\$

ZZZ 3DFLILF/LIH FRP