

# Neuberger Berman Socially Rspns R3 NRARX

**Benchmark**  
Russell 1000 Growth TR USD

**Overall Morningstar Rating™**

★★★

Out of 1551 Large Growth 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.

**Morningstar Return**

Average

**Morningstar Risk**

Below Average

## Investment Objective & Strategy

From investment's prospectus

The investment seeks long-term growth of capital by investing primarily in securities of companies that meet the fund's financial criteria and social policy.

The fund invests primarily in common stocks of mid- to large-capitalization companies that meet the fund's social policy. It seeks to reduce risk by investing across many different industries. The Portfolio Managers employ a research driven and valuation sensitive approach to stock selection, with a long term perspective. Although the fund invests primarily in domestic stocks, it may also invest in stocks of foreign companies.

## Fees and Expenses as of 12-15-14

Prospectus Net Expense Ratio	1.29%
Total Annual Operating Expense	1.29%
Maximum Sales Charge	—
12b-1 Fee	0.50%
Redemption Fee/Term	—

Waiver Data	Type	Exp. Date	%
—	—	—	—

## Operations and Management

Initial Class Inception Date	03-16-94
Fund Inception Date	05-27-09
Portfolio Manager(s)	Arthur Moretti Ingrid S. Dyott
Name of Issuer	Neuberger Berman
Telephone	877-628-2583
Web Site	www.nb.com

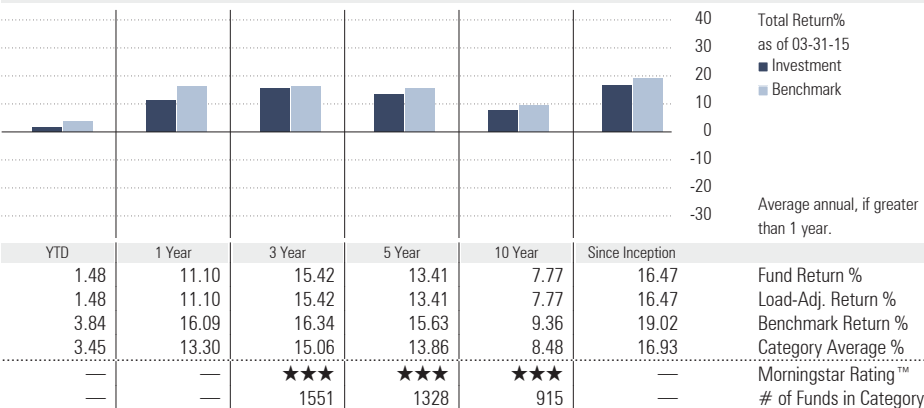
## Benchmark Description: Russell 1000 Growth TR USD

The index measures the performance of the large-cap growth segment of the US equity securities. It includes the Russell 1000 index companies with higher price-to-book ratios and higher forecasted growth values. It is market-capitalization weighted. Russell Investment Group is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell® is a trademark of Russell Investment Group.

## Category Description: Large Growth

Large-growth portfolios invest primarily in big U.S. companies that are projected to grow faster than other large-cap stocks. Stocks in the top 70% of the capitalization of the U.S. equity market are defined as large cap. Growth is defined based on fast growth (high growth rates for earnings, sales, book value, and cash flow) and high valuations (high price ratios and low dividend yields). Most of these portfolios focus on companies in rapidly expanding industries.

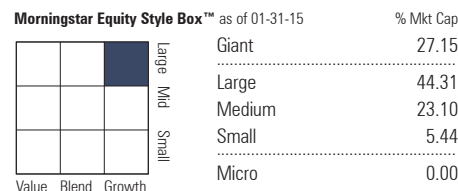
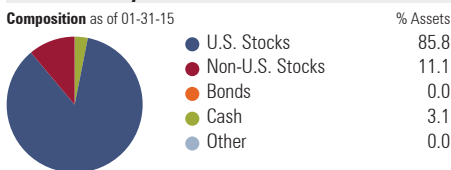
## Performance



Quarter End Returns as of 03-31-15	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
Fund Return %	1.48	11.10	15.42	13.41	7.77	16.47
Standardized Return %	1.48	11.10	15.42	13.41	7.77	16.47

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

## Portfolio Analysis as of 01-31-15



**Top 10 Holdings as of 01-31-15**

	% Assets
Texas Instruments Inc	5.07
Newell Rubbermaid Inc	4.83
Danaher Corp	4.39
Progressive Corp	4.29
American Express Co	4.25
Unilever NV ADR	3.63
TJX Companies	3.60
eBay Inc	3.58
U.S. Bancorp	3.53
Eversource Energy	3.41
Total Number of Stock Holdings	36
Total Number of Bond Holdings	0
Annual Turnover Ratio %	36.00
Total Fund Assets (\$mil)	2,466.53

**Morningstar Sectors as of 01-31-15**

	% Fund	S&P 500 %
Cyclical	30.24	30.90
Basic Materials	1.94	3.00
Consumer Cyclical	11.41	11.02
Financial Services	16.89	14.60
Real Estate	0.00	2.28
Sensitive	41.51	40.96
Communication Services	1.38	3.84
Energy	9.44	8.04
Industrials	21.11	11.17
Technology	9.58	17.91
Defensive	28.25	28.14
Consumer Defensive	13.16	9.66
Healthcare	11.57	15.44
Utilities	3.52	3.04

## Principal Risks as of 01-31-15

Currency, Foreign Securities, Loss of Money, Not FDIC Insured, Value Investing, Issuer, Market/Market Volatility, Equity Securities, Industry and Sector Investing, Socially Conscious, Increase in Expenses, Shareholder Activity, Management, Mid-Cap, Large Cap

# Important Disclosures

**Investors should consider the investment objectives, risks, and charges and expenses of the funds carefully before investing. The prospectus and summary prospectus, if applicable, for each fund contains this and other information about that fund. For copies of any prospectuses or summary prospectuses, if applicable, please call (866) 498-4557 or visit [www.TA-Retirement.com](http://www.TA-Retirement.com). Read each prospectus carefully before investing.**

Transamerica Investors Securities Corporation (TISC), 440 Mamaroneck Avenue, Harrison, NY 10528, distributes securities products. Any fund offered under the plan is distributed by that particular fund's associated fund family and its affiliated broker-dealer or other broker-dealers with effective selling agreements such as TISC. If the Transamerica Funds are offered under the plan, the Transamerica Funds are distributed by Transamerica Capital, Inc. (TCI) and are advised by Transamerica Asset Management (TAM). TAM, TCI, and TISC are affiliated companies and are not affiliated with Morningstar.

Effective April 1, 2013, Diversified Investors Securities Corp. ("DISC") changed its name to Transamerica Investors Securities Corporation ("TISC").

On January 1, 2013, Transamerica Retirement Services Corporation changed its name to Transamerica Retirement Solutions Corporation, and any reference to Transamerica Retirement Services Corporation was replaced with Transamerica Retirement Solutions Corporation.

When used as supplemental sales literature, the Investment Profile must be preceded or accompanied by the fund's current prospectus as well as this disclosure statement. The performance data given represents past performance and should not be considered indicative of future results. Principal value and investment return will fluctuate, so that an investor's shares when redeemed may be worth more or less than the original investment. Fund portfolio statistics change over time. The fund is not FDIC-insured, may lose value and is not guaranteed by a bank or other financial institution.

## Performance

Total return reflects performance without adjusting for sales charges or the effects of taxation, but is adjusted to reflect all actual ongoing fund expenses and assumes reinvestment of dividends and capital gains. If adjusted, sales charges would reduce the performance quoted. Performance does not take into account any plan fees, asset based charges, service charges, or, if applicable, surrender or discontinuance charges. If adjusted for these charges, performance would be lower.

An asset based charge (also referred to as a variable asset charge (VAC) or plan service fee (PSF)) of up to 0.75% may be assessed to all assets allocated to any mutual fund from the Vanguard mutual fund family.

Standardized Total Return is total return adjusted for sales charges. The sales charge adjusted for may not necessarily be consistent with the prospectus.

The fund's performance is compared with that of an index. The index is an unmanaged portfolio of specified securities and the index does not reflect any initial or ongoing expenses. A fund's portfolio may differ significantly from the securities in the index. The index is chosen by Morningstar. One cannot invest directly in an index.

Load-Adjusted Total Return is total return adjusted for sales charges. The sales charge adjusted for may not necessarily be consistent with the prospectus.

Deposits made by plan participants are not subject to any front-end loads/sales fees of the mutual fund.

Performance shown since inception is from the initial class inception date listed on the individual investment fact sheet.

Adjusted Historical Return 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.

## Prospectus Gross Expense Ratio

This is the percentage of fund assets paid for operating expenses and management fees. The expense ratio typically includes the following types of fees: accounting, administrator, advisor, auditor, board of directors, custodial, distribution (12b-1), legal, organizational, professional, registration, shareholder reporting, sub-advisor, and transfer agency. The expense ratio does not reflect the fund's brokerage costs or any investor sales charges. In contrast to the net expense ratio, the gross expense ratio does not reflect any fee waivers in effect during the time period.

Also known as the Total Annual Fund Operating Expense Ratio, Morningstar pulls the prospectus gross expense ratio from the fund's most recent prospectus. Prospectus expense ratios reflect material changes to the expense structure for the current period.

## Sales Fees

Also known as loads, sales fees list the maximum level of initial (front-end) and deferred (back-end) sales charges imposed by a fund. The scales of minimum and maximum charges are taken from a fund's prospectus. Because fees change frequently and are sometimes waived, it is wise to examine the fund's prospectus carefully for specific information before investing.

The Maximum Sales Charge has been waived for plans serviced by Transamerica Retirement Solutions Corporation.

## 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.

## Morningstar Rating™

Often simply called the Star Rating, the Morningstar Rating brings load-adjustments, performance (returns) and risk together into one evaluation. To determine a fund's star rating for a given time period (three, five, or ten years), the fund's risk-adjusted return is plotted on a bell curve: If the

fund scores in the top 10% of its category, it receives 5 stars (Highest); if it falls in the next 22.5% it receives 4 stars (Above Average); a place in the middle 35% earns 3 stars (Average); those lower still, in the next 22.5%, receive 2 stars (Below Average); and the bottom 10% get only 1 star (Lowest). The Overall Morningstar Rating is a weighted average of the available three-, five-, and ten-year ratings.

## Morningstar Return

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

## Morningstar Risk

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

## 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 investment style (value, blend, or growth).

For fixed-income funds, the vertical axis shows the credit quality of the long bonds owned and the horizontal axis shows interest rate sensitivity as measured by a bond's effective duration.

Morningstar seeks credit rating information from fund companies on a periodic basis (e.g., quarterly). In compiling credit rating information Morningstar accepts credit ratings reported by fund companies that have been issued by all Nationally Recognized Statistical Rating Organizations (NRSROs). For a list of all NRSROs, please visit <http://www.sec.gov/divisions/marketreg/ratingagency.htm>. Additionally, Morningstar accepts foreign credit ratings from widely recognized or registered rating agencies. If two rating organizations/agencies have rated a security, fund companies are to report the lower rating; if three or more organizations/agencies have rated a security, fund companies are to report the median rating, and in cases where there are more than two organization/agency ratings and a median rating does not exist, fund companies are to use the lower of the two middle ratings. **PLEASE NOTE: Morningstar, Inc. is not itself an NRSRO nor does it issue a credit rating on the fund. An NRSRO or rating agency ratings can change from time-to-time.**

For credit quality, Morningstar combines the credit rating information provided by the fund companies with an average default rate calculation to come up with a weighted-average credit quality. The weighted-average credit quality is currently a letter that roughly corresponds to the scale used

# Important Disclosures

by a leading NRSRO. Bond funds are assigned a style box placement of "low", "medium", or "high" based on their average credit quality. Funds with a low credit quality are those whose weighted-average credit quality is determined to be less than "BBB-"; medium are those less than "AA-", but greater or equal to "BBB-"; and high are those with a weighted-average credit quality of "AA-" or higher. When classifying a bond portfolio, Morningstar first maps the NRSRO credit ratings of the underlying holdings to their respective default rates (as determined by Morningstar's analysis of actual historical default rates). Morningstar then averages these default rates to determine the average default rate for the entire bond fund. Finally, Morningstar maps this average default rate to its corresponding credit rating along a convex curve.

For interest-rate sensitivity, Morningstar obtains from fund companies the average effective duration. Generally, Morningstar classifies a fixed-income fund's interest-rate sensitivity based on the effective duration of the Morningstar Core Bond Index (MCBI), which is currently three years. The classification of Limited will be assigned to those funds whose average effective duration is between 25% to 75% of MCBI's average effective duration; funds whose average effective duration is between 75% to 125% of the MCBI will be classified as Moderate; and those that are at 125% or greater of the average effective duration of the MCBI will be classified as Extensive.

For municipal bond funds, Morningstar also obtains from fund companies the average effective duration. In these cases static breakpoints are utilized. These breakpoints are as follows: (i) Limited: 4.5 years or less; (ii) Moderate: more than 4.5 years but less than 7 years; and (iii) Extensive: more than 7 years. In addition, for non-US taxable and non-US domiciled fixed income funds static duration breakpoints are used: (i) Limited: less than or equal to 3.5 years; (ii) Moderate: greater than 3.5 and less than or equal to 6 years; (iii) Extensive: greater than 6 years.

## Investment Risk

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

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

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

**Small Cap Funds:** The investor should note that funds that invest in stocks of small companies involve additional risks. Smaller companies typically have a higher risk of failure, and are not as well established as larger blue-chip companies. Historically, smaller-company stocks have experienced a greater degree of market volatility than the overall market average.

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

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

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

**Fund of Funds:** It is important to note that an investment option with mutual funds in its portfolio may be subject to the expenses of those mutual funds in addition to those of the investment option itself.

**Money Market Funds:** Money Market Funds invest in short term (less than one year), high quality debt obligations, such as Treasury bills, certificates of deposit and commercial paper. The Transamerica Money Market Fund does not maintain a stable net asset value of \$1.00 per share and does not declare dividends on a daily basis (many money market funds do). Undeclared investment income, or a default on a portfolio security, may cause the fund's net asset value to fluctuate. Money market funds are not guaranteed by the FDIC or any other government agency. This type of investment choice strives to preserve principal and provide a modest dividend (subject to fluctuation), as well as liquidity. Nevertheless, the investment is still subject to credit risk and liquidity risk, and the risk that inflation will outpace the fund's returns. It is still possible to lose money in a money market fund.

## Principal Risk Definitions (except SSgA 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 ETF 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 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

# Important Disclosures

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 OTC 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 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 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 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 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

# Important Disclosures

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 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 below investment-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 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 Fund:** Money market funds are subject to the risk that they may not be able to maintain a stable net asset value of \$1.00 per share. Investments in money market funds are not a deposit in a bank and are not guaranteed by the FDIC, any other governmental agency, or the advisor itself.

**Mortgage-Backed and Asset-Backed Securities:** Investments in mortgage-backed and asset-backed securities 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

# Important Disclosures

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 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.

**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 CMOs, CDOs, 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. 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.

# Important Disclosures

**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 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.

## Principal Risk Definitions (SSgA investments only)

**Asset Allocation Risk:** SSgA's judgments about optimal asset allocation may be incorrect. There is no guarantee that SSgA's allocation techniques will produce the desired results; and it is possible to lose money on investment in the Portfolio.

**Call Risk:** An issuer may pay principal on an obligation earlier than expected. If so, the Portfolio may be unable to recoup all of its initial investment and will suffer from having to reinvest in lower yielding securities. This could produce a decline in income and the potential for taxable capital gains.

**Cash Position Risk:** The Portfolio may hold a significant portion of its assets in cash or cash equivalents in SSgA's discretion. If the Portfolio holds a significant cash position for an extended period of time, its investment returns may be adversely affected. The Portfolio's cash investments may lose money.

**Commodities Risk:** The value of the Portfolio's shares is affected by factors particular to the commodities markets. Commodity prices can be extremely volatile and are affected by many factors, including: market movements, inflationary trends, commodity index volatility, interest rate or currency exchange rate changes, etc. Legal, regulatory, exchange, or other restrictions may limit the ability of the Portfolio to open or close transactions in commodities or to conduct its investment program. The Portfolio might be required to take or make delivery of the underlying commodities. If so, it would incur related costs and expenses and would be exposed to the risk of adverse changes in the value of the commodity if/when holding the commodity.

**Concentration Risk:** In SSgA's discretion and without notice, the Portfolio may concentrate its investments (or change concentration) in companies in a particular industry or market or economic sector. Accordingly, financial, economic, business, and other developments affecting issuers in that industry or sector will have a greater effect on the Portfolio. Related investor purchases and sales of Portfolio securities may increase the volatility of the Portfolio.

**Conflicts of Interest Risk:** SSgA or its affiliates may provide services to the Portfolio, such as securities lending agency services, custodial, administrative, bookkeeping, and accounting services, transfer agency and shareholder servicing, and other services, for which the Portfolio would compensate SSgA and/or such affiliates. The Portfolio may enter into repurchase agreements, reverse repurchase agreements, and derivatives transactions with SSgA or one of its affiliates. The Portfolio may invest in other pooled investment vehicles sponsored, managed, or otherwise affiliated with SSgA, in which event the Portfolio will bear a share of the expenses of those other pooled investment

vehicles; those investment vehicles may pay fees and other amounts to SSgA or its affiliates, which would have the effect of increasing the expenses of the Portfolio. It is possible that other clients of SSgA will purchase or sell interests in such other pooled investments at prices and at times more favorable than those at which the Portfolio does so. There is no assurance that the rates at which the Portfolio pays fees or expenses to SSgA or its affiliates, or the terms on which it enters into transactions with SSgA or its affiliates or on which it invests in any such other investment vehicles will be the most favorable available in the market generally or as favorable as the rates SSgA makes available to other clients. There will be no independent oversight of fees or expenses paid to, or services provided by, those entities. Because of its financial interest, SSgA may have an incentive to enter into transactions or arrangements on behalf of the Portfolio with itself or its affiliates in circumstances where it might not have done so in the absence of that interest. Transactions and services with SSgA or its affiliates will be effected in accordance with ERISA and related regulations and exemptions, if and to the extent they may apply. SSgA and its affiliates serve as investment adviser to other clients and may make investment decisions for their own accounts and for the accounts of others, including other funds, that may be different from those that will be made by SSgA on behalf of the Portfolio. For example, SSgA may provide asset allocation advice to some clients that may include a recommendation to invest or redeem from a Portfolio while not providing that same recommendation to all clients invested in the same or similar Portfolios. Other conflicts may arise, for example, when clients of SSgA invest in different parts of an issuer's capital structure, so that one or more clients own senior debt obligations of an issuer and other clients own junior debt of the same issuer, as well as circumstances in which clients invest in different tranches of the same structured financing vehicle. In such circumstances, decisions over whether to trigger an event of default or over the terms of any workout may result in conflicts of interest. When making investment decisions where a conflict of interest may arise, SSgA will endeavor to act in a fair and equitable manner, in the specific case or over time, as between the Portfolio and other clients. SSgA and its affiliates may invest for their own accounts and for the accounts of clients in various securities that are senior to, pari passu with, or junior to, or have interests different from or adverse to, the securities that are owned by the Portfolio. SSgA may (subject to applicable law) be simultaneously seeking to purchase (or sell) investments for the Portfolio and to sell (or purchase) the same investment for accounts, funds or structured products for which it serves as asset manager now or in the future, or for other clients or affiliates, and may enter into cross trades involving the Portfolio in such circumstances. In addition, SSgA and its affiliates may buy securities from or sell securities to the Portfolio, if permitted by applicable law. These relationships may result in securities laws restrictions on transactions in these investments by the Portfolio and otherwise create potential conflicts of interest. SSgA or its affiliates, in connection with their business activities, may acquire material non-public confidential information that may restrict SSgA from purchasing securities or selling securities for itself or its clients (including the Portfolio), and SSgA may otherwise be prohibited from using such information for the benefit of its clients or itself.

**Counterparty Risk:** The Portfolio will be subject to credit risk with respect to the counterparties with which it enters into derivatives and other contracts and transactions. If a counterparty becomes insolvent or otherwise fails to perform its obligations, the Portfolio may experience significant delays in obtaining any recovery in an insolvency, bankruptcy, or other reorganization proceeding. The Portfolio may obtain only a limited recovery or may obtain no recovery in such

# Important Disclosures

circumstances.

**Credit Risk:** It is possible that the ability (real or perceived) of an issuer to meet its obligations will decline substantially or that the issuer will default on its obligations. This will likely have an adverse effect on the value of the issuer's securities. The rating assigned to any particular investment does not necessarily reflect the issuer's current financial condition or an assessment of an investment's volatility or liquidity. Investment-grade investments share some of the risks of lower-rated investments, including default risk and may have speculative characteristics. In the discretion of SSgA, the Portfolio may continue to hold a security that has lost its rating or is subject to a rating downgraded.

**Currency Risk:** Changes in the values of currencies may have a positive or negative effect on the values of the Portfolio's investments denominated in those currencies. The Portfolio may, but will not necessarily, invest in currency exchange contracts or other currency-related transactions (including derivatives transactions). These contracts may reduce, take or eliminate some or all of the benefit that the Portfolio may experience from favorable currency fluctuations. Currency values can decrease significantly both in the short term and over the long term in response to many factors (e.g., interest rates, regulatory development).

**Debt Securities Risk:** As interest rates rise, the values of a Portfolio's debt securities or other income-producing investments are likely to fall. This risk is generally greater for obligations with longer maturities. Also, the issuer or the guarantor of a security may be unable or unwilling to make timely principal and/or interest payments or otherwise to honor its obligations. This risk is particularly pronounced for lower-quality, high-yielding debt securities. Lower-rated debt securities (commonly known as "high-yield" securities or "junk bonds") are considered to be of poor standing and predominantly speculative.

**Derivatives Risk:** Derivatives are subject to a number of risks, such as potential changes in value in response to interest rate changes or other market developments or as a result of changes in the counterparty's credit quality and the risk that a derivative transaction may not have the effect SSgA anticipated. Derivatives also involve the risk of mispricing or improper valuation and the risk that changes in the value of a derivative may not correlate perfectly with the asset, rate, or index underlying the derivative. Derivative transactions can create investment leverage and may be highly volatile. Use of derivatives other than for hedging purposes may be considered speculative.

**Emerging Markets Risk:** Emerging markets may have relatively unstable governments, economies that rely heavily on a few industries or on international trade or revenue from particular commodities, and securities markets that trade only a limited number of securities. Many emerging markets do not have well-developed regulatory systems, accounting, auditing, and financial reporting standards and practices, and settlement and custody systems. Disclosure standards may be less stringent than those of developed markets. The risks of expropriation, nationalization, and social, political, and economic instability are greater in emerging markets than in more developed markets.

**Enhanced Index Strategy Risk:** The Portfolio's investment return will not normally match that of its benchmark Index. Investment decisions by the Portfolio's managers to under- or overweight securities in the Index or to vary its portfolio investments from the securities included in the Index will affect the Portfolio's performance versus that of the Index. The Portfolio's ability to track the Index will be affected by

Portfolio expenses, the amount of cash and cash equivalents held in its portfolio, and the frequency and the timing of purchases and sales of interests in the Portfolio.

**Equity Risk:** The market prices of equity securities may go up or down, sometimes rapidly or unpredictably. The value of a security may decline for a number of reasons that may directly relate to the issuer, such as management performance, financial leverage, non-compliance with regulatory requirements, and reduced demand for the issuer's goods or services. The values of equity securities also may decline due to general industry or market conditions that are not specifically related to a particular company. The Portfolio may continue to accept new subscriptions and to make additional investments in equity securities even under general market conditions that SSgA views as unfavorable for equity securities.

**Financial Institution Risk:** Some instruments in which the Portfolio invests are issued or guaranteed by financial institutions or are collateralized by securities issued or guaranteed by financial institutions. Changes in the creditworthiness of any of these institutions may adversely affect the value of instruments held by the Portfolio. Adverse developments in the banking industry may cause the Portfolio to underperform portfolios that invest more broadly across different industries or have a smaller exposure to financial institutions.

**Foreign Securities Risk:** The value of the Portfolio's assets may be affected by currency exchange rates, exchange control regulations, taxes, repatriation restrictions, nationalization or expropriation of assets, political or financial instability, and diplomatic developments. There may be less information publicly available about a foreign company, and many foreign companies are not subject to accounting, auditing, financial reporting standards and practices, and regulatory and enforcement practices comparable to those in the U.S. The securities of some foreign companies are less liquid and volatile. Foreign brokerage commissions and other fees also are generally higher. Certain foreign securities markets are undergoing a period of growth and change which may lead to difficulties in the settlement and recording of transactions and in interpreting and applying the relevant regulations.

**Geographic Concentration Risk:** Because the Portfolio may invest a relatively large percentage of its assets in issuers located in a single country, a small number of countries, or a particular geographic region, the Portfolio's performance could be closely tied to market, currency, or economic, political, or regulatory conditions and developments in those countries or that region, and could be more volatile than the performance of more geographically-diversified investments.

**Growth Investing Risk:** Growth stocks may underperform value stocks and stocks in other broad style categories (and the stock market as a whole) over any period of time and may shift in and out of favor with investors generally, sometimes rapidly, depending on changes in market, economic, and other factors. Because the prices of growth stocks are based largely on expectations of future earnings, growth stock prices can decline rapidly and significantly in reaction to negative news about such factors as earnings, the economy, political developments, or other news. A growth company may fail to fulfill apparent promise or may be eclipsed by competitors or its products or services rendered obsolete by new technologies. Growth stocks also typically lack the dividends associated with value stocks that might otherwise cushion investors from the effects of declining stock prices. As a result, the Portfolio's performance at times when it holds substantial investments in growth stocks may be worse

than the performance of other investment portfolios that invest more broadly or that favor different investment styles.

**Important Message About Risk:** There are risks involved with investing, including possible loss of principal. Generally, among asset classes, stocks are more volatile than bonds or short-term instruments. Stock values fluctuate in response to the activities of individual companies and general market and economic conditions. Additionally, an investment in the Fund is subject to a number of risks, which include but are not limited to the principal risks listed above. You should refer to the Fund's Strategy Disclosure Document for important information, including a complete description of the risks of investing in the Fund. Risk management does not promise any level of performance or guarantee against loss of principal. SSgA encourages investors to seek the advice of well-qualified financial and tax advisors, accountants, attorneys and other professionals before making any investment or retirement decision.

**Income Risk:** To the extent the Portfolio's income is based on short-term interest rates, which may fluctuate over short periods of time, income received by the Portfolio may decrease as a result of a decline in interest rates.

**Index Risk:** Correlation between the performance of the Portfolio and the Index may be affected by changes in securities markets, changes in the composition of the Index, cash flows into and out of the Portfolio, and fees and expenses of the Portfolio. The Portfolio's performance may be less favorable than that of a portfolio managed using an active investment strategy. The structure and composition of the Index will affect the performance, volatility, and risk of the Index (in absolute terms and by comparison with other indices) and the performance, volatility, and risk of the Portfolio. SSgA may not be successful in selecting a portfolio of investments that will provide a return that correlates closely with that of the Index. SSgA may apply one or more "screens" or investment techniques to refine or limit the number or types of issuers included in the Index in which the Portfolio may invest. This may result in investment performance below that of the Index and may not produce results expected by SSgA.

**Inflation Risk:** Inflation risk is the risk that the value of the Portfolio's assets or income from the Portfolio's investments will be worth less in real terms in the future as a result of inflation. As inflation increases, the real value of the Portfolio's investments could decline, and the interest payments on Fund borrowings may increase.

**Inflation-Indexed Securities Risk:** It is possible that the Portfolio would receive at maturity less than the initial principal amount of an inflation-indexed security, would receive at maturity less than it invested and/or earn less on the security than on a conventional bond. Changes in the values of inflation-indexed securities may be difficult to predict, and it is possible that an investment in such securities will have an effect different from that anticipated by SSgA. The principal amounts of inflation-indexed securities are typically adjusted only periodically, and their values may fluctuate substantially in response to changes in interest rates between adjustments.

**Interest Rate Risk:** Declining interest rates generally result in increases in the values of existing debt instruments, and rising interest rates generally result in declines in the values of existing debt instruments. Interest rate risk is generally greater for investments with longer durations or maturities. If an issuer calls or redeems an investment during a time of declining interest rates, the Portfolio might have to reinvest the proceeds in an investment offering a lower yield and



# Important Disclosures

might not benefit from any increase in value as a result of declining interest rates. Adjustable rate instruments also generally increase or decrease in value in response to changes in interest rates. When interest rates decline, the income received by the Portfolio may decline, and the Portfolio's yield may also decline.

**Investment Risk:** Investment risk includes the possible loss of the entire amount of capital that you invest. Your investment in the Portfolio represents an indirect investment in the securities and other investments owned by the Portfolio. The values of these securities and investments may increase or decrease, at times rapidly and unexpectedly. Your investment in the Portfolio may at any point in the future be worth less than your original investment.

**Issuer Risk:** The values of securities may decline for a number of reasons which directly relate to the issuers, such as, for example, management performance, financial leverage, and reduced demand for the issuer's goods and services.

**Leveraging Risk:** The Portfolio may be exposed to leveraging risk by, among other things, engaging in borrowing transactions, certain derivatives transactions, and other investment transactions such as when-issued, delayed-delivery, or forward commitment transactions. Securities lending transactions entered into by the Portfolio may also result in leverage. When the Portfolio engages in transactions that have a leveraging effect on the Portfolio's investment portfolio, the value of the Portfolio will be more volatile and all other risks will tend to be compounded. This is because leverage generally magnifies the effect of any increase or decrease in the value of the Portfolio's underlying assets or creates investment risk with respect to a larger base of assets than the Portfolio would otherwise have.

**Liquidity Risk:** Certain instruments are subject to restrictions on resale, may trade in the over-the-counter market or in limited volume, or may not have an active trading market. Illiquid securities may trade at a discount from comparable, more liquid investments and may be subject to wide fluctuations in market value. It may be difficult for the Portfolio to value illiquid securities accurately. Also, the Portfolio may not be able to dispose of illiquid securities readily at a favorable time or price or at prices approximating those at which the Portfolio currently values them. Illiquid securities also may entail registration expenses and other transaction costs that are higher than those for liquid securities. In instances where the liquidity of a Portfolio's securities is restricted or compromised, SSgA has the ability and may deem it necessary to place restrictions or limit client redemptions from a Portfolio or alternatively to process client redemptions in-kind, partially in-kind or delay or postpone payment of redemptions.

**Longevity Risk:** This is the risk that you will outlive your retirement assets.

**Low Short-Term Interest Rate Risk:** As short-term interest rates approach 0%, the Portfolio may maintain substantial cash balances. The Portfolio typically does not receive any income from uninvested cash. In addition, if the Portfolio generates insufficient income to pay its expenses, it may not pay a daily dividend and may experience a negative rate of income.

**Lower-Rated Securities Risk:** Securities rated below investment grade ("high-yield bonds" or "junk bonds") lack outstanding investment characteristics and have speculative characteristics and are subject to greater credit and market risks than higher-rated securities. The lower ratings of junk bonds reflect a greater possibility that actual or perceived

adverse changes in the financial condition of the issuer or in general economic conditions, or an unanticipated rise in interest rates, may impair the ability of the issuer to make payments of interest and principal. If this were to occur, the values of such securities held by the Portfolio may become more volatile and the Portfolio could lose some or all of the value of its investment.

**Management Risk:** The Portfolio is subject to management risk because it is an actively managed investment portfolio. SSgA's judgments about the attractiveness, relative value, or potential appreciation of a particular sector, security, commodity or investment strategy or as to a hedging strategy may prove to be incorrect, and there can be no assurance that they will produce the desired results. The Portfolio will be dependent to a substantial degree on the continued service of members of SSgA. In the event of the death, disability, or departure of any such individuals, or other changes in an investment management team, the performance of the Portfolio may be adversely impacted.

**Market Capitalization Risk:** Stocks fall into three broad market capitalization categories - large, medium, and small. Investing primarily in one category carries the risk that due to current market conditions that category may be out of favor with investors. By focusing its investments in companies within a particular range of market capitalizations, the Portfolio may perform less well than many other investment vehicles during times when companies with those market capitalizations are out of favor with investors or generally underperform other types of investments.

**Market Disruption and Geopolitical Risk:** The Portfolio is subject to the risk that geopolitical events will disrupt securities markets and adversely affect global economies and markets. War, terrorism, and related geopolitical events have led, and in the future may lead, to increased short-term market volatility and may have adverse long-term effects on U.S. and world economies and markets generally. Likewise, systemic market dislocations may be highly disruptive to economies and markets. Those events as well as other changes in foreign and domestic economic and political conditions also could adversely affect individual issuers or related groups of issuers, securities markets, interest rates, credit ratings, inflation, investor sentiment, and other factors affecting the value of the Portfolio's investments.

**Market Risk:** Your investment in the Portfolio will be affected by general economic conditions such as prevailing economic growth, inflation, deflation and interest rates. For example, when economic growth slows, equity securities tend to decline in value; when interest rates rise, fixed income securities generally decline in value. Even if general economic conditions do not change, the value of your investment could decline if the particular industries, sectors, or companies in which the Portfolio invests do not perform well or are adversely affected by events.

**Master/Feeder Structure Risk:** The Portfolio typically pursues its objective by investing substantially all of its assets in one or more master money market funds. The ability of the Portfolio to meet its investment objective is directly related to the ability of the master fund to meet its objective. The ability of the Portfolio to meet its objective may be adversely affected by the purchase and redemption activities of other investors in the master fund. The ability of the Portfolio to meet redemption requests will depend on its ability to redeem its interest in the master fund. An affiliate of SSgA may serve as investment adviser to the master fund, leading to potential conflicts of interest. For example, SSgA may have an economic incentive to maintain the Portfolio's investment in the master fund at a time when it might otherwise not

choose to do so.

**Modeling Risk:** SSgA uses quantitative models in an effort to enhance returns and manage risk. While SSgA expects these models to perform as expected, deviation between the forecasts and the actual events can result in either no advantage or in results opposite to those desired by SSgA. In particular, these models may draw from unique historical data that may not predict future trades or market performance adequately. There can be no assurance that the models will behave as expected in all market conditions. In addition, computer programming used to create quantitative models, or the data on which such models operate, might contain one or more errors. Such errors might never be detected, or might be detected only after the Portfolio has sustained a loss (or reduced performance) related to such errors. Availability of third-party models could be reduced or eliminated in the future.

**Mortgage-Related and Other Asset-Backed Securities Risk:** Mortgage-related and other asset-backed securities are subject to prepayment risk. Accordingly, the Portfolio may reinvest the proceeds in other investments at lower interest rates. These securities may be subject to an increase in duration and volatility, a reduction of value and less potential for capital appreciation. Underlying cash flows may not be supported by a security interest in a related asset. The values of these securities may be subject to risks associated with the negligence or malfeasance by their servicers and to the credit risk of their servicers. There may be legal and practical limitations on the enforceability of any security interest granted with respect to underlying assets, or the value of the underlying assets; if any, may be insufficient if the issuer defaults. Mortgage-related security rolls are subject to risks, including: (1) prepayment; (2) no entitlement to interest and principal payments on the securities sold and that the proceeds of the sale may have to be invested in money market instruments maturing not later than the expiration of the roll; and (3) the declined market value of the securities sold by the Portfolio below the price at which the Portfolio is obligated to purchase the securities; and (iv) leverage.

**Municipal Obligations Risk:** The municipal securities market is volatile and can be significantly affected by adverse tax, legislative, or political changes, the financial condition of the issuers of municipal securities and/or relevant sector conditions. Municipal obligations may also be subject to prepayment risk and extension risk. Certain states and other governmental entities have experienced, and may continue to experience, extreme financial pressures and may be, or be perceived to be, unable to meet all of their obligations.

**Non-U.S. Securities Risk:** The value of the Portfolio's non-U.S. securities may be affected favorably or unfavorably by currency exchange rates, exchange control regulations, and restrictions or prohibitions on the repatriation of non-U.S. currencies, taxes, political or financial instability, and/or diplomatic developments. Income and gains with respect to investments in certain countries may be subject to withholding and other taxes. There may be less information publicly available about a non-U.S. company and many non-U.S. companies are not subject to accounting, auditing, and financial reporting standards and practices comparable to those in the U.S. These securities are less liquid and at times volatile. Non-U.S. brokerage commissions and other fees may be higher than in the U.S.

**Portfolio Turnover Risk:** Portfolio turnover generally involves a number of direct and indirect costs and expenses to the Portfolio, including, for example, brokerage commissions, dealer mark-ups and bid/asked spreads, and transaction costs on the sale of securities and reinvestment in other

# Important Disclosures

securities. Such costs have the effect of reducing the Portfolio's investment return. Such sales may result in the realization of taxable capital gains, including short-term capital gains.

**Property Securities Risk:** An investment in a property company may be subject to risks similar to those associated with direct ownership of real estate, including losses from casualty or condemnation, and changes in local and general economic conditions, supply and demand, interest rates, zoning laws, regulatory limitations on rents, property taxes, and operating expenses. Also, such investment is subject to additional risks, such as poor performance by the manager of the property company, adverse changes in tax laws, and the effect of general declines in stock prices. Some property companies have limited diversification because they invest in a limited number of properties, a narrow geographic area, or a single type of property. The organizational documents of a property company may contain provisions that make changes in control of the property investment difficult and time-consuming. The Portfolio, and indirectly the Portfolio's shareholders, would bear their ratable shares of the property company's expenses and would at the same time continue to pay their own fees and expenses.

**Re-Balancing Policy Risk:** The Portfolio may be re-balanced periodically against its benchmark Index. During the interim time period between re-balancings, market and underlying pool performance may cause allocations to drift from stated policy targets, causing portfolio performance tracking error versus the benchmark or other unanticipated performance results. Re-balancing the Portfolio produces transactions costs.

**Recent Market Volatility; Government Intervention Risk:** The Portfolio's investment objective and strategy will entail significant risk of substantial volatility and loss. This may be especially true if the recent market dislocation is exacerbated by other events (e.g., financial institution failure, corporate defaults, and poor collateral performance). Although some governments and regulatory authorities have taken/may take actions to provide or arrange credit supports to certain financial institutions, the implementation and impact of these actions on both the credit markets generally and the Portfolio's investment program are uncertain. Furthermore, U.S. Government intervention might not be sufficient to stabilize the U.S. financial services sector and mitigate resulting volatility in the U.S. credit markets. As a result, the supply and price of the targeted portfolio investments of the Portfolio, and the Portfolio's ability to achieve its investment objective, may be substantially impaired.

**Reit and REOC Risk:** Risks include difficulties in valuing and disposing of real estate, the possibility of declines in the value of real estate, risks related to general and local economic conditions, the possibility of adverse changes in the climate for real estate, environmental liability risks, the risk of increases in property taxes and operating expenses, possible adverse changes in zoning laws, the risk of casualty or condemnation losses, limitations on rents, and the possibility of adverse changes in interest rates and in the credit markets. It will also be subject to the risk that a REIT or REOC will default on its obligations or go bankrupt. By investing in REITs and REOCs indirectly through the Portfolio, an investor will bear not only his or her proportionate share of the expenses of the Portfolio, but also, indirectly, similar expenses of the REITs and REOCs.

**Repurchase Agreement Risk:** Repurchase agreements may be viewed as loans made by the Portfolio which are collateralized by the securities subject to repurchase. The Portfolio's investment return on such transactions will

depend on the counterparties' willingness and ability to perform their obligations under the repurchase agreements. If the Portfolio's counterparty should default on its obligations and the Portfolio is delayed or prevented from recovering the collateral, or if the value of the collateral is insufficient, the Portfolio may realize a loss. The Portfolio may enter into repurchase agreement transactions with SSgA or its affiliates. See "Conflict of Interest Risk".

**Risk Associated with Maintaining a Stable Share Price:** To the extent that the aggregate market value of the Fund's assets materially varies from the aggregate of the amortized costs of those assets, the Fund, and so the Portfolio, may not be able to maintain a stable share price of \$1.00. This risk typically is higher during periods of rapidly changing interest rates or when issuer credit quality generally is falling, and is made worse when the Fund experiences significant redemption requests.

**Risk of Investment in Other Pools:** If the Portfolio invests in another pooled investment vehicle, it is exposed to the risk that the other pool will not perform as expected. The Portfolio is exposed indirectly to all of the risks applicable to an investment in the other pool. The investment policies and limitations of the other pool may not be the same as those of the Portfolio; as a result, the Portfolio may be subject to additional or different risks, or may achieve a reduced investment return, as a result of its investment in another pool. The Portfolio bears its proportionate risk of the expenses of any pool in which it invests. Because SSgA may receive fees from the other pools in which the Portfolio may invest (applicable law, including ERISA, may limit SSgA's ability to receive such fees in certain cases), SSgA has a financial incentive to invest the assets of the Portfolio in such other pools. See "Conflicts of Interest Risk".

**Securities Lending:** The Portfolio may participate in an agency securities lending program sponsored by State Street Bank and Trust Company for the purpose of lending (up to 100% of) the Portfolio's securities and investing the collateral posted by the borrowers of those loaned securities in collateral reinvestment funds (the "Collateral Pools"). For more information regarding SSgA's securities lending program refer to the "SSgA Securities Lending Program Disclosure." The Collateral Pools are not money market funds registered with the U.S. Securities and Exchange Commission or FDIC-insured bank deposits or otherwise guaranteed by SSgA or State Street Bank and Trust Company or any of their respective affiliates, and investors may lose money by investing in the Collateral Pools or by participating in the securities lending program more generally. To the extent the Portfolio lends its securities through the securities lending program, the Portfolio compensates State Street Bank and Trust Company for operating and maintaining the program. SSgA acts as investment manager for the Collateral Pools and is compensated for these services. The Collateral Pools are managed to a specific investment objective. For more information regarding the Collateral Pools refer to the separate "US Cash Collateral Strategy Disclosure Document." Securities lending programs and the subsequent reinvestment of the posted collateral are subject to a number of risks, including the risk that the value of the investments held in the Collateral Pools may decline in value. In such a case, the Portfolio will bear any losses incurred as a result of the decline in value in the Collateral Pools. Because the net asset value of a Collateral Pool is subject to market and other conditions, it will fluctuate and may decrease in the future. Although SSgA anticipates that subscription and withdrawal activity of Collateral Pool units will typically be processed at \$1.00 per unit, there can be no guarantee that subscriptions and redemptions Collateral Pool units will always be effected at \$1.00 per unit. SSgA prices the Collateral Pool securities

through the use of third party pricing services and broker quotes, and there is no guarantee that the units in the Collateral Pools will be valued at \$1.00 per unit at the time you redeem your shares of the Portfolio. If the value of Collateral Pool units is not \$1.00 at the time you redeem your investment in the Portfolio, your redemption proceeds will reflect the lower mark-to-market value of the Collateral Pool units held by the Portfolio. SSgA may impose restrictions on the ability of the Portfolio to redeem its units in a Collateral Pool if it determines in its sole discretion that such restrictions (which may include limiting redemptions, processing redemptions in-kind or partially in-kind or delaying payment of redemptions) are necessary to maintain sufficient liquidity in the Collateral Pool(s). For more information on SSgA's securities lending program and the Collateral Pools, including the "SSgA Securities Lending Program Disclosure", the "US Cash Collateral Strategy Disclosure Document" and the current fact sheet for the Collateral Pools (which include the mark-to-market unit prices), please contact your Plan Administrator.

**Small and Micro-Cap Companies Risk:** Small and micro cap companies tend to be more vulnerable to adverse developments than larger companies, and investments in such companies may involve certain special risks, including: limited product lines, market and management group, limited capital, little track record, less publicly available information, less frequent trading and volume of the securities, fluctuating security prices, less liquidity or restricted security status, and/or higher levels of failure, insolvency, and bankruptcy. The Portfolio may have difficulty in establishing or closing out positions at prevailing market prices.

**Target Date Assumptions Risk:** This is the risk that assumptions and forecasts used by SSgA in developing the Portfolio's asset allocation glide path are not in line with future capital market returns and participant savings activities, which could result in losses near, at or after the target date year or could result in the Portfolio not providing adequate income at and through retirement.

**U.S. Government Securities Risk:** The Portfolio may invest in debt securities issued or guaranteed by certain U.S. Government agencies, instrumentalities and sponsored enterprises. U.S. Government-sponsored enterprises are not funded by Congressional appropriations, and their securities are not issued by the U.S. Treasury, are not supported by the full faith and credit of the U.S. Government, and involve increased credit risks. Certain governmental entities have been subject to regulatory scrutiny regarding their accounting policies and practices and other concerns that may result in legislation, changes in regulatory oversight and/or other consequences that could adversely affect the credit quality, availability or investment character of securities issued by these entities. The effect of the 2008 conservatorship of Federal Home Long Mortgage Corporation (Freddie Mac) and the Federal National Mortgage Association (Fannie Mae) on the companies' debt, equities and other obligations is unclear.

**Valuation Risk:** The Portfolio's assets may be valued using valuations provided by a pricing service or, alternatively, a broker-dealer or other market intermediary (sometimes just one broker-dealer or other market intermediary) when other reliable pricing sources may not be available. There may be an increased variance between the return of a particular Portfolio and the return of the applicable Index due to differences between the Index pricing source and the pricing source utilized to price the Portfolio. In some circumstances, SSgA may determine a fair value for a security that is not based on a valuation provided by a pricing service or broker, but on the basis of information otherwise known to it. There

---

## Important Disclosures

can be no assurance that any such valuation will accurately reflect the price the Portfolio would receive upon sale of a security, and to the extent the Portfolio sells a security at a price lower than the price it has been using to value the security, its net asset value will be adversely affected.

*Value Investing Risk:* Value stocks may underperform growth stocks and stocks in other broad style categories (and the stock market as a whole) over any period of time and may shift in and out of favor with investors generally, sometimes rapidly, depending on changes in market, economic, and other factors. As a result, the Portfolio's performance at times when it holds substantial investments in value stocks may be worse than the performance of other investment portfolios that invest more broadly or that favor different investment styles.

*Variable and Floating Rate Securities:* During periods of increasing interest rates, changes in the coupon rates may lag the change in market rates or may have limits on the maximum increase in coupon rates. During periods of declining interest rates, the coupon rates on such securities readjust downward resulting in a lower yield. The Portfolio also may invest in derivative variable rate securities, which involves special risks as compared to a fixed-rate security and may involve leverage. The extent of increases and decreases in the values of derivative variable rate securities and the corresponding change to the net asset value of the Portfolio in response to changes in market rates of interest generally may be larger than comparable changes in the value of an equal principal amount of a fixed-rate security having similar credit quality, redemption provisions, and maturity. The markets for such securities may be less developed and have less liquidity than the markets for conventional securities.

*Wealth Accumulation Shortfall Risk:* This is the risk of not generating sufficient portfolio growth to fund your retirement.