Atlanta Neighborhood Charter School

Finance and Operations Committee Meeting

Date and Time

Tuesday January 18, 2022 at 12:00 PM EST

In accordance with Georgia's open meetings requirements, notice of this meeting has been posted at both campuses and on the ANCS website.

Agenda

I. Opening Items

Opening Items

A. Record Attendance and Guests

B. Call the Meeting to Order

C. Approve December 13, 2021 Meeting Minutes

II. Business & Operations Update

Business & Operations

A. Update Financial Resolution with New MC Principal and New Mortgage Info

Financial Resolutions
Purpose
This policy outlines yearly financial resolutions that must be made by the Board.
Duration

This policy is permanent.

Policy

At the first Board meeting of the year, the Director of Finance and Operations will present a list of financial resolutions for approval and ratification by the Board. The list should include the following:

1. Banks where ANCS has accounts
2. Designated check signatories
3. Limits of checks and payments expressed in dollar amounts
4. Designee/signatory for all employee contracts
5. Confirmation and approval of any ongoing vendor contracts that may have changed since the approval of the budget. This includes any contracts for outside services, such as field trip operators/providers. This also includes contract limits.
6. Confirmation of any lines of credit or loans that need to be re-signed/re-authorized
7. Confirmation of reserve fund policy
8. Confirmation of where financial records and documents are kept and how they are accessed

B. Revised FY22 Budget

The Finance Committee is responsible for drafting a proposed amended budget, which must then be presented to the Board and officially adopted.

C. Financial Performance Update

1. Monthly and YTD financial performance
2. CARES Act funding update

D. Annual Charter Financial Performance

Add to Committee calendar to review these metrics concurrent with review of annual audit report

E. Student Accident Insurance Policy

Questions from December Committee Meeting:

1. Without this type of coverage, what is the process and estimated cost to address an accident claim?
2. Which events are excluded from coverage?
3. Is there a cap on coverage?
4. What is the approximate cost of coverage?

F. Investment Options

G. Facilities and Grounds

III. Closing Items

A. Adjourn Meeting

Coversheet

Approve December 13, 2021 Meeting Minutes

Section: I. Opening Items
Item: C. Approve December 13, 2021 Meeting Minutes
Purpose: Approve Minutes
Submitted by:
Related Material:
Minutes for Finance and Business Operations Committee Meeting on December 13, 2021

APPROVED

ATLANTA NEIGHBORHOOD CHARTER SCHOOL
helping students learn to use their minds well

Atlanta Neighborhood Charter School

Minutes

Finance and Business Operations Committee Meeting

December 2021

Date and Time
Monday December 13, 2021 at 12:00 PM

In accordance with Georgia's open meetings requirements, notice of this meeting has been posted at both campuses and on the ANCS website.

Committee Members Present
Ben Sutton (remote), Emily Ormsby (remote), Irina Brimmell (remote)

Committee Members Absent
Cory Tiede

Guests Present
Arnold Pierce (remote), Chuck Meadows (remote), Jerry Hanes (remote), Markecia Jacbos (remote), Martha Kessenich (remote), Paige Teusink (remote)

I. Opening Items

A. Record Attendance and Guests

B. Call the Meeting to Order

Emily Ormsby called a meeting of the Finance & Operations Committee of Atlanta Neighborhood Charter School to order on Monday Dec 13, 2021 at 12:10 PM.

C. Approve November 15, 2021 Meeting Minutes

Irina Brimmell made a motion to approve the minutes from Finance and Operations Committee Meeting on 11-15-21.
Ben Sutton seconded the motion.
The committee **VOTED** unanimously to approve the motion.

II. Business & Operations Update

A. Form 990 Review

Chuck emailed Form 990 to Committee during the meeting. Committee members agreed to review the filing and ask any questions prior to the Board meeting.

B. Revised FY22 Budget

Revised budget review and approval will take place in January 2022.
Chuck walked the Committee through the budget and actuals YTD and described the reasons for variances and how the budget may be revised.
The Committee discussed the CARES Act funding and how it is being spent. Chuck advised that while the school has a few years to draw down the funds, the school is trying to go ahead and draw down as much as possible to ensure it takes full advantage of the funding.

C. Financial Performance Update

Jerry shared the financials for November 2021 and discussed any variances that were not already addressed in the budget revision section of the meeting. He opened the floor for questions.

D. Student Accident Insurance Policy

The school's insurance broker broached the subject of a student accident insurance policy. Chuck provided a brief overview of the intention of such a policy.
The committee asked the following questions:

1. Without this type of coverage, what is the process and estimated cost to address an accident claim?
2. Which events are excluded from coverage?
3. Is there a cap on coverage?
4. What is the approximate cost of coverage?

Chuck will provide answers at the January 2022 Committee meeting.

E. Investment Options

The Committee agreed that it would like to review the possibility of investing a portion of school funds in a higher-yield vehicle than CDs. Chuck will invite the school's investment advisor to the February 2022 Committee meeting.

F. Facilities and Grounds

Ben is arranging a facility and grounds walk-through with Ed and Jim to talk about needs that may need to be included in the budget.
Trees Atlanta planting went well. Approximately 50 people volunteered for the event.

III. Closing Items

A. Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 1:05 PM.

Respectfully Submitted,
Emily Ormsby

Documents used during the meeting

- Reporting Policy.pdf
- Annual Operating Budget Policy.pdf
- Statement of Activity 11-30-2021 YTD.pdf
- Statement of Financial Position 11-30-2021.pdf
- Statement of Activity 11-30-2021 Month-end.pdf
- 11_30_21 Finance Committee Report FY22 DRAFT v4.xlsx
- Investment of Funds Policy.pdf

Coversheet

Update Financial Resolution with New MC Principal and New Mortgage Info

Section: II. Business & Operations Update
Item: A. Update Financial Resolution with New MC Principal and New Mortgage Info
Purpose: Discuss
Submitted by:
Related Material: Financial_Resolution_FY22_Revised 20210817.docx

RESOLUTION
FINANCIAL INFORMATION

As required by the ANCS Governing Board of Directors (GBOD) Financial Policy, the following information is presented for the annual Financial Resolution.

1. **Banks where ANCS has accounts.**
    - Atlantic Capital Bank – Primary Operating Account
    - Edward Jones Bank - C.D. & Money Market accounts
    - Self-Help Credit Union - C.D. & Money Market accounts
    - Elan (through ACB) – Credit Card account
2. **Designated check signatories.**
    - Executive Director – Chuck Meadows
    - Elementary Campus Principal - Lara Zelski
    - Middle Campus Principal - Mark Sanders~~Cathey Goodgame~~
    - School Nutrition Director (nutrition program checks only) – David Bradley
    - ANCS Governing Board Member – Emily Ormsby
3. **Limits of checks and payments expressed in dollar amounts.**
    - Payments of less than $10,000 require a single signature of an approved check signer.
    - Payments in excess of $10,000 require two signatures of approved check signers.
    - Payments over $25,000 that are not related to a previously board-approved project or vendor contract must be approved by the Board's Finance and Operations Committee. The Finance and Operations Committee may determine that any expenditure, whether or not in excess of $25,000, requires approval by the Board.
4. **Designee/signatory for all employee contracts.**
    a. Executive Director, Chuck Meadows, signs all employee contracts.
    b. ANCS Governing Board Chair, Lee Kynes, signs the Executive Director's contract.
5. **Confirmation and approval of any ongoing vendor contracts that may have changed since the approval of the budget. This includes any contracts for outside services such as field trip operators/providers. This also includes contract limits.**
    a. All vendor contracts between ANCS and outside parties of up to $25,000 executed or renewed during the fiscal year must be reviewed and approved by both the CFO and the Executive Director. Once this dual approval is achieved, the Executive Director is authorized to enter into any such contract on behalf of ANCS. All contracts or commitments in excess of $25,000 and up to $50,000, annually or cumulatively, must be approved by the Finance and Operations Committee. All contracts or commitments in

excess of $50,000 must be approved by the ANCS Governing Board.
b. The Executive Director approves all others.

6. Confirmation of any lines of credit or loans that need to be re-signed/re-authorized.

a. Mortgage Loan at Atlantic Capital Bank~~Self-Help Credit Union~~
b. All ANCS debt considerations will be fully reviewed by the Board's Finance and Operations Committee and approved by the Governing Board prior to entering into an agreement.

7. Confirmation of Reserve Fund Policy.

a. As a part of its annual budget adoption process, the ANCS GBOD reviews and approves contribution levels to established reserve funds recommended by the Board's Finance and Operations Committee.

8. Confirmation of where financial records and documents are kept and how they are accessed.

a. Financial records are kept in the business office. They can be accessed upon request.
b. Form 990 is prepared by an external audit firm in conjunction with the close of the ANCS financial audit and is presented to the Governing Board prior to filing.
c. Accounting software: QuickBooks Pro Non-Profit

9. Confirmation of outsourcing the Chief Financial Officer role.

Wesley Peachtree Group, ANCS's outside accounting firm, has been selected to perform CFO duties.

10. Confirmation of Investment of Funds Policy.

a. To ensure that the Investment of Funds Policy reflects the long-term investment risk orientation of ANCS, the Board approves the Policy annually.

Coversheet

Revised FY22 Budget

Section:	II. Business & Operations Update
Item:	B. Revised FY22 Budget
Purpose:	Discuss
Submitted by:	
Related Material:	Proposed Budget Revision FY 21-22 v9.pdf Proposed Budget Revision FY 21-22 v9.xlsx

ATLANTA NEIGHBORHOOD CHARTER SCHOOL
FY 2022 - Pro Forma Monthly Cash Flow Statement

		Allocation based on FTE Count = 628											YTD REVISED Budget
	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	FY2022
Revenue													
APS Allocation Payment	$	1,132,471	1,132,471	1,147,254	1,184,757	1,077,974	$ 1,077,974	$ 1,077,974	$ 1,077,974	$ 1,077,974	$ 1,077,974	$ -	$ 11,064,797
Other State and Local Funding		-	-	-	-	-	-	-	-	-	-	-	-
Grants	18,942	152,439	11,860	157,239	75,051	36,354	30,000	30,000	30,000	30,000	353,696	980,286	1,905,867
Contributions & Fundraising	11,599	29,649	21,057	30,146	16,574	36,183	11,329	11,329	11,329	60,000	18,658	-	257,853
Program Income	(599)	2,188	10,149	6,002	238	1,001	-	-	-	-	-	-	18,979
Nutrition Program Income	35	4,167	3,461	(6,106)	2,873	3,758	2,500	2,500	2,500	2,500	2,500	-	20,689
Other Income	66,064	148	17,440	133	407	2,757	303	303	303	303	303	83,824	172,291
Interest & Dividend Income	274	260	212	195	226	-	-	-	-	-	-	-	1,167
Total Revenue	$ 96,316	$ 1,321,321	$ 1,196,651	$ 1,334,864	$ 1,280,126	$ 1,158,027	$ 1,122,106	$ 1,122,106	$ 1,122,106	$ 1,170,777	$ 1,453,131	$ 1,064,110	$ 13,441,642
Expenditures													
Salaries and Benefits	$ 800,218	$ 842,097	$ 1,037,213	$ 944,953	$ 943,482	$ 1,063,951	$ 950,000	$ 950,000	$ 950,000	$ 950,000	$ 950,000	$ 794,288	$ 11,176,202
Professional Development	12,277	468	23,608	2,959	4,317	4,386	9,000	9,000	9,000	9,000	9,000		93,015
Curriculum & Classroom Expenses	28,676	118,695	23,687	2,526	2,131	9,030	2,500	2,500	2,500	2,500	2,500	1,000	198,245
Program Expenses	3,923	1,672	8,811	4,147	7,428	3,863	7,500	7,500	7,500	7,500	7,500	5,000	72,344
Nutrition Program Expenses	119	31,942	29,878	34,903	17,709	28,023	33,000	33,000	33,000	33,000	33,000	-	307,574
Building & Grounds	89,741	108,363	65,120	100,006	55,208	136,477	125,000	25,000	25,000	25,000	25,000	15,000	794,915
Professional Services	125	8,820	8,895	32,000	6,878	138	6,000	6,000	6,000	6,000	4,000	3,000	87,856
Gen&Admin/Insurance/Interest	23,817	85,472	74,943	34,308	31,002	56,185	33,000	33,000	33,000	33,000	33,000	33,000	503,727
Fundraising Expenses		-	2,388	702	51	-	5,257	2,057	2,057	2,057	30,000	-	44,569
Books, Furniture & Equipment	17,133	13,933	50,910	11,857	6,285	3,077	10,000	10,000	10,000	10,000	10,000	10,000	163,195
Total Expenditures	$ 976,029	$ 1,211,462	$ 1,325,453	$ 1,168,361	$ 1,074,491	$ 1,305,130	$ 1,181,257	$ 1,078,057	$ 1,078,057	$ 1,078,057	$ 1,104,000	$ 861,288	$ 13,441,642
Total Revenues - Total Expenditures	$ (879,713)	$ 109,859	$ (128,802)	$ 166,503	$ 205,635	$ (147,103)	$ (59,151)	$ 44,049	$ 44,049	$ 92,720	$ 349,131	$ 202,822	$ 0
EOM Cash Balance See **NOTE** below	$ 2,584,783	$ 2,694,642	$ 2,565,840	$ 2,732,343	$ 2,937,978	$ 2,790,875	$ 2,731,724	$ 2,775,774	$ 2,819,823	$ 2,912,543	$ 3,261,675	$ 3,464,497	$ 3,464,497
	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	

***Note**: Adjusted to reflect only Atlantic Capital Bank operating accounts, initially as of July 1st. Not including $897k of investments*

Notice

The following file is attached to this PDF. You will need to open this packet in an application that supports attachments to pdf files, e.g. [Adobe Reader](https://get.adobe.com/reader/):

Proposed Budget Revision FY 21-22 v9.xlsx

Coversheet

Financial Performance Update

Section:	II. Business & Operations Update
Item:	C. Financial Performance Update
Purpose:	Discuss
Submitted by:	
Related Material:	12_31_21 Finance Committee Report FY22 DRAFT v3.xlsx Statement of Financial Position as of 12-31-2021.xlsx Statement of Activity 12-31-2021 YTD.xlsx Statement of Activity 12-31-2021 Month-end.xlsx

Notice

The following file is attached to this PDF. You will need to open this packet in an application that supports attachments to pdf files, e.g. Adobe Reader:

12_31_21 Finance Committee Report FY22 DRAFT v3.xlsx

Notice

The following file is attached to this PDF. You will need to open this packet in an application that supports attachments to pdf files, e.g. [Adobe Reader]:

Statement of Financial Position as of 12-31-2021.xlsx

Notice

The following file is attached to this PDF. You will need to open this packet in an application that supports attachments to pdf files, e.g. Adobe Reader:

Statement of Activity 12-31-2021 YTD.xlsx

Notice

The following file is attached to this PDF. You will need to open this packet in an application that supports attachments to pdf files, e.g. Adobe Reader:

Statement of Activity 12-31-2021 Month-end.xlsx

Coversheet

Annual Charter Financial Performance

Section: II. Business & Operations Update
Item: D. Annual Charter Financial Performance
Purpose: FYI
Submitted by:
Related Material: image (1).png

III. FINANCIAL PERFORMANCE STANDARDS

Goal 5 : During each year of its charter contract term, the Charter School shall achieve all six of the following financial performance standards.

a. Not be in default of loan or bond covenant(s) and not be delinquent with debt services payment;

AND

b. Achieve a Current Ratio (Working Capital Ratio) that is greater than 1.0 and one-year trend is positive;

AND

c. Possess a Debt to Asset Ratio that is less than 95 percent;

AND

d. Unrestricted Days Cash (Total Expenses/365) is greater than 45 days and the one-year trend is positive;

AND

e. The Charter School received and submitted to GaDOE by November 1 an annual independent audit with an opinion of the auditor regarding the accuracy of the Charter School's accounting records, financial position, change in financial position, compliance with rules of various governing entities, including GAGAS (Generally Accepted Government Auditing Standards, i.e. the "Yellow Book") or, for those schools not yet converted to GAGAS, compliance with GAAP (Generally Accepted Accounting Principles) that includes:
- An unmodified audit opinion;
- An audit devoid of significant findings and conditions, material weaknesses, or significant internal control weaknesses;
- An audit that does not include a going concern disclosure in the notes or an explanatory paragraph; and
- No other adverse statement indicating noncompliance with applicable laws, rules, regulations, and provisions of the charter contract relating to financial management and oversight.

Coversheet

Student Accident Insurance Policy

Section:	II. Business & Operations Update
Item:	E. Student Accident Insurance Policy
Purpose:	Discuss
Submitted by:	
Related Material:	Accident Claim Form36-10347 (1).pdf PHLY K-12 Student Accident Insurance-Brochure36-16115 (1).pdf

Print Application Clear Application

PHILADELPHIA INSURANCE COMPANIES

A Member of the Tokio Marine Group

ACCIDENT CLAIM FORM

MAIL TO: NAHGA Claim Services
P.O. Box 189
Bridgton, ME 04009
Email: claims@nahga.com
File claims electronically: Payer ID 67788
Questions: Contact 800-952-4320 Fax: 207-647-4569

INSTRUCTIONS *(SIGNATURE SECTION MUST BE COMPLETED AT THE BOTTOM OF ALL THREE PAGES)*

- All fields must be completed
- Part I – Must be completed by Policyholder
- Part II – Must be completed by Claimant or by the Parent or Guardian, if the Claimant is a minor
- Send copies of itemized bills showing provider's name, address, tax ID number, diagnosis and procedures codes.
- Attach explanation of benefits, additional bills with record of payment or denial from primary insurance carrier.This does not apply if the accident policy provides primary coverage
- All benefits will be payable to the physicians and providers, unless accompanied by paid receipts
- If employed, but have no other insurance, forward employer(s) letter on employer(s) letterhead to that effect.
- For additional instructions about how to file a claim, please send an email to **AH@phly.com**.

Claimants eligible for Medicaid benefits must first file for benefits under this policy before submitting expenses to Medicaid.

PART I – POLICYHOLDER REPORT (Signature is required at the end of this section)

1. Policy Number:__________
2. Name of Policyholder:__________
3. Policyholder Address:__________
4. City:__________ State:________ Zip:________
5. Policyholder Contact:__________ Email:__________
   Phone:__________ Fax:__________
6. Last name of Claimant:__________ First name of Claimant:__________
7. Social Security Number:__________ Date of Birth:__________
8. Sex: ☐ Male ☐ Female
9. Grade (if applicable):______ Check one (if applicable) ☐ Day School ☐ Boarding
10. Nature of injury: **(Describe, fully indicate what part of the body was injured – e.g. broken arm, sprained ankle) Must be a bodily injury due to accident.**

11. Describe how the accident occurred, provide all details.
    Attach a separate sheet, if necessary (include name of sport / activity)

12. Did the accident occur:
    a. During a Policyholder supervised / authorized activity? ☐ Yes ☐ No
    b. During a Policyholder sponsored activity? ☐ Yes ☐ No
    c. During scheduled Policyholder hours? ☐ Yes ☐ No
    d. While traveling to or from a Policyholder sponsored and supervised activity? ☐ Yes ☐ No
    e. Off Policyholder premises, at home, during the weekend, holiday or summer vacation? ☐ Yes ☐ No
13. Date of Accident:__________ Time of Accident:______ ☐ A.M. ☐ P.M
    Place of Accident:__________
14. Name and title of person supervising activity:__________
    Was he or she a witness? ☐ Yes ☐ No

Signature of Authorized Policyholder Representative **Title** **Date**

Print Application Clear Application

PART II

(To Be Completed by Claimant or Parent / Guardian, if Claimant is a Minor)

1. Name of Claimant or Father / Guardian:______
   Social Security Number:______ Email Address:______
2. Name of Mother or Guardian:______
   Social Security Number:______ Email Address:______
3. Street address of Claimant or Claimant Parent/ Guardian:______
   City:______ State:______ Zip:______
   Telephone Number:______
4. Father or Guardian's Insurance Company:______
5. Mother or Guardian's Insurance Company:______
6. Name and address of Claimant or Father / Guardian's employer, if a minor:
   Employer's Name:______
   Employer's Mailing Address:______
   City:______ State:______ Zip:______
7. Name and address of Claimant or Mother / Guardian's employer, if a minor:
   Employer's Name:______
   Employer's Mailing Address:______
   City:______ State:______ Zip:______
8. List all medical and dental policies under which the Claimant is insured:

Name of Policyholder	Type of Policy	Policy Number

9. Is the Claimant enrolled in, a member of, or a participant of any of the following as an individual, employee or dependent? If yes, please provide a copy of the insurance card (front and back).
   a. Preferred Provider Organization (PPO) or similar prepaid health plan? ☐ Yes ☐ No
      If yes, name of PPO Organization:______
   b. Health Maintenance Organization (HMO) or similar prepaid health plan? ☐ Yes ☐ No
      If yes, name of HMO or organization:______
   c. Medicare? ☐ Yes ☐ No
   d. Medicaid? ☐ Yes ☐ No

AFFIDAVIT

I verify that the statement on the other insurance is accurate and complete. I understand that the intentional furnishing of incorrect information via the U.S. Mail may be fraudulent and violate federal laws as well as state laws. I agree that if it is determined at a later date that there are other insurance benefits collectible on this claim I will reimburse the Company to the extent for which the Company would not have been liable.

AUTHORIZATION TO RELEASE INFORMATION

I authorize any Health Care Provider, Doctor, Medical Professional, Medical Facility, Insurance Company, person or Organization to release any information regarding medical, dental, mental, alcohol or drug abuse history, treatment or benefits payable, including disability or employment related information concerning the patient, to Philadelphia Indemnity Insurance Company, its employees and authorized agents for the purpose of validation and determining benefits payable. I further authorize any Philadelphia Indemnity Insurance Company to furnish the Policyholder or its agents, any and all information with respect to my insurance claim for the purpose of assisting with claims adjudication. This data may be extracted for audit or statistical purposes. I understand that I have the right to revoke this authorization in writing at any time and that such a revocation is not effective to the extent that such authorization has already been relied upon.

PAYMENT AUTHORIZATION (Signature is required at the end of this section)

I authorize all current and future medical benefits, for services rendered and billed as a result of this claim, to be made payable to the physicians and providers indicated on the invoices, unless paid receipts accompany this form.

______ ______

Claimant Signature (Parent or guardian, if the claimant is a minor) **Date**

Print Application Clear Application

CLAIM FORM FRAUD STATEMENTS (Signature is required at the end of this section)

ALABAMA: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to restitution, fines or confinement in prison or any combination thereof.

ARIZONA: For your protection Arizona law requires the following statement to appear on this form. Any person who knowingly presents a false or fraudulent claim for payment of a loss is subject to criminal and civil penalties.

ARKANSAS, RHODE ISLAND AND WEST VIRGINIA: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

CALIFORNIA: For your protection California law requires the following to appear on this form: Any person who knowingly presents a false or fraudulent claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

COLORADO: It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado division of insurance within the department of regulatory agencies.

DELAWARE and IDAHO: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, files a statement of claim containing any false, incomplete or misleading information is guilty of a felony.

DISTRICT OF COLUMBIA: WARNING: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

FLORIDA: Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

INDIANA: A person who knowingly and with intent to defraud an insurer files a statement of claim containing any false, incomplete, or misleading information commits a felony.

KANSAS: Any person who, knowing and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act.

KENTUCKY: Any person who knowingly and with intent to defraud any insurance company or other person files a statement of claim containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.

MAINE, TENNESSEE, VIRGINIA, and WASHINGTON: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits.

MARYLAND: Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

MINNESOTA: A person who files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

NEW HAMPSHIRE: Any person who, with a purpose to injure, defrauds, or deceive any insurance company, files a statement of claim containing any false, incomplete, or misleading information is subject to prosecution and punishment for insurance fraud, as provided in RSA 638:20.

NEW JERSEY: Any person who knowingly files a statement of claim containing any false or misleading information is subject to criminal and civil penalties.

NORTH CAROLINA and OREGON: Any person who, with intent to defraud or knowing that he/she is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement, commits insurance fraud, which is a crime and subjects the person to civil and criminal penalties.

OHIO: Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

OKLAHOMA: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.

PENNSYLVANIA: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

TEXAS: Any person who knowingly presents a false or fraudulent claim for payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

NEW YORK: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.

Claimant Signature (Parent or guardian, if the claimant is a minor) Date

K - 12 STUDENT ACCIDENT INSURANCE

PHILADELPHIA INSURANCE COMPANIES

A Member of the Tokio Marine Group

AM Best A++ Rating
Ward's Top 50
120+ Niche Industries

800.734.9326 | AH@phly.com | **PHLY.com**

K-12 STUDENT ACCIDENT INSURANCE
BASIC & CATASTROPHIC ACCIDENT PLANS

Philadelphia Insurance Companies, through its wholly-owned subsidiary, The Allen J Flood Companies, has over 55 years of experience providing Basic & Catastrophic Accident insurance plans for students enrolled in the K-12 grade category. The Philadelphia Insurance Companies plans place an emphasis on offering broad coverage and matching this coverage with family and school-focused claim service. Our overriding goal is to minimize the financial burden for a family when medical treatment is required as a result of an accident at School. Today, even for a family with private healthcare coverage, that financial burden can be significant due to large family deductibles, coinsurance and co-payments that are part of the typical cost-sharing arrangement under a healthcare plan. We know K-12 Student Accident Insurance and we're ready to help your insurance broker and your School protect itself and the families that are such a vital part of the School community.

Basic Accident Insurance

Our Basic plans will provide coverage for eligible medical expenses incurred as a result of a Covered Accident up to $50,000 per Covered Person, per Accident. Alternative Accident Medical Expense limit options are also available. A majority of plans are underwritten on a Full Excess or Primary-Excess basis. Benefit Period options of one to three years are available. An explanation for Full Excess Coverage and Benefit Periods is included below. In addition to the Accident Medical Expense benefits, we'll automatically include high limit options for Accidental Death, Dismemberment and Paralysis. Specific payments apply to the AD&D and Paralysis benefits. Please review the sample policy that accompanies our quotations for the payment schedule. Have you ever had a child who injured their teeth and needed some of the treatment deferred for several years? We've got you covered with our Deferred Dental Expense benefit.

Catastrophic Accident Insurance

Our Catastrophic plans will consider eligible medical expenses that exceed $50,000 and go up to $1,000,000, $2,000,000 and even $5,000,000 per Covered Person, per Accident. Plans are underwritten on a Full Excess basis. Benefit Period options of 5 years, 10 years and Lifetime can be made available. In addition to the Accident Medical Expense benefit, we can also include additional Accidental Death & Dismemberment benefits as well as Catastrophic Cash benefits which will provide lump-sum payments to the family when a Covered Accident results in Paralysis, Coma or Brain Death. Specific payments apply to the AD&D and Catastrophic Cash benefits. Please review the sample policy that accompanies our quotations for the payment schedule. Catastrophic Cash benefits are not available in all states.

When Coverage Applies – School Purchased Plans

All enrolled students of the School are automatically covered while they're engaged in School sponsored and supervised activities including athletics, internships, field trips, and summer programs. Please review the sample policy that accompanies our quotation for a list of excluded expenses and excluded activities. Exclusion wording varies from state to state. Coverage applies to activities in the United States, Canada and Mexico. School sponsored and supervised activities taking place outside these regions can also be covered. Coverage for athletics only or specified exposures such as athletics and extracurricular activities can also be modeled for your school. Let your insurance broker know what your school's needs are and we'll do our best to find the right solution.

When Coverage Applies – Voluntary Plans

Optional School-time Only or 24-Hour coverage purchased by the student's family for an enrolled student. School administrators and faculty may also be eligible. Our Voluntary plans automatically include Extended Dental benefits.

Optional Benefits

For an additional premium, benefits can be added for Expanded Medical conditions (i.e. over-use injuries), Heart & Circulatory conditions, Crisis Death events and Emergency Sickness. Not all of these optional benefits are available in all states. We can work with your insurance broker and the school administrator to decide what's right for your school.

Services We Offer

We offer a highly experienced underwriting team that listens to your insurance broker and your school's needs. We partner with an outstanding Claims Administrator with years of experience and a family and school focused customer service team. Claim forms and claim instructions are available in English and Spanish. Doctor and hospital charges are evaluated for discounts to help keep costs down. Claim reports are delivered in a timely, comprehensive manner. Risk Management services can be made available as part of the package of insurance products Philadelphia Insurance Companies offer.

800.734.9326 | AH@phly.com | **PHLY.com**

Select Definitions

Select Definitions (Definition wording varies by state, please review the sample policy for a complete list of your state specific definitions)

Full Excess Coverage

We will pay Covered Expenses:

1. after the Covered Person has satisfied any applicable Deductible; and
2. only when they are in excess of amounts payable by any Other Health Care Plan whether or not claim has been made for benefits it provides

Benefit Period

After a Covered Person incurs their first eligible medical expense within 180 days of the date of the Accident, the Covered Person can incur additional, eligible medical expenses for up to the time frame allowed under the Benefit Period in the policy. This provision applies regardless of whether the policy was renewed.

Covered Accident

Means a sudden, unforeseeable event that results, directly and independently of all other causes, in an injury or loss and meets all of the following conditions:

1. occurs while the Covered Person is insured under this Policy;
2. is not contributed to by: disease; sickness; or mental or bodily infirmity; and
3. is not otherwise excluded under the terms of this Policy.

Covered Activity

Means any recurring activity that is shown in the Schedule of Benefits and:

1. takes place under one of the Conditions of Coverage specified in the Schedule of Benefits; and
2. is: sponsored; organized; scheduled; or otherwise provided by the Policyholder.

Covered Expenses

Means the lesser of the usual and customary charge and the maximum benefit shown, for services or supplies listed, in the Schedule of Benefits and described in the Accident Medical Expense Benefits section of this Policy. Covered Expenses must be Incurred by a Covered Person for treatment for injuries sustained in a Covered Accident.

Covered Injury

Means any bodily harm that results directly and independently of all other causes from a Covered Accident.

Health Care Plan

Means any arrangement, whether individually purchased or incidental to employment or membership in an association or other group, which provides benefits or services for: health care; dental care; disability benefits; or repatriation of remains. A Health Care Plan includes group, blanket, franchise, family or individual:

1. insurance policies;
2. subscriber contracts;
3. uninsured agreements or arrangements;
4. coverage provided through: Health Maintenance Organizations; Preferred Provider Organizations; State or Federal Exchanges; Insurance Cooperatives and other prepayment; group practice and individual practice plans;
5. medical benefits provided under automobile "fault" and no-fault" – type contracts;
6. medical benefits provided by any governmental plan or coverage or other benefit law, except:
   a. a state-sponsored Medicaid plan; or
   b. a plan or law providing benefits only in excess of any private or non-governmental plan;
7. other valid and collectible medical or health care benefits or services.

Exclusions & Limitations

Exclusions and limitations vary from state to state. For a complete list of your state specific exclusions and limitations, request a sample policy. We're prepared to review the sample policy form with your insurance broker and your school administrator.

Next Steps

Contact your insurance broker and ask your broker for a K-12 Student Accident Insurance quotation from Philadelphia Insurance Companies.

Important notice: This information is a brief description of the important benefits and features of the Blanket Accident Medical Insurance underwritten by Philadelphia Indemnity Insurance Company. It is not a contract. Full terms and conditions of coverage, including effective dates of coverage, benefits, limitations, and exclusions, are set forth on your policy form. Any policy Philadelphia Indemnity Insurance Company offers to issue will be subject to the laws of the jurisdiction in which it is issued. Philadelphia Indemnity Company may (1) not be able to offer this coverage in all states and (2) elect at its sole discretion not to offer or quote any specific benefit amount or risk. Please contact your agent or local administrator for the availability of coverage in your state.

800.734.9326 | AH@phly.com | **PHLY.com**

PHILADELPHIA INSURANCE COMPANIES
A Member of the Tokio Marine Group

Coversheet

Investment Options

Section: II. Business & Operations Update
Item: F. Investment Options
Purpose: Discuss
Submitted by:
Related Material:
risk-tolerance-questionnaire.pdf
Short Duration.pdf
Short_Duration_Income_Fund_Fact_Sheet_.pdf
short_duration_income_fund_summary_prospectus (8).pdf
Charter John Hancock.pdf
Multimanager Lifestyle Conservative Fact Sheet.pdf
jh prospectus.pdf

Edward Jones®

Risk Tolerance Questionnaire

Name: ______________________________ **Date Completed:** ______________

A deep understanding of what you're investing for, how long you have to meet your goals and your comfort level with risk are all part of determining the right mix of investments for you.

And knowing how you may react to the ups and downs of the market is important, because too often the reactions to swings in value, not the fluctuations themselves, have the biggest impact on successful long-term investing. Your answers to the following questions help us better understand your comfort level with risk.

In addition, we'll consider:

- How much risk you can take, based on your investment time horizon and other factors.
- How much risk may be necessary for you to take to help you reach your goals.

After we assess your comfort with risk, we'll partner together to align it with your goals, time horizon and return expectations to help develop your investment strategy, making adjustments over time as needed. A clear understanding of these can help you avoid what may be the biggest risk of all: not achieving your long-term financial goals.

Understanding Your Comfort with Risk

1. How concerned are you about inflation (the risk your money will buy fewer goods and services in the future because of rising prices)? **Answer** ____

Growth investments, such as stocks, have the potential to outpace inflation, but also generally have larger swings in value. Cash and fixed-income investments, such as bonds, may be more stable over time, but also may not keep up with inflation. Based on this information, which statement below do you most agree with:

A. My goal is to minimize swings in my portfolio's value, even if growth does not keep pace with inflation.

B. My goal is for growth to at least keep pace with inflation, with the risk of modest swings in my portfolio's value.

C. My goal is for growth to exceed inflation, with the risk of modest to larger swings in my portfolio's value.

D. My goal is for growth to significantly exceed inflation, with the risk of larger swings in my portfolio's value.

2. Which statement best describes your personal investment philosophy? **Answer** ____

A. Income: I prefer investments that may generate more consistent (but most likely lower) returns year to year, with a primary focus on generating income. I prefer a low level of fluctuations and risk of declines over time.

B. Growth and Income: I prefer investments that balance my growth objectives with my income needs. I prefer a modest amount of fluctuations and risk of declines over time.

C. Growth: I am willing to own investments with a higher degree of fluctuations and risk of declines in exchange for the potential to achieve higher average returns over time.

Edward Jones®

Risk Tolerance Questionnaire

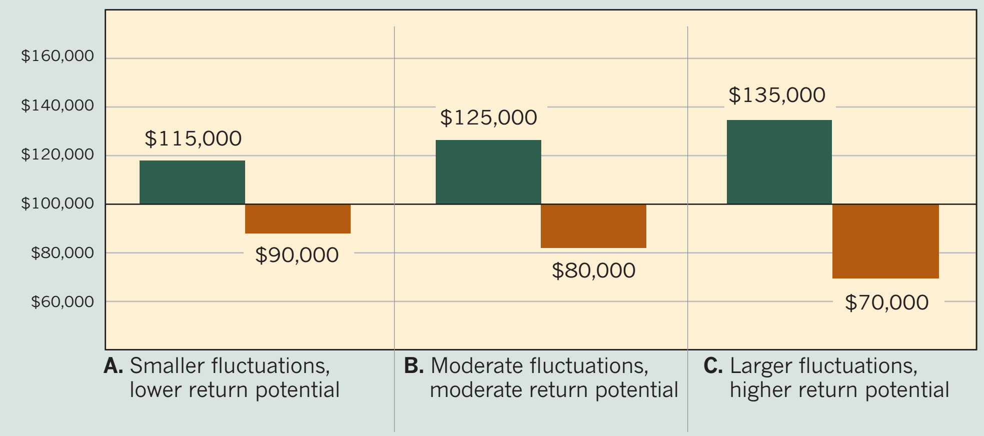
Name: ____________________

3. How comfortable are you with potential fluctuations in your portfolio?

Answer

The table on the right shows the potential high and low values in a given year for three different portfolios, each based on an initial portfolio value of $100,000.

Which portfolio would you prefer? Choose one.



4. Which statement best describes how you feel about the trade-off between potential returns and declines?

Answer

A. I'm more focused on potential declines in my portfolio's value. The return I achieve is of secondary importance.

B. The potential for declines is equally important to me as the potential return.

C. I am more focused on the return potential of my portfolio than on potential declines.

5. There have been several periods in history in which the value of the market has dropped 25% or more in a year. If the value of your portfolio fell from $200,000 to $150,000 (25%) in one year, how would you react?

Answer

A. I would move my money to different investments to reduce the potential for more declines, even if this meant missing a potential recovery.

B. I would be concerned and would consider moving into different investments if the declines continued.

C. I would leave my money where it is and continue according to my long-term strategy.

D. I would view this as an opportunity and would consider investing more if I had the money available.

6. There is a trade-off between larger potential short-term fluctuations and a portfolio's long-term growth potential, as shown in the table below. Which portfolio would you be most comfortable with?

Answer

	Long-term Average Return	Possible Gain in One-year Period	Possible Decline in One-year Period
Portfolio A	4%	15%	-10%
Portfolio B	5.5%	25%	-20%
Portfolio C	7%	35%	-30%

Edward Jones®

Risk Tolerance Questionnaire

Name: ____

Determining Your Comfort with Risk

Please enter the answers from the previous six questions into the corresponding boxes on the right and total the points. The highest points are awarded to the most aggressive answer choice. The risk tolerance score ranges from zero (most conservative) to 100 (most aggressive).

Interpreting your results
Take your risk tolerance score totaled in the first table and locate it in the second table. This will help identify your overall comfort level with risk.

Based on your risk tolerance and time horizon, we recommend a Portfolio Objective for your goals (such as retirement) as well as for each account you hold for that goal (such as your IRA).

Below we highlight our guidance for a retirement goal, which should serve as a starting point as we personalize an investment strategy for your retirement. Since each of your goals may have a different time horizon, each recommended Portfolio Objective may vary. We should also discuss other factors, such as specific purposes for an account, which could also cause your Portfolio Objective to vary.

This questionnaire was developed in partnership with Morningstar, a leading expert in risk tolerance assessment.

	Your Answer					Answer Value
1		A=0	B=5	C=12	D=17	
2		A=0	B=8	C=16		
3		A=0	B=8	C=16		
4		A=0	B=8	C=17		
5		A=0	B=6	C=12	D=17	
6		A=0	B=8	C=17		
					Total	

Risk Tolerance Scale	
80-100	High
60-79	Medium to High
40-59	Medium
19-39	Low to Medium
0-18	Low

Portfolio Objective Guidance Table: Retirement Goal

Investor Risk Tolerance	Retirement Time Horizon: Accumulation Years (Preparing for Retirement)			Distribution Years (Living in Retirement)	
	26+ Years Until Retirement	16-25 Years Until Retirement	15 Years or Less Until Retirement	Expect to Spend More than 10 Years in Retirement	Age 80 or Older (and/or Expect to Spend 10 Years or Less in Retirement)
	Early Investing Years	Good Earnings Years	High Income and Savings Years	Early Retirement Years	Late Retirement Years
High	Growth Focus	Growth Focus	Growth Focus	Balanced toward Growth	Balanced toward Growth
Medium to High	Growth Focus	Growth Focus	Growth Focus	Balanced toward Growth	Balanced Growth & Income
Medium	Growth Focus	Growth Focus	Balanced toward Growth	Balanced Growth & Income	Balanced toward Income
Low to Medium	Growth Focus	Balanced toward Growth	Balanced toward Growth	Balanced Growth & Income	Balanced toward Income
Low	Balanced toward Growth	Balanced Growth & Income	Balanced Growth & Income	Balanced toward Income	Income Focus

Note: Age 70 is the oldest possible retirement age for Portfolio Objective guidance purposes.
Portfolio Objective recommendations within the Accumulation Years also assume that you'll spend more than 20 years in retirement.

Edward Jones®

Hypothetical Report

December 10, 2020

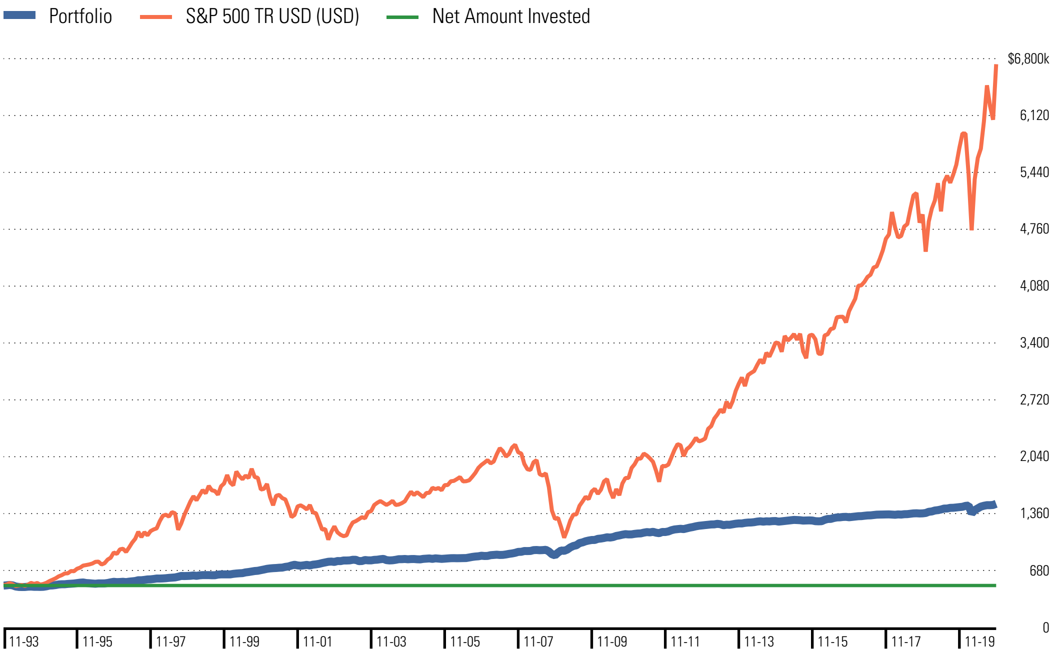
Prepared by:
Paul Harrison
583 Grant Street Se
Atlanta, GA 30312

This hypothetical report is an illustration of a simulated investment that assumes the portfolio holding(s) were purchased on the first day of the period indicated. Investments in securities involve investment risks including possible loss of principal and fluctuation in value. If this hypothetical report is being used for an Edward Jones Advisory Solutions model, please read the Edward Jones Advisory Solutions section of the Hypothetical Report Disclosure Statement at the end of this report. This hypothetical report is not an account statement and is not intended to be an actual reflection of your investment holdings at Edward Jones. The report is intended for illustrative purposes only and is not intended to replace official statements such as trade confirmations, account statements and 1099 forms that should be retained for tax purposes. You should not rely on this document to reflect your investment holdings at Edward Jones. To review your actual investment holdings at Edward Jones, please refer to your account statement or AccountLink. Edward Jones assumes no responsibility for assets held outside of Edward Jones. If there are any discrepancies or concerns regarding this document, please call our Client Relations department at 1-800-803-3333 or review your account online at www.edwardjones.com/access.

Hypothetical Portfolio Illustration

11-04-1993 to 11-30-2020

Portfolio Summary



Planning Assumptions

Currency	USD
Rebalance	None
Rebalance Threshold% +/-	0.00%
Allocation Update Frequency	None
Federal Income Tax Rate	0%
Capital Gain Tax Rate	0%
State Tax Rate	0%
Tax Paid	Out of Pocket

Performance

Net Amount Invested	$500,000
Final Market Value	$1.48 mil
Average Annualized Return	4.08%
Cumulative Return	195.43%
Cumulative Ret - Benchmark	1,246.74%

Portfolio-Level Performance Disclosure

The portfolio-level performance shown is hypothetical and for illustrative purposes only. Investor returns will differ from the results shown.

Investment Detail

Period		Beginning Balance	New Investment	Distribution/ Withdrawal	Total Reinvest	Charges & Fees	Taxes Due	Market Value	Total Return %
Totals		0	500,000	0	1,094,414	0	0	1,477,156	4.08
November-December	1993	0	500,000	0	4,395	0	0	502,338	0.47
January-December	1994	502,338	0	0	28,071	0	0	484,800	-3.49
January-December	1995	484,800	0	0	29,941	0	0	533,818	10.11
January-December	1996	533,818	0	0	30,475	0	0	540,699	1.29
January-December	1997	540,699	0	0	32,112	0	0	578,052	6.91
January-December	1998	578,052	0	0	32,515	0	0	615,930	6.55
January-December	1999	615,930	0	0	34,360	0	0	633,240	2.81
January-December	2000	633,240	0	0	47,709	0	0	691,400	9.18
January-December	2001	691,400	0	0	39,097	0	0	736,640	6.54
January-December	2002	736,640	0	0	32,248	0	0	792,645	7.60
January-December	2003	792,645	0	0	30,036	0	0	806,841	1.79
January-December	2004	806,841	0	0	24,070	0	0	816,350	1.18
January-December	2005	816,350	0	0	30,085	0	0	823,872	0.92
January-December	2006	823,872	0	0	32,964	0	0	853,020	3.54
January-December	2007	853,020	0	0	35,787	0	0	903,214	5.88
January-December	2008	903,214	0	0	43,729	0	0	893,330	-1.09
January-December	2009	893,330	0	0	51,587	0	0	1,044,813	16.96
January-December	2010	1,044,813	0	0	52,973	0	0	1,111,451	6.38
January-December	2011	1,111,451	0	0	49,990	0	0	1,146,523	3.16
January-December	2012	1,146,523	0	0	47,940	0	0	1,222,630	6.64

Hypothetical Portfolio Illustration

11-04-1993 to 11-30-2020

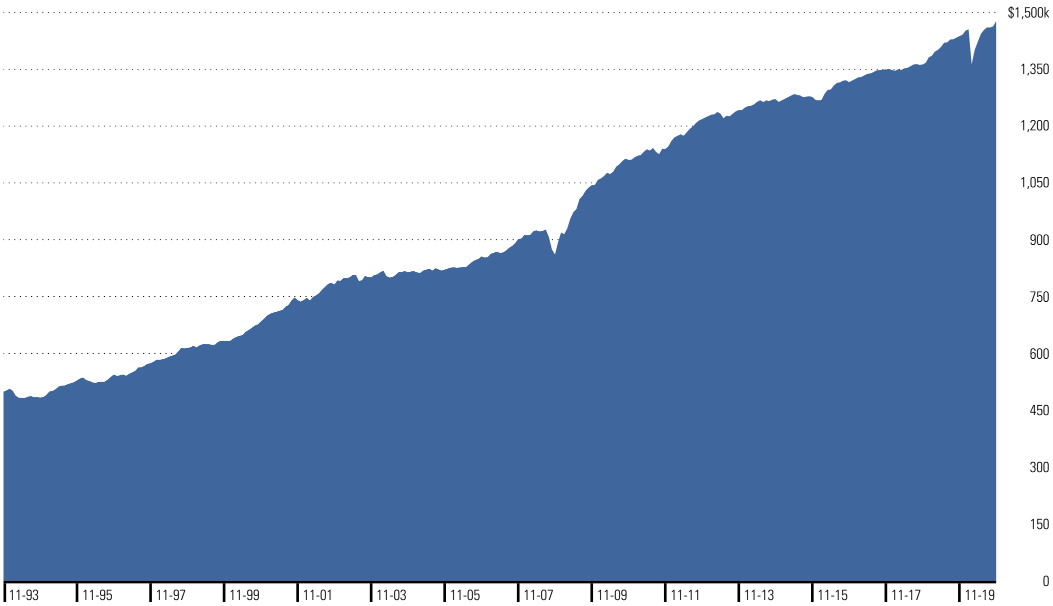
Investment Detail

Period		Beginning Balance	New Investment	Distribution/ Withdrawal	Total Reinvest	Charges & Fees	Taxes Due	Market Value	Total Return %
Totals		0	500,000	0	1,094,414	0	0	1,477,156	4.08
January-December	2013	1,222,630	0	0	46,539	0	0	1,242,440	1.62
January-December	2014	1,242,440	0	0	46,834	0	0	1,263,967	1.73
January-December	2015	1,263,967	0	0	49,132	0	0	1,269,445	0.43
January-December	2016	1,269,445	0	0	51,094	0	0	1,320,333	4.01
January-December	2017	1,320,333	0	0	49,064	0	0	1,350,586	2.29
January-December	2018	1,350,586	0	0	52,050	0	0	1,367,181	1.23
January-December	2019	1,367,181	0	0	50,902	0	0	1,441,316	5.42
January-November	2020	1,441,316	0	0	38,714	0	0	1,477,156	2.49

Hypothetical Portfolio Illustration Continued

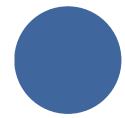
11-04-1993 to 11-30-2020

Security Summary

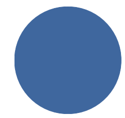


% of Total Market Value

Start 11-04-1993



End 11-30-2020



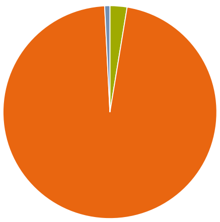
Investment Assumptions

Investment Name	**Holding Period** Start	End	**Initial Investment** Amount	**Subsequent Invest/Withdwl** Amount	Freq	**Reinvest Distributions** Income	Cap Gains	**Liqui-date**	**Re-balance** (%)	**Charges and Fees** Front Load	Annual Fee	Deferred Load Amount%	Period Years	**Market Value** End ($)
Lord Abbett Short Duration Income A (USD, LALDX)	11-93	11-20	500,000	0	—	Y	Y	N	—	0.00%	0.00%	0.00-0.00	—	1.48 mil

Portfolio X-Ray®

Benchmark	Market Value
S&P 500 TR USD (USD)	$1,477,156.08

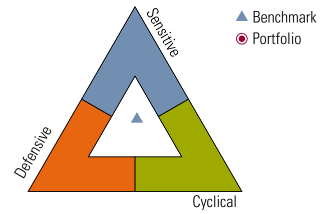
Asset Allocation 11-30-2020



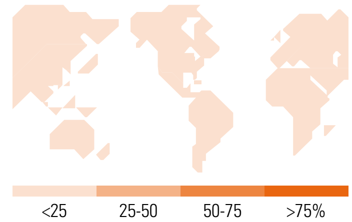
Asset Allocation	Portfolio %	Bmark (%)
Cash	2.58	0.00
US Stocks	0.00	99.07
Non-US Stocks	0.00	0.93
Bonds	96.64	0.00
Other/Not Clsfd	**0.79**	**0.00**

Stock Analysis 11-30-2020

Stock Sectors



World Regions

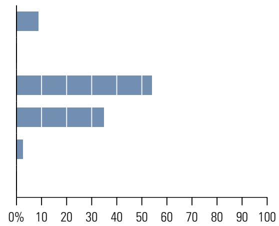


	Portfolio (%)	Bmark (%)
Cyclical	—	**29.39**
Basic Matls	—	2.34
Consumer Cycl	—	11.08
Financial Svs	—	13.44
Real Estate	—	2.53
Sensitive	—	**46.65**
Commun Svs	—	11.03
Energy	—	2.30
Industrials	—	9.14
Technology	—	24.18
Defensive	—	**23.96**
Consumer Def	—	7.29
Healthcare	—	13.77
Utilities	—	2.90
Not Classified	—	**0.00**

	Portfolio (%)	Bmark (%)
Americas	—	**99.07**
North America	—	99.07
Latin America	—	0.00
Greater Europe	—	**0.89**
United Kingdom	—	0.54
Europe-Developed	—	0.34
Europe-Emerging	—	0.01
Africa/Middle East	—	0.00
Greater Asia	—	**0.04**
Japan	—	0.00
Australasia	—	0.00
Asia-Developed	—	0.04
Asia-Emerging	—	0.00
Not Classified	—	**0.00**

Bond Analysis 11-30-2020

Fixed-Income Sectors	Portfolio (%)	Bmark (%)
Government	8.59	0.00
Municipal	0.11	0.00
Corporate	53.98	0.00
Securitized	34.74	0.00
Cash & Equivalents	2.58	0.00
Derivative	0.01	0.00



Maturity Breakdown

Effective Maturity	Portfolio (%)
1-3	33.41
3-5	33.24
5-7	9.01
7-10	5.57
10-15	8.04
15-20	5.22
20-30	3.53
>30	1.97

Credit Quality Breakdown

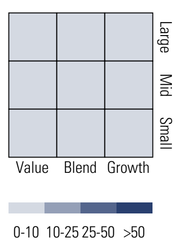
Credit Quality	Portfolio (%)
AAA	33.84
AA	5.78
A	10.41
BBB	35.27
BB	8.34
B	3.84
Below B	0.93
NR	1.59

Investment Style 11-30-2020

	Ltd	Mod	Ext
High	0	0	0
Med	100	0	0
Low	0	0	0

0-10 10-25 25-50 >50

Fixed-Income Style	Portfolio	Bmark
Effective Duration	2.13	—
Effective Maturity	2.53	—



Equity Style	Portfolio	Bmark
Average Market Cap ($mil)	—	165,565.94
Price/Earnings	—	27.23
Price/Book	—	3.80
Price/Sales	—	2.69
Price/Cash Flow	—	15.85

Top 10 Net Underlying Holdings 11-30-2020

Assets %	Name	Type	Sector	Country
5.76	US Treasury Note	BND	—	United States
1.88	US Treasury Note 0.12%	BND	—	United States
0.90	Boeing Co	BND	—	—
0.58	Wells Fargo & Company	BND	—	United States
0.49	Dbwf 2018-Amxp Mortgage Trust 3.75%	BND	—	United States
0.47	Citigroup Inc.	BND	—	United States
0.46	Dell International L.L.C. and EMC Corporation	BND	—	United States
0.42	BX COMMERCIAL MORTGAGE TRUST	BND	—	United States
0.41	Hca 2025-04-15(USD)	BND	Corporate	United States
0.40	Diamondback Energy Inc	BND	—	United States

Portfolio X-Ray®

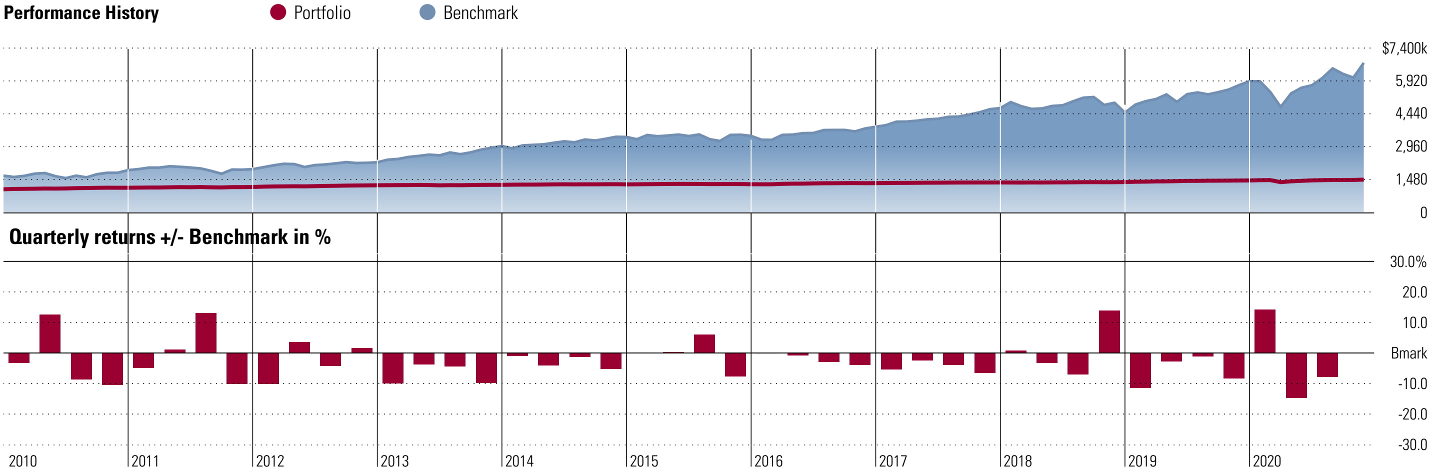
Performance X-Ray®

Benchmark
S&P 500 TR USD (USD)

Market Value
$1,477,156.08

Performance 11-30-2020

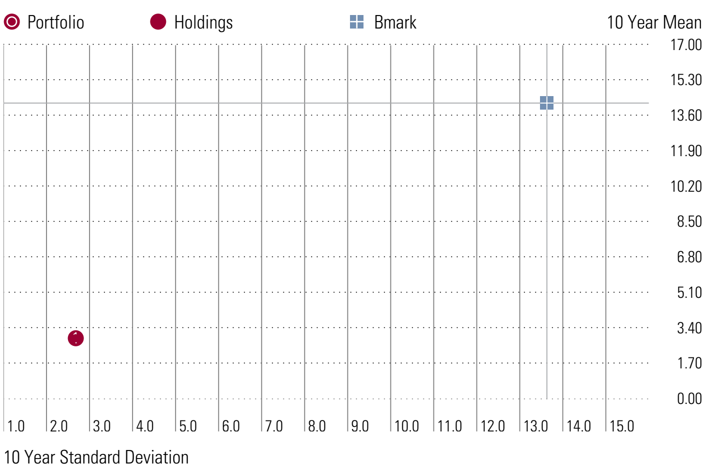
Performance History



Trailing Returns	Portfolio %	+/- Benchmark
3 Month	1.13	-2.76
6 Month	3.84	-16.14
1 Year	2.76	-14.70
3 Year	3.05	-10.11
5 Year	2.95	-11.02
YTD	2.49	-11.53

Trailing Returns	Best %	Worst %
3 Month	6.39 (Mar 2009-May 2009)	-7.14 (Sep 2008-Nov 2008)
6 Month	12.99 (Dec 2008-May 2009)	-6.89 (Jun 2008-Nov 2008)
1 Year	21.29 (Dec 2008-Nov 2009)	-4.56 (Dec 2007-Nov 2008)
3 Year	9.80 (Dec 2008-Nov 2011)	0.82 (Jun 2003-May 2006)
5 Year	7.61 (Dec 2008-Nov 2013)	1.33 (Apr 2015-Mar 2020)

Risk/Return Analysis 11-30-2020



Top 10 Holdings 11-30-2020

	Assets %	Name	Mean	Stnd Dev
1	100.00	Lord Abbett Short Duration Income A (USD, LALDX)	2.89	2.68

Risk and Return Statistics	3 Yr	5 Yr	10 Yr
Standard Deviation	4.41	3.49	2.68
Mean	3.05	2.95	2.89
Sharpe Ratio	0.36	0.52	0.86

MPT Statistics	3 Yr	5 Yr	10 Yr
Alpha	-0.25	0.02	0.75
Beta	0.14	0.14	0.11
R-Squared	37.41	35.47	32.05
Information Ratio	-0.60	-0.79	-0.89
Tracking Error	16.77	13.90	12.76

Illustration Returns

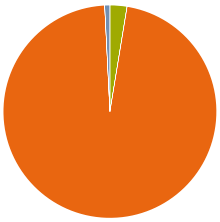
Total 1 holding as of 11-30-2020	Symbol	Type	Holdings Date	% of Assets	Holding Value $	7-day Yield	1 Yr Ret %	3 Yr Ret %	5 Yr Ret %	10 Yr Ret %
Lord Abbett Short Duration Income A (USD, LALDX)	LALDX	MF	10-2020	100.00	1,477,156	—	2.76	3.05	2.95	2.89

Portfolio Snapshot

Portfolio Value
$1,477,156.08

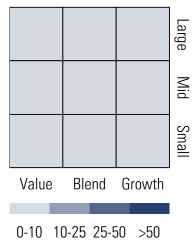
Benchmark
S&P 500 TR USD (USD)

Analysis 11-30-2020



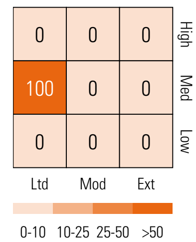
Asset Allocation	Portfolio Net %	Bmark Net %
Cash	2.58	0.00
US Stocks	0.00	99.07
Non-US Stocks	0.00	0.93
Bonds	96.64	0.00
Other/Not Clsfd	**0.79**	**0.00**

Morningstar Equity Style Box %



Total Stock Holdings
—
% Not Classified
—

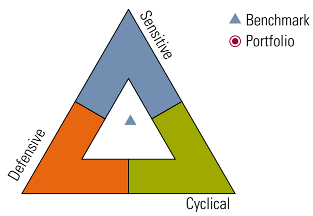
Morningstar Fixed Income Style Box %



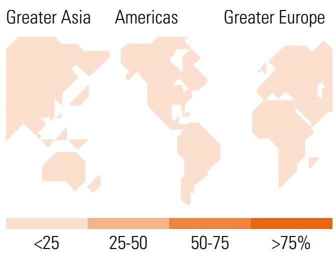
Total Bond Holdings
1,503
% Not Classified
0

Stock Analysis 11-30-2020

Stock Sectors



World Regions

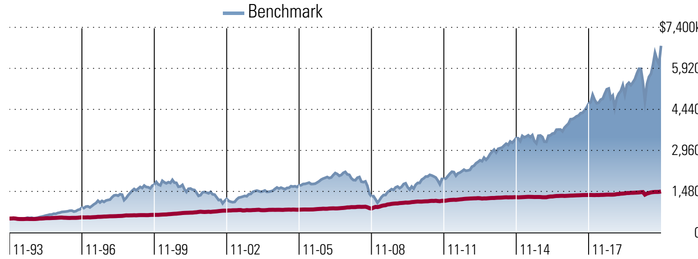


	Portfolio (%)	Bmark (%)
Cyclical	**—**	**29.39**
Basic Matls	—	2.34
Consumer Cycl	—	11.08
Financial Svs	—	13.44
Real Estate	—	2.53
Sensitive	**—**	**46.65**
Commun Svs	—	11.03
Energy	—	2.30
Industrials	—	9.14
Technology	—	24.18
Defensive	**—**	**23.96**
Consumer Def	—	7.29
Healthcare	—	13.77
Utilities	—	2.90
Not Classified	**—**	**0.00**

	Portfolio (%)	Bmark (%)
Americas	**—**	**99.07**
North America	—	99.07
Latin America	—	0.00
Greater Europe	**—**	**0.89**
United Kingdom	—	0.54
Europe-Developed	—	0.34
Europe-Emerging	—	0.01
Africa/Middle East	—	0.00
Greater Asia	**—**	**0.04**
Japan	—	0.00
Australasia	—	0.00
Asia-Developed	—	0.04
Asia-Emerging	—	0.00
Not Classified	**—**	**0.00**

Performance 11-30-2020

Investment Activity Graph



Trailing Returns	3 Mo	1 Yr	3 Yr	5 Yr	10 Yr
Portfolio Return	1.13	2.76	3.05	2.95	2.89
Benchmark Return	3.89	17.46	13.16	13.97	14.18
+/- Benchmark Return	-2.76	-14.70	-10.11	-11.02	-11.29

Best/Worst Time Periods	Best %	Worst %
3 Months	6.39 (Mar 2009-May 2009)	-7.14 (Sep 2008-Nov 2008)
1 Year	21.29 (Dec 2008-Nov 2009)	-4.56 (Dec 2007-Nov 2008)
3 Years	9.80 (Dec 2008-Nov 2011)	0.82 (Jun 2003-May 2006)

Portfolio Yield (11-30-2020)	Yield %
12-Month Yield	2.93

Portfolio-Level Performance Disclosure

The portfolio-level performance shown is hypothetical and for illustrative purposes only. Investor returns will differ from the results shown.

Holdings 11-30-2020

Top 1 holding out of 1	Symbol	Type	Holding Value $	% Assets
Lord Abbett Short Duration Income A (USD)	LALDX	MF	1,477,156	100.00

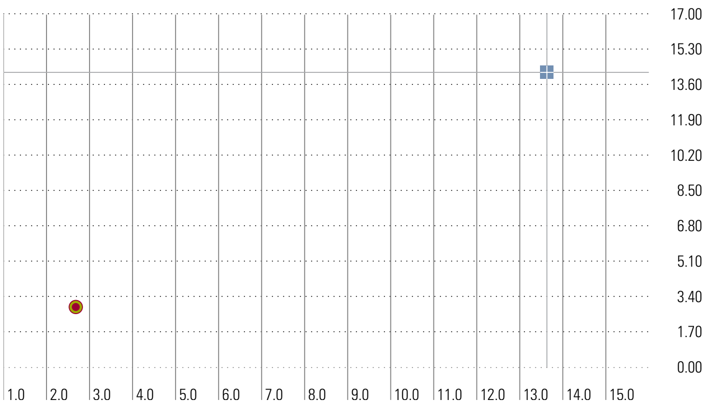
Portfolio Snapshot

Portfolio Value
$1,477,156.08

Benchmark
S&P 500 TR USD (USD)

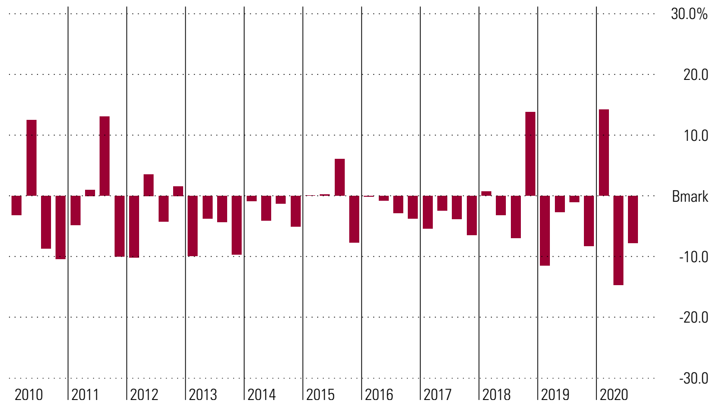
Risk Analysis 11-30-2020

Risk/Reward Scatterplot Portfolio Holdings Bmark 10 Year Mean



10 Year Standard Deviation

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



Risk and Return Statistics

	3 Yr Portfolio	3 Yr Bmark	5 Yr Portfolio	5 Yr Bmark	10 Yr Portfolio	10 Yr Bmark
Standard Deviation	4.41	18.73	3.49	15.26	2.68	13.63
Mean	3.05	13.16	2.95	13.97	2.89	14.18
Sharpe Ratio	0.36	0.71	0.52	0.91	0.86	1.07

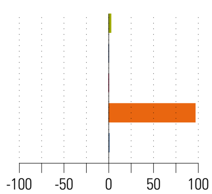
MPT Statistics	3 Yr Portfolio	5 Yr Portfolio	10 Yr Portfolio
Alpha	-0.25	0.02	0.75
Beta	0.14	0.14	0.11
R-Squared	37.41	35.47	32.05

Portfolio-Level Performance Disclosure

The portfolio-level performance shown is hypothetical and for illustrative purposes only. Investor returns will differ from the results shown.

Fundamental Analysis 11-30-2020

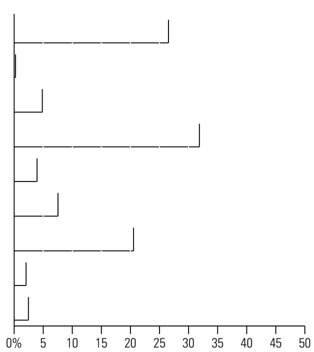
Asset Allocation



	Portfolio Net %	Portfolio Long %	Portfolio Short %
Cash	2.58	2.58	0.00
US Stocks	0.00	0.00	0.00
Non-US Stocks	0.00	0.00	0.00
Bonds	96.64	96.68	0.04
Other/Not Clsfd	**0.79**	**0.79**	**0.00**
Total	100.00	100.04	0.04

Type Weightings

% of Stocks	Portfolio	Bmark
High Yield	—	26.54
Distressed	—	0.24
Hard Asset	—	4.84
Cyclical	—	31.86
Slow Growth	—	3.94
Classic Growth	—	7.54
Aggressive Growth	—	20.54
Speculative Growth	—	2.05
Not Available	**—**	**2.45**



Market Maturity % of Stocks	Portfolio	Bmark
Developed Markets	—	99.99
Emerging Markets	—	0.01
Not Available	**—**	**0.00**

Valuation Multiples	Portfolio	Bmark
Price/Earnings	—	27.23
Price/Book	—	3.80
Price/Sales	—	2.69
Price/Cash Flow	—	15.85

Profitability % of Stocks	Portfolio 2020-11	Bmark 2020-11
Net Margin	—	15.80
ROE	—	27.50
ROA	—	8.79
Debt/Capital	—	45.62

Fund Statistics	
Potential Cap Gains Exposure	-5.69
Avg Net Expense Ratio	0.60
Avg Gross Expense Ratio	0.60

Geometric Avg Capitalization ($Mil)	
Portfolio	—
Benchmark	165,565.94

Credit Quality Breakdown	% of Bonds
AAA	33.84
AA	5.78
A	10.41
BBB	35.28
BB	8.34
B	3.84
Below B	0.93
NR	1.59

Interest Rate Risk	Bonds	% Not Available
Avg Eff Maturity	2.53	0.00
Avg Eff Duration	2.13	0.00
Avg Wtd Coupon	3.08	0.00

Portfolio Snapshot

Portfolio Value
$1,477,156.08

Benchmark
S&P 500 TR USD (USD)

Standardized and Tax Adjusted Returns

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end please visit http://advisor.morningstar.com/familyinfo.asp.

Standardized Returns assume reinvestment of dividends and capital gains. They depict performance without adjusting for the effects of taxation, but are adjusted to reflect sales charges and ongoing fund expenses.

If adjusted for taxation, the performance quoted would be significantly reduced. For variable annuities, additional expenses will be taken into account, including M&E risk charges, fund-level expenses such as management fees and operating fees, contract-level administration fees, and charges such as surrender, contract, and sales charges. The maximum redemption fee is the maximum amount a fund may charge if redeemed in a specific time period after the fund's purchase.

After-tax returns are calculated using the highest individual federal marginal income tax rates, and do not reflect the impact of state and local taxes. Actual after-tax returns depend on the investor's tax situation and may differ from those shown. The after-tax returns shown are not relevant to investors who hold their fund shares through tax-deferred arrangements such as 401(k) plans or an IRA. After-tax returns exclude the effects of either the alternative minimum tax or phase-out of certain tax credits. Any taxes due are as of the time the distributions are made, and the taxable amount and tax character of each distribution are as specified by the fund on the dividend declaration date. Due to foreign tax credits or realized capital losses, after-tax returns may be greater than before-tax returns. After-tax returns for exchange-traded funds are based on net asset value.

Money Market Fund Disclosures

If money market fund(s) are included in the Standardized Returns table below, each money market fund's name will be followed by a superscripted letter that links it to the applicable disclosure below:

Institutional Money Market Funds (designated by an "S"):

You could lose money by investing in the fund. Because the share price of the fund will fluctuate, when you sell your shares they may be worth more or less than what you originally paid for them. The fund may impose a fee upon sale of your shares or may temporarily suspend your ability to sell shares if the fund's liquidity falls below required minimums because of market conditions or other factors. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.

Government Money Market Funds that have chosen to rely on the ability to impose liquidity fees and suspend redemptions (designated by an "L") and

Retail Money Market Funds (designated by an "L"):

You could lose money by investing in the fund. Although the fund seeks to preserve the value of your investment at $1.00 per share, it cannot guarantee it will do so. The fund may impose a fee upon sale of your shares or may temporarily suspend your ability to sell shares if the fund's liquidity falls below required minimums because of market conditions or other factors. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.

Government Money Market Funds that have chosen not to rely on the ability to impose liquidity fees and suspend redemptions (designated by an "N"):

You could lose money by investing in the fund. Although the fund seeks to preserve the value of your investment at $1.00 per share, it cannot guarantee it will do so. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.

Annualized returns 09-30-2020

Standardized Returns (%)	7-day Yield Subsidized *as of date*	7-day Yield Unsubsidized *as of date*	1Yr	5Yr	10Yr	Since Inception	Inception Date	**Max Front Load %**	**Max Back Load %**	**Net Exp Ratio %**	**Gross Exp Ratio %**	**Max Redemption %**
Lord Abbett Short Duration Income A	—	—	-0.14	2.24	2.57	3.98	11-04-1993	**2.25**	**NA**	**0.60**	**0.60**	**NA**
BBgBarc US Agg Bond TR USD			**6.98**	**4.18**	**3.64**	**—**	**01-03-1980**					
BBgBarc US Govt/Credit 1-3 Yr TR USD			**3.73**	**2.09**	**1.57**	**—**	**01-30-1976**					
MSCI EAFE NR USD			**0.49**	**5.26**	**4.62**	**—**	**03-31-1986**					

Annualized returns 09-30-2020

Standardized Returns (%)	7-day Yield Subsidized *as of date*	7-day Yield Unsubsidized *as of date*	1Yr	5Yr	10Yr	Since Inception	Inception Date	**Max Front Load %**	**Max Back Load %**	**Net Exp Ratio %**	**Gross Exp Ratio %**	**Max Redemption %**
S&P 500 TR USD			**15.15**	**14.15**	**13.74**	**—**	**01-30-1970**					
S&P/LSTA Leveraged Loan TR			**1.06**	**4.01**	**4.26**	**—**	**01-01-1997**					
USTREAS T-Bill Auction Ave 3 Mon			**0.77**	**1.17**	**0.61**	**—**	**02-28-1941**					

Return after Tax (%)	On Distribution					On Distribution and Sales of Shares			
	1Yr	5Yr	10Yr	Since Inception	Inception Date	1Yr	5Yr	10Yr	Since Inception
Lord Abbett Short Duration Income A	-1.39	0.69	0.97	2.18	11-04-1993	-0.10	1.01	1.27	2.29

MORNINGSTAR®

Portfolio Snapshot

Portfolio Value
$1,477,156.08

Benchmark
S&P 500 TR USD (USD)

Illustration Returns

Total 1 holding as of 11-30-2020	Symbol	Type	Holdings Date	% of Assets	Holding Value $	30-day SEC Yield Subsidized *as of date*	30-day SEC Yield Unsubsidized *as of date*	1 Yr Ret %	3 Yr Ret %	5 Yr Ret %	10 Yr Ret %
Lord Abbett Short Duration Income A (USD)	LALDX	MF	10-2020	100.00	1,477,156	1.25 *2020-11-30*	1.25 *2020-11-30*	2.76	3.05	2.95	2.89

Performance Disclosure

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please visit http://advisor.morningstar.com/familyinfo.asp.

See Disclosure Page for Standardized Returns.

Stock Intersection

This Stock Detail table shows how the top 0 net stock holdings are distributed across the portfolio, ranked by the percentage of portfolio net assets. The Holding Portfolio Date is the date that the fund's portfolio was last updated. When making comparisons among funds, it is an important date to keep in mind. It is possible that a fund's portfolio could be up to eight months old at the time of publication. See disclosures for more information.

Stock Details

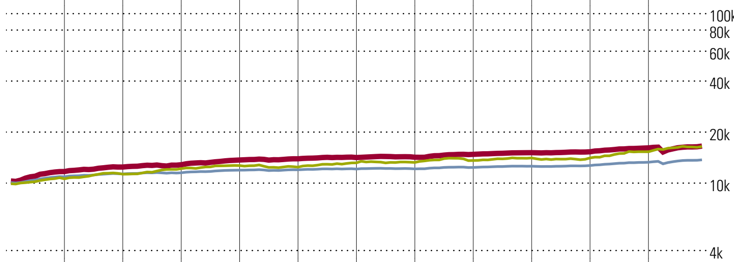
Stock	Ticker/ISIN	Market Value $	% of Investments	Holding Portfolio Date	Sector

Lord Abbett Short Duration Income A (USD)

Morningstar Analyst Rating™	Overall Morningstar Rating™	Standard Index	Category Index	Morningstar Cat
Neutral 03-20-2020	★★★★ 512 US Fund Short-Term Bond	BBgBarc US Agg Bond TR USD	BBgBarc US Govt/Credit 1-3 Yr TR USD	US Fund Short-Term Bond

Investment Style
Fixed-Income
Bond %

93	94	94	88	97	91	95	95	96	97	94	97



Growth of $10,000
- Lord Abbett Short Duration Income A 16,535
- Category Average 13,717
- Standard Index 16,428

Performance Quartile (within category)

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	11-20	History
4.54	4.60	4.54	4.65	4.55	4.46	4.31	4.31	4.25	4.14	4.21	4.20	NAV/Price
16.96	6.38	3.16	6.64	1.62	1.73	0.43	4.01	2.29	1.23	5.42	2.49	Total Return %
11.03	-0.16	-4.69	2.42	3.64	-4.23	-0.12	1.36	-1.25	1.22	-3.29	-4.87	+/- Standard Index
13.13	3.58	1.56	5.38	0.98	0.96	-0.22	2.73	1.45	-0.37	1.39	-0.75	+/- Category Index
4	11	9	7	10	17	40	9	20	36	27	—	% Rank Cat
432	432	405	413	458	524	559	522	513	530	569	580	No. of Funds in Cat

Performance 11-30-2020

Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2018	-0.03	0.26	0.74	0.25	1.23
2019	2.17	1.66	0.66	0.83	5.42
2020	-5.42	5.89	1.17	—	2.49

Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	0.45	2.27	2.49	2.66	3.99
Std 09-30-2020	-0.14	—	2.24	2.57	3.98
Total Return	2.76	3.05	2.95	2.89	4.08
+/- Std Index	-4.52	-2.40	-1.39	-0.82	—
+/- Cat Index	-0.73	0.09	0.79	1.32	—
% Rank Cat	80	50	22	9	
No. in Cat	580	512	458	299	

	Subsidized	Unsubsidized
7-day Yield 12-09-20	0.03	—
30-day SEC Yield 11-30-20	1.25	1.25

Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

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

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 888-522-2388 or visit www.lordabbett.com.

Fees and Expenses

Sales Charges

Front-End Load %	**2.25**
Deferred Load %	**NA**

Fund Expenses

Management Fees %	0.25
12b1 Expense %	0.20
Gross Expense Ratio %	**0.60**

Risk and Return Profile

	3 Yr 512 funds	5 Yr 458 funds	10 Yr 299 funds
Morningstar Rating™	3★	4★	5★
Morningstar Risk	+Avg	+Avg	+Avg
Morningstar Return	Avg	+Avg	High

	3 Yr	5 Yr	10 Yr
Standard Deviation	7.70	4.41	3.49
Mean	2.76	3.05	2.95
Sharpe Ratio	0.32	0.36	0.52

MPT Statistics	Standard Index	Best Fit Index S&P/LSTA Leveraged Loan TR
Alpha	-0.43	0.42
Beta	0.52	0.46
R-Squared	15.87	84.42

12-Month Yield	2.93%
Potential Cap Gains Exp	-5.69%

Portfolio Analysis 10-31-2020

Asset Allocation %	Net %	Long %	Short %
Cash	2.58	2.58	0.00
US Stocks	0.00	0.00	0.00
Non-US Stocks	0.00	0.00	0.00
Bonds	96.64	96.68	0.04
Other/Not Clsfd	0.79	0.79	0.00
Total	100.00	100.04	0.04

Equity Style (Value Blend Growth; Large Mid Small)

Portfolio Statistics	Port Avg	Rel Index	Rel Cat
P/E Ratio TTM	—	—	—
P/C Ratio TTM	—	—	—
P/B Ratio TTM	—	—	—
Geo Avg Mkt Cap $mil	—	—	—

Fixed-Income Style (Ltd Mod Ext; High Med Low)

Avg Eff Maturity	2.53
Avg Eff Duration	2.13
Avg Wtd Coupon	3.08
Avg Wtd Price	102.19

Credit Quality Breakdown 10-31-2020	Bond %
AAA	33.84
AA	5.78
A	10.41
BBB	35.28
BB	8.34
B	3.84
Below B	0.93
NR	1.59

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

Share Chg since 09-2020	Share Amount	Holdings : 0 Total Stocks , 1,527 Total Fixed-Income, 57% Turnover Ratio	Net Assets %
	3,171 mil	United States Treasury Notes 0.13%	5.76
	1,035 mil	United States Treasury Notes 0.13%	1.88
	504 mil	Boeing Co	0.90
⊕	308 mil	Wells Fargo & Company 2.16%	0.58
	268 mil	Dbwf 2018-Amxp Mortgage Trust 3.75%	0.49
	241 mil	Citigroup Inc. 3.11%	0.47
	229 mil	Dell International L.L.C. and EMC	0.46
	233 mil	BX COMMERCIAL MORTGAGE TRUST 1.07%	0.42
	194 mil	HCA Inc. 5.25%	0.41
	211 mil	Diamondback Energy Inc 5.38%	0.40
	195 mil	Equinix, Inc. 5.38%	0.39
	211 mil	Comcast Hulu Holdings Llc	0.38
⊕	190 mil	B.A.T. Capital Corporation 3.22%	0.37
⊕	206 mil	Continental Resources, Inc. 5%	0.37
	193 mil	World Finl Network Credit Card Tst	0.35

Sector Weightings	Stocks %	Rel Std Index
Cyclical	—	—
Basic Materials	—	—
Consumer Cyclical	—	—
Financial Services	—	—
Real Estate	—	—
Sensitive	—	—
Communication Services	—	—
Energy	—	—
Industrials	—	—
Technology	—	—
Defensive	—	—
Consumer Defensive	—	—
Healthcare	—	—
Utilities	—	—

Operations

Family:	Lord Abbett	Ticker:	LALDX	Incept:	11-04-1993
Manager:	Multiple	ISIN:	US5439161002	Type:	MF
Tenure:	22.0 Years	Minimum Initial Purchase:	$1,500	Total Assets:	$55,982.22 mil
Objective:	Income	Min Auto Investment Plan:	$250		
Base Currency:	USD	Purchase Constraints:	—		

Hypothetical Report Disclosure Statement

General

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

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

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

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

Before investing, an investor should consider whether the investor's or designated beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in such state's 529 qualified tuition program.

Comparison of Fund Types

Funds, including closed-end funds, exchange-traded funds (ETFs), money market funds, open-end funds, and unit investment trusts (UITs), have many similarities, but also many important differences. In general, publicly-offered funds are investment companies registered with the Securities and Exchange Commission under the Investment Company Act of 1940, as amended. Funds pool money from their investors and manage it according to an investment strategy or objective, which can vary greatly from fund to fund. Funds have the ability to offer diversification and professional management, but also involve risk, including the loss of principal.

A closed-end fund is an investment company, which typically makes one public offering of a fixed number of shares. Thereafter, shares are traded on a secondary market. As a result, the secondary market price may be higher or lower than the closed-end fund's net asset value (NAV). If these shares trade at a price above their NAV, they are said to be trading at a premium. Conversely, if they are trading at a price below their NAV, they are said to be trading at a discount. A closed-end mutual fund's expense ratio is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. Closed-end funds may also have 12b-1 fees. Income distributions and capital gains of the closed-end fund are subject to income tax, if held in a taxable account.

An ETF is an investment company that typically has an investment objective of striving to achieve a similar return as a particular market index. The ETF will invest in either all or a representative sample of the securities included in the index it is seeking to imitate. Like closed-end funds, an ETF can be traded on a secondary market and thus have a market price that may be higher or lower than its net asset value. If these shares trade at a price above their NAV, they are said to be trading at a premium. Conversely, if they are trading at a price below their NAV, they are said to be trading at a discount. ETFs are not actively managed, so their value may be affected by a general decline in the U.S. market segments relating to their underlying indexes. Similarly, an imperfect match between an ETF's holdings and those of its underlying index may cause its performance to vary from that of its underlying index. The expense ratio of an ETF is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. ETFs do not have 12b-1 fees or sales loads. Capital gains from funds held in a taxable account are subject to income tax. In many, but not all cases, ETFs are generally considered to be more tax-efficient when compared to similarly invested mutual funds.

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

A money-market fund is an investment company that invests in commercial paper, banker's acceptances, repurchase agreements, government securities, certificates of deposit and other highly liquid securities, and pays money market rates of interest. Money markets are not FDIC-insured, may lose money, and are not guaranteed by a bank or other financial institution.

An open-end fund is an investment company that issues shares on a continuous basis. Shares can be purchased from the open-end mutual fund itself, or through an intermediary, but cannot be traded on a secondary market, such as the New York Stock Exchange. Investors pay the open-end mutual fund's current net asset value plus any initial sales loads. Net asset value is calculated daily, at the close of business. Open-end mutual fund shares can be redeemed, or sold back to the fund or intermediary, at their current net asset value minus any deferred sales loads or redemption fees. The expense ratio for an open-end mutual fund is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. Open-end funds may also have 12b-1 fees. Income distributions and capital gains of the open-end fund are subject to income tax, if held in a taxable account.

A unit investment trust (UIT) is an investment company organized under a trust agreement between a sponsor and trustee. UITs typically purchase a fixed portfolio of securities and then sell units in the trust to investors. The major difference between a UIT and a mutual fund is that a mutual fund is actively managed, while a UIT is not. On a periodic basis, UITs usually distribute to the unit holder their pro rata share of the trust's net investment income and net realized capital gains, if any. If the trust is one that invests only in tax-free securities, then the income from the trust is also tax-free. UITs generally make one public offering of a fixed number of units. However, in some cases, the sponsor will maintain a secondary market that allows existing unit holders to sell their units and for new investors to buy units. A one-time initial sales charge is deducted from an investment made into the trust. UIT investors may also pay creation and development fees, organization costs, and/or trustee and operation expenses. UIT units may be redeemed by the sponsor at their net asset value minus a deferred sales charge, and sold to other investors. UITs have set termination dates, at which point the underlying securities are sold and the sales proceeds are paid to the investor. Typically, a UIT investment is rolled over into successive trusts as part of a long-term strategy. A rollover fee may be charged for the exercise of rollover purchases. There are tax consequences associated with rolling over an investment from one trust to the next.

Comparison of Other Security Types

Variable annuities are tax-deferred investments structured to convert a sum of money into a series of payments over time. Variable annuity policies have limitations and are not viewed as short-term liquid investments. An insurance company's fulfillment of a commitment to pay a minimum death benefit, a schedule of payments, a fixed investment account guaranteed by the insurance company, or another form of guarantee depends on the claims-paying ability of the issuing insurance company. Any such guarantee does not affect or apply to the investment return or principal value of the separate account and its subaccount. The financial ratings quoted for an insurance company do not apply to the separate account and its subaccount. The insurance company offering a variable life contract will charge several fees to investors, including annual contract charges that compensate the insurance company for the cost of maintaining and administering the variable life contract, mortality and expense risk (M&E Risk) charges based on a percentage of a subaccount's assets to cover costs associated with mortality and expense risk, and administration fees that are based on a percentage of a subaccount's assets to cover the costs involved in offering and administering the subaccount. A variable life investor will also be charged a front-end load by the insurance company on their initial contribution, ongoing fees related to the management of the fund, and surrender charges if the investor makes a withdrawal prior to a specified time. If the variable annuity subaccount is invested in a money-market fund, the money market fund is not FDIC-insured, may lose money, and is not guaranteed by a bank or other financial institution.

Variable life insurance is a cash-value life insurance that has a variable cash value and/or death benefit depending on the investment performance of the subaccount into which premium payments are invested. Unlike traditional life insurance, variable life insurance has inherent risks associated with it, including market volatility, and is not viewed as a short-term liquid investment. For more information on a variable life product, including each subaccount, please read the current prospectus. Please note, the financial ratings noted on the report are quoted for an insurance company and do not apply to the separate account and its subaccount.

Fixed annuities have a predetermined rate of return an investor earns and a fixed income payout that is guaranteed by the issuing investment company, and may be immediate or deferred. Payouts may last for a specific period or for the life of the investor. Investments in a deferred fixed annuity grow tax-deferred with income tax incurred upon withdrawal, and do not depend on the stock market. However, the insurance company's guaranteed rate of return and payments depends on the claims-paying ability of the insurance company. Fixed annuities typically do not have cost-of-living payment adjustments. Fixed annuities often have surrender charges if the event you need to withdraw your investment early. Fixed annuities are regulated by state insurance commissioners.

Fixed indexed annuities, also called equity index annuities, are a combination of the characteristics of both fixed and variable annuities. Fixed indexed annuities offer a predetermined rate of return like a fixed annuity, but they also allow for participation in the stock market, like a variable annuity. Fixed indexed annuities are typically risker and offer the potential for greater return than fixed annuities, but less so than a variable annuity. Investments in a fixed indexed annuity grow tax-deferred with income tax incurred upon withdrawal. The insurance company's guaranteed rate of return and ability to make payments depends on the claims-paying ability of the insurance company. While fixed indexed annuities may limit an investor's gains in an up market, they are also designed to help limit losses in a down market. Fixed indexed annuities can be complicated and an investor in a fixed indexed annuity should carefully read the insurance company's offering material to understand how a specific annuity's return will be determined. Fixed indexed annuities often have surrender charges in the event you need to withdraw your investment early and are regulated by state insurance commissioners.

A stock is an ownership interest in a company. When an investor purchases a stock, they become a business owner, and the value of their ownership stake will rise and fall according to the underlying business. Stockholders are entitled to the profits, if any, generated by the company after everyone else – employees, vendors, lenders – get paid. Companies usually pay out their profits to investors in the form of dividends, or they reinvest the money back into the business. Stocks trade on exchanges throughout the day, through a brokerage firm who will charge a commission for the purchase or sale of shares. Income distributions and capital gains of the stock are subject to income tax upon their sale, if held in a taxable account.

A bond is a debt security. When an investor purchases a bond, the purchase amount is lent to a government, municipality, corporation or other entity known as an issuer. The issuer promises to pay a specified rate of interest during the life of the bond and repay the face value of the bond when it matures. U.S Treasuries can be purchased directly from the Treasury or through a brokerage firm. Most other newly issued bonds are offered through an underwriter. Older bonds are traded throughout the day on the secondary market and can be purchased through a brokerage firm, who will charge transaction fees and commission for the purchase or sale. Price evaluations are provided by Interactive Data Corporation (IDC).

Preferred stock usually offers a fixed dividend payment, which is paid out before variable dividends that may be paid to investors in a company's common stock. Therefore, preferred stock is typically less risky in terms of principal loss, but there is also less potential for return when compared to a company's common stock. If a company fails, their obligations to preferred stockholders must be met before those of the company's common stock holders, but after bondholders are reimbursed.

A separate account is a portfolio of securities (such as stocks, bonds, and cash) that follows a specified investment strategy and is managed by an investment professional. The securities in the portfolio are directly owned by the separate account's owner. Separate accounts are unregistered investment vehicles; therefore they do not have the same performance and holding reporting responsibilities that registered securities have. Separate account performance data is reported to Morningstar from the investment manager as a composite of similarly managed portfolios. As such, investors in the same separate account may have slightly different portfolio holdings because each investor has customized account needs, tax considerations and security preferences. The method for calculating composite returns can vary. The composite performance for each separate account manager may differ from actual returns in specific client accounts during the same period for a number of reasons. Different separate account managers may use different methods in constructing or computing performance figures. Thus, performance and risk figures for different separate account managers may not be fully comparable to each other. Likewise, performance and risk information of certain separate account managers may include only composites of larger accounts, which may or may not have more holdings, different diversification, different trading patterns and different performance than smaller accounts with the same strategy. Finally, composite performance of the separate account offered by the money manager may or may not reflect the reinvestment of dividends and capital gains. Gross returns are collected on a monthly and quarterly basis for separate accounts and commingled pools. This information is collected directly from the asset management firm running the product(s). Morningstar calculates total returns, using the raw data (gross monthly and quarterly returns), collected from these asset management firms. The performance data reported by the separate account managers will not represent actual performance net of management fees, brokerage commissions or other expenses. Management fees as well as other expenses a client may incur will reduce individual returns for that client. Because fees are deducted regularly, the compounding effect will increase the impact of the fee deduction on gross account performance by a greater percentage than that of the annual fee charged. For example, if an account is charged a 1% management fee per year and has gross performance of 12% during that same period, the compounding effect of the quarterly fee assessments will result in an actual return of approximately 10.9%. Clients should refer to the disclosure document of the separate account manager and their financial professional for specific information regarding fees and expenses. The analysis in this report may be based, in part, on adjusted historical returns for periods prior to an insurance group separate account's (IGSA's) actual inception. When pre-inception data are presented in the report, the header at the top of the report will indicate this and the affected data elements will be displayed in italics. These calculated returns reflect the historical performance of the oldest share class of the underlying fund, adjusted to reflect the management fees of the current IGSA. While the inclusion of pre-inception data provides valuable insight into the probable long-term behavior of an IGSA based on the underlying fund's performance, investors should be aware that an adjusted historical return can only provide an approximation of that behavior. These adjusted historical returns are not actual returns. Calculation methodologies utilized by Morningstar may differ from those applied by other entities, including the IGSA itself. Morningstar % Rank within Morningstar Category does not account for a separate account's sales charge (if applicable).

A collective investment trust (CIT) may also be called a commingled or collective fund. CITs are tax-exempt, pooled investment vehicles maintained by a bank or trust company exclusively for qualified plans, including 401(k)s, and certain types of government plans. CITs are unregistered investment vehicles subject to banking regulations of the Office of the Comptroller of the Currency (OCC), which means they are typically less expensive than other investment options due to lower marketing, overhead, and compliance-related costs. CITs are not available to the general public, but are managed only for specific retirement plans.

A 529 Portfolio is a specific portfolio of securities created from a 529 plan's available investments. In general, the data presented for a 529 Portfolio uses a weighted average of the underlying holdings in the portfolio. Most 529 plans are invested in open-end mutual funds; however, other investment types are possible such as stable value funds, certificates of deposit, and separate accounts.

Before investing, an investor should consider whether the investor's or designated beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in such state's 529 qualified tuition program.

Offshore funds are funds domiciled in a country outside the one the investor resides in. Many banks have offshore subsidiaries that are under the standards and regulations of the particular country, which can vary considerably. Companies may establish headquarters offshore because of lower tax rates. Offshore funds are not regulated by the SEC and may have tax implications.

Hedge funds are aggressively managed portfolios which make extensive use of unconventional investment tools such as derivatives as well as long and short positions. Managers of hedge-funds typically focus on specific areas of the market and/or trading strategies. Strategies may include the use of arbitrage, derivatives, leverage, and short selling, and may hold concentrated positions or private securities, which can make them risker than other investment types. Hedge funds are typically pooled investment vehicles available to sophisticated investors that meet high investing minimums. Many hedge funds are unregistered and are not subject to the same regulations as registered investment vehicles, such as mutual funds. Funds of hedge funds are pooled investment vehicles that invest in multiple unregistered hedge funds, and may be registered with the SEC. Registered funds of hedge funds typically have lower investment minimums than hedge funds, but they are usually not registered on an exchange and can be illiquid. Fund of hedge fund fees are generally higher than those of other pooled investments (like mutual funds) and may have tax consequences.

Cash is a short-term, highly liquid investment. Cash typically doesn't earn as much as other investments, such as stocks or bonds, but is less risky.

Indexes are unmanaged and not available for direct investment. Indexes are created to measure a specified area of the stock market using a representative portfolio of securities. If a security is not available in Morningstar's database, your financial professional may choose to show a representative index. Please note that indexes vary widely, and it is important to choose an index that has similar characteristics to the security it is being used to represent. In no way should the performance of an index be considered indicative or a guarantee of the future performance of an actual security, be considered indicative of the actual performance achieved by a security, or viewed as a substitute for the actual security in your portfolio. Actual results of a security may differ substantially from the historical performance shown for an index and may include an individual client incurring a loss. Past performance is no guarantee of future results.

Morningstar assigns each security in its database to a Morningstar Category using the underlying securities in the security's portfolio. If a security is not available in Morningstar's database, your financial professional may choose to show the security's category. Please note that a category will not be an exact match to your securities. In no way should the performance of a category be considered indicative or a guarantee of the future performance of an actual security, be considered indicative of the actual performance achieved by a security, or viewed as a substitute for the actual security in your portfolio. Actual results of a security may differ substantially from the historical performance shown for a category and may include an individual client incurring a loss. Past performance is no guarantee of future results.

Pre-inception Returns

The analysis in this report may be based, in part, on adjusted historical returns for periods prior to the fund's actual inception. These calculated returns reflect the historical performance of the oldest share class of the fund, adjusted to reflect the fees and expenses of this share class. These fees and expenses are referenced in the report's Charges and Fees section.

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

While the inclusion of pre-inception data provides valuable insight into the probable long-term behavior of newer share classes of a fund, investors should be aware that an adjusted historical return can only provide an approximation of that behavior. For example, the fee structures of a retail share class will vary from that of an institutional share class, as retail shares tend to have higher operating expenses and sales charges. These adjusted historical returns are not actual returns. Calculation methodologies utilized by Morningstar may differ from those applied by other entities, including the fund itself.

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

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

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

Investment Summary Graph

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

Standardized Returns

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

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

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

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

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

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

Bond Returns

Price evaluations and fixed coupon amounts are provided by Interactive Data Corporation. The fixed coupon amount is assumed to be paid out semi-annually with the first payment beginning six months after the bond start date within the illustration.

Definitions of Report Terms

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

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

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

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

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

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

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

Liquidate: Indicates whether the financial professional chose that the holding be liquidated on the end date.

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

New investment: Any new cash invested during the period.

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

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

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

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

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

Taxes Due: The total amount of taxes due from the investor, determined by applying specified tax rates to distributions and sale of shares during each calendar year. Taxes accrued during the calendar year are applied on April 15 of the following year, or on the illustration end date if it occurs before April 15.

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

Net Amount Invested: The total out-of-pocket expense for the investor. Includes new investment, annual fees paid to financial professional, and taxes due. This figure is net of withdrawals, including liquidation.

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

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

Expense Ratio %

The expense ratio is the annual fee that all funds charge their shareholders. It expresses the percentage of assets deducted each fiscal year for fund expenses, including 12b-1 fees, management fees, administrative fees, operating costs, and all other asset-based costs incurred by the fund. Portfolio transaction fees, or brokerage costs, as well as front-end or deferred sales charges are not included in the expense ratio. The expense ratio, which is deducted from the fund's average net assets, is accrued on a daily basis. The gross expense ratio, in contrast to the net expense ratio, does not reflect any fee waivers in effect during the time period.

Portfolio X-Ray Report Disclosure Statement

General

This report summarizes the composition characteristics of a portfolio of securities. It considers broad asset allocation and regional exposure, security style, and sector exposure to provide a variety of ways for considering the level of diversification within a portfolio, its potential riskiness, and its possible behavior in the future.

The Portfolio X-Ray report is supplemental sales literature and must be preceded or accompanied by the fund's/policy's current prospectus or equivalent. Please read these carefully before investing. In all cases, this disclosure statement should accompany the Portfolio X-Ray report. Morningstar is not itself a FINRA-member firm.

Data for this analysis is collected in several ways. For mutual funds, closed-end funds, exchange-traded funds, and variable annuity subaccounts, equity data is based upon Morningstar's analysis of the holdings, which are provided periodically by the fund to Morningstar. For fixed-income securities included in these products, duration and other data is provided by the fund company. For separately managed accounts, data for the account composite reflecting the average investor's experience is provided directly by the manager. Stock data is based upon Morningstar analysis.

An investment in the funds/subaccounts listed in this report is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency.

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

Comparison of Fund Types

Funds, including closed-end funds, exchange-traded funds (ETFs), money market funds, open-end funds, and unit investment trusts (UITs), have many similarities, but also many important differences. In general, publicly-offered funds are investment companies registered with the Securities and Exchange Commission under the Investment Company Act of 1940, as amended. Funds pool money from their investors and manage it according to an investment strategy or objective, which can vary greatly from fund to fund. Funds have the ability to offer diversification and professional management, but also involve risk, including the loss of principal.

A closed-end fund is an investment company, which typically makes one public offering of a fixed number of shares. Thereafter, shares are traded on a secondary market. As a result, the secondary market price may be higher or lower than the closed-end fund's net asset value (NAV). If these shares trade at a price above their NAV, they are said to be trading at a premium. Conversely, if they are trading at a price below their NAV, they are said to be trading at a discount. A closed-end mutual fund's expense ratio is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. Closed-end funds may also have 12b-1 fees. Income distributions and capital gains of the closed-end fund are subject to income tax, if held in a taxable account.

An ETF is an investment company that typically has an investment objective of striving to achieve a similar return as a particular market index. The ETF will invest in either all or a representative sample of the securities included in the index it is seeking to imitate. Like closed-end funds, an ETF can be traded on a secondary market and thus have a market price that may be higher or lower than its net asset value. If these shares trade at a price above their NAV, they are said to be trading at a premium. Conversely, if they are trading at a price below their NAV, they are said to be trading at a discount. ETFs are not actively managed, so their value may be affected by a general decline in the U.S. market segments relating to their underlying indexes. Similarly, an imperfect match between an ETF's holdings and those of its underlying index may cause its performance to vary from that of its underlying index. The expense ratio of an ETF is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. ETFs do not have 12b-1 fees or sales loads. Capital gains from funds held in a taxable account are subject to income tax. In many, but not all cases, ETFs are generally considered to be more tax-efficient when compared to similarly invested mutual funds.

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

A money-market fund is an investment company that invests in commercial paper, banker's acceptances, repurchase agreements, government securities, certificates of deposit and other highly liquid securities, and pays money market rates of interest. Money markets are not FDIC-insured, may lose money, and are not guaranteed by a bank or other financial institution.

An open-end fund is an investment company that issues shares on a continuous basis. Shares can be purchased from the open-end mutual fund itself, or through an intermediary, but cannot be traded on a secondary market, such as the New York Stock Exchange. Investors pay the open-end mutual fund's current net asset value plus any initial sales loads. Net asset value is calculated daily, at the close of business. Open-end mutual fund shares can be redeemed, or sold back to the fund or intermediary, at their current net asset value minus any deferred sales loads or redemption fees. The expense ratio for an open-end mutual fund is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. Open-end funds may also have 12b-1 fees. Income distributions and capital gains of the open-end fund are subject to income tax, if held in a taxable account.

A unit investment trust (UIT) is an investment company organized under a trust agreement between a sponsor and trustee. UITs typically purchase a fixed portfolio of securities and then sell units in the trust to investors. The major difference between a UIT and a mutual fund is that a mutual fund is actively managed, while a UIT is not. On a periodic basis, UITs usually distribute to the unit holder their pro rata share of the trust's net investment income and net realized capital gains, if any. If the trust is one that invests only in tax-free securities, then the income from the trust is also tax-free. UITs generally make one public offering of a fixed number of units. However, in some cases, the sponsor will maintain a secondary market that allows existing unit holders to sell their units and for new investors to buy units. A one-time initial sales charge is deducted from an investment made into the trust. UIT investors may also pay creation and development fees, organization costs, and/or trustee and operation expenses. UIT units may be redeemed by the sponsor at their net asset value minus a deferred sales charge, and sold to other investors. UITs have set termination dates, at which point the underlying securities are sold and the sales proceeds are paid to the investor. Typically, a UIT investment is rolled over into successive trusts as part of a long-term strategy. A rollover fee may be charged for the exercise of rollover purchases. There are tax consequences associated with rolling over an investment from one trust to the next.

Comparison of Other Security Types

Variable annuities are tax-deferred investments structured to convert a sum of money into a series of payments over time. Variable annuity policies have limitations and are not viewed as short-term liquid investments. An insurance company's fulfillment of a commitment to pay a minimum death benefit, a schedule of payments, a fixed investment account guaranteed by the insurance company, or another form of guarantee depends on the claims-paying ability of the issuing insurance company. Any such guarantee does not affect or apply to the investment return or principal value of the separate account and its subaccount. The financial ratings quoted for an insurance company do not apply to the separate account and its subaccount. The insurance company offering a variable life contract will charge several fees to investors, including annual contract charges that compensate the insurance company for the cost of maintaining and administering the variable life contract, mortality and expense risk (M&E Risk) charges based on a percentage of a subaccount's assets to cover costs associated with mortality and expense risk, and administration fees that are based on a percentage of a subaccount's assets to cover the costs involved in offering and administering the subaccount. A variable life investor will also be charged a front-end load by the insurance company on their initial contribution, ongoing fees related to the management of the fund, and surrender charges if the investor makes a withdrawal prior to a specified time. If the variable annuity subaccount is invested in a money-market fund, the money market fund is not FDIC-insured, may lose money, and is not guaranteed by a bank or other financial institution.

Variable life insurance is a cash-value life insurance that has a variable cash value and/or death benefit depending on the investment performance of the subaccount into which premium payments are invested. Unlike traditional life insurance, variable life insurance has inherent risks associated with it, including market volatility, and is not viewed as a short-term liquid investment. For more information on a variable life product, including each subaccount, please read the current prospectus. Please note, the financial ratings noted on the report are quoted for an insurance company and do not apply to the separate account and its subaccount.

Fixed annuities have a predetermined rate of return an investor earns and a fixed income payout that is guaranteed by the issuing investment company, and may be immediate or deferred. Payouts may last for a specific period or for the life of the investor. Investments in a deferred fixed annuity grow tax-deferred with income tax incurred upon withdrawal, and do not depend on the stock market. However, the insurance company's guaranteed rate of return and payments depends on the claims-paying ability of the insurance company. Fixed annuities typically do not have cost-of-living payment adjustments. Fixed annuities often have surrender charges if the event you need to withdraw your investment early. Fixed annuities are regulated by state insurance commissioners.

Fixed indexed annuities, also called equity index annuities, are a combination of the characteristics of both fixed and variable annuities. Fixed indexed annuities offer a predetermined rate of return like a fixed annuity, but they also allow for participation in the stock market, like a variable annuity. Fixed indexed annuities are typically risker and offer the potential for greater return than fixed annuities, but less so than a variable annuity. Investments in a fixed indexed annuity grow tax-deferred with income tax incurred upon withdrawal. The insurance company's guaranteed rate of return and ability to make payments depends on the claims-paying ability of the insurance company. While fixed indexed annuities may limit an investor's gains in an up market, they are also designed to help limit losses in a down market. Fixed indexed annuities can be complicated and an investor in a fixed indexed annuity should carefully read the insurance company's offering material to understand how a specific annuity's return will be determined. Fixed indexed annuities often have surrender charges in the event you need to withdraw your investment early and are regulated by state insurance commissioners.

A stock is an ownership interest in a company. When an investor purchases a stock, they become a business owner, and the value of their ownership stake will rise and fall according to the underlying business. Stockholders are entitled to the profits, if any, generated by the company after everyone else – employees, vendors, lenders – get paid. Companies usually pay out their profits to investors in the form of dividends, or they reinvest the money back into the business. Stocks trade on exchanges throughout the day, through a brokerage firm who will charge a commission for the purchase or sale of shares. Income distributions and capital gains of the stock are subject to income tax upon their sale, if held in a taxable account.

A bond is a debt security. When an investor purchases a bond, the purchase amount is lent to a government, municipality, corporation or other entity known as an issuer. The issuer promises to pay a specified rate of interest during the life of the bond and repay the face value of the bond when it matures. U.S Treasuries can be purchased directly from the Treasury or through a brokerage firm. Most other newly issued bonds are offered through an underwriter. Older bonds are traded throughout the day on the secondary market and can be purchased through a brokerage firm, who will charge transaction fees and commission for the purchase or sale. Price evaluations are provided by Interactive Data Corporation (IDC).

Preferred stock usually offers a fixed dividend payment, which is paid out before variable dividends that may be paid to investors in a company's common stock. Therefore, preferred stock is typically less risky in terms of principal loss, but there is also less potential for return when compared to a company's common stock. If a company fails, their obligations to preferred stockholders must be met before those of the company's common stock holders, but after bondholders are reimbursed.

A separate account is a portfolio of securities (such as stocks, bonds, and cash) that follows a specified investment strategy and is managed by an investment professional. The securities in the portfolio are directly owned by the separate account's owner. Separate accounts are unregistered investment vehicles; therefore they do not have the same performance and holding reporting responsibilities that registered securities have. Separate account performance data is reported to Morningstar from the investment manager as a composite of similarly managed portfolios. As such, investors in the same separate account may have slightly different portfolio holdings because each investor has customized account needs, tax considerations and security preferences. The method for calculating composite returns can vary. The composite performance for each separate account manager may differ from actual returns in specific client accounts during the same period for a number of reasons. Different separate account managers may use different methods in constructing or computing performance figures. Thus, performance and risk figures for different separate account managers may not be fully comparable to each other. Likewise, performance and risk information of certain separate account managers may include only composites of larger accounts, which may or may not have more holdings, different diversification, different trading patterns and different performance than smaller accounts with the same strategy. Finally, composite performance of the separate account offered by the money manager may or may not reflect the reinvestment of dividends and capital gains. Gross returns are collected on a monthly and quarterly basis for separate accounts and commingled pools. This information is collected directly from the asset management firm running the product(s). Morningstar calculates total returns, using the raw data (gross monthly and quarterly returns), collected from these asset management firms. The performance data reported by the separate account managers will not represent actual performance net of management fees, brokerage commissions or other expenses. Management fees as well as other expenses a client may incur will reduce individual returns for that client. Because fees are deducted regularly, the compounding effect will increase the impact of the fee deduction on gross account performance by a greater percentage than that of the annual fee charged. For example, if an account is charged a 1% management fee per year and has gross performance of 12% during that same period, the compounding effect of the quarterly fee assessments will result in an actual return of approximately 10.9%. Clients should refer to the disclosure document of the separate account manager and their financial professional for specific information regarding fees and expenses. The analysis in this report may be based, in part, on adjusted historical returns for periods prior to an insurance group separate account's (IGSA's) actual inception. When pre-inception data are presented in the report, the header at the top of the report will indicate this and the affected data elements will be displayed in italics. These calculated returns reflect the historical performance of the oldest share class of the underlying fund, adjusted to reflect the management fees of the current IGSA. While the inclusion of pre-inception data provides valuable insight into the probable long-term behavior of an IGSA based on the underlying fund's performance, investors should be aware that an adjusted historical return can only provide an approximation of that behavior. These adjusted historical returns are not actual returns. Calculation methodologies utilized by Morningstar may differ from those applied by other entities, including the IGSA itself. Morningstar % Rank within Morningstar Category does not account for a separate account's sales charge (if applicable).

A collective investment trust (CIT) may also be called a commingled or collective fund. CITs are tax-exempt, pooled investment vehicles maintained by a bank or trust company exclusively for qualified plans, including 401(k)s, and certain types of government plans. CITs are unregistered investment vehicles subject to banking regulations of the Office of the Comptroller of the Currency (OCC), which means they are typically less expensive than other investment options due to lower marketing, overhead, and compliance-related costs. CITs are not available to the general public, but are managed only for specific retirement plans.

A 529 Portfolio is a specific portfolio of securities created from a 529 plan's available investments. In general, the data presented for a 529 Portfolio uses a weighted average of the underlying holdings in the portfolio. Most 529 plans are invested in open-end mutual funds; however, other investment types are possible such as stable value funds, certificates of deposit, and separate accounts.

Before investing, an investor should consider whether the investor's or designated beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in such state's 529 qualified tuition program.

Offshore funds are funds domiciled in a country outside the one the investor resides in. Many banks have offshore subsidiaries that are under the standards and regulations of the particular country, which can vary considerably. Companies may establish headquarters offshore because of lower tax rates. Offshore funds are not regulated by the SEC and may have tax implications.

Hedge funds are aggressively managed portfolios which make extensive use of unconventional investment tools such as derivatives as well as long and short positions. Managers of hedge-funds typically focus on specific areas of the market and/or trading strategies. Strategies may include the use of arbitrage, derivatives, leverage, and short selling, and may hold concentrated positions or private securities, which can make them risker than other investment types. Hedge funds are typically pooled investment vehicles available to sophisticated investors that meet high investing minimums. Many hedge funds are unregistered and are not subject to the same regulations as registered investment vehicles, such as mutual funds. Funds of hedge funds are pooled investment vehicles that invest in multiple unregistered hedge funds, and may be registered with the SEC. Registered funds of hedge funds typically have lower investment minimums than hedge funds, but they are usually not registered on an exchange and can be illiquid. Fund of hedge fund fees are generally higher than those of other pooled investments (like mutual funds) and may have tax consequences.

Cash is a short-term, highly liquid investment. Cash typically doesn't earn as much as other investments, such as stocks or bonds, but is less risky.

Indexes are unmanaged and not available for direct investment. Indexes are created to measure a specified area of the stock market using a representative portfolio of securities. If a security is not available in Morningstar's database, your financial professional may choose to show a representative index. Please note that indexes vary widely, and it is important to choose an index that has similar characteristics to the security it is being used to represent. In no way should the performance of an index be considered indicative or a guarantee of the future performance of an actual security, be considered indicative of the actual performance achieved by a security, or viewed as a substitute for the actual security in your portfolio. Actual results of a security may differ substantially from the historical performance shown for an index and may include an individual client incurring a loss. Past performance is no guarantee of future results.

Morningstar assigns each security in its database to a Morningstar Category using the underlying securities in the security's portfolio. If a security is not available in Morningstar's database, your financial professional may choose to show the security's category. Please note that a category will not be an exact match to your securities. In no way should the performance of a category be considered indicative or a guarantee of the future performance of an actual security, be considered indicative of the actual performance achieved by a security, or viewed as a substitute for the actual security in your portfolio. Actual results of a security may differ substantially from the historical performance shown for a category and may include an individual client incurring a loss. Past performance is no guarantee of future results.

Asset Allocation

The weighting of the portfolio in various asset classes, including "Other" is shown in this graph and table. "Other" includes security types that are not neatly classified in the other asset classes, such as convertible bonds and preferred stocks.

In the graph and table, allocation to the classes is shown for long positions, short positions, and net (long positions net of short) positions. These new portfolio statistics help investors look "under the hood" of a portfolio. These statistics summarize what the managers are buying and how they are positioning the portfolio. When short positions are captured in these portfolio statistics, investors get a more robust description of the funds' exposure and risk.

Most managed product portfolios hold fairly conventional securities, such as long positions in stocks and bonds. Other portfolios use other investment strategies or securities, such as short positions or derivatives, to reduce transaction costs, enhance returns, or reduce risk. Some of these securities and strategies behave like conventional securities, while others have unique return and risk characteristics.

Most portfolios take long positions in securities. Long positions involve buying the security outright and then selling it later, with the hope that the security price rises over time. In contrast, short positions are taken to benefit from anticipated price declines. In this type of transaction, the investor borrows the security from another investor, sells it and receives cash, and then is obligated to buy it back at some point in the future. If the price falls after the short sale, the investor will have sold high and can now buy low to close the short position and lock in a profit. However, if the price of the security increases after the short sale, the investor will experience losses by buying it at a higher price than the sale price.

The strategy of selling securities short is prevalent in specialized portfolios, such as long-short, market-neutral, bear-market, and hedge funds. Most conventional portfolios do not typically short securities, although they may reserve the right to do so under special circumstances. Funds may also short derivatives, and this is sometimes more efficient than shorting individual securities. Short positions produce negative exposure to the security that is being shorted. This means that when the security rises in value, the short position will fall in value and vice versa. Morningstar's portfolio statistics will capture this negative exposure. For example, if a fund has many short stock positions, the percent of assets in stocks in the asset allocation breakdown may be negative. Funds must provide their broker with cash collateral for the short position, so funds that short often have a large cash position, sometimes even exceeding 100% cash.

World Regions

This data set provides a broad breakdown of a portfolio's geographical exposure, by region and by market maturity. Only non-cash long equity assets are evaluated in determining the exposure. Not Classified indicates the percentage of the equity portion of the portfolio for which Morningstar is unable to assess region or origin.

Stock Sectors

This table shows the percentage of the portfolio's long equity assets invested in each of the three supersectors (Cyclical, Sensitive, and Defensive) and 11 major industry subclassifications. The Sector Graph accompanying the table demonstrates the sector orientation of the portfolio.

Fixed Income Sectors

This table shows the percentage of the portfolio's long fixed income assets invested in each of the six supersectors (Government, Municipal, Corporate, Securitized, Cash & Equivalents, and Derivative). The Sector Graph accompanying the table demonstrates the sector weighting of the portfolio against the benchmark.

Morningstar Style Box Diversification

The Morningstar Style Box reveals a fund's investment style 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 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 equal to 6 years; (iii) Extensive: greater than 6 years.

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

Price/Earnings Ratio: The asset-weighted average of the price/earnings ratios of the stocks in the portfolio. The P/E ratio of a stock is calculated by dividing the current price of the stock by its trailing 12-months' earnings per share.

Price/Cashflow: The asset-weighted average of the price/cash flow ratios of stocks in a portfolio. Price/cash flow shows the ability of a business to generate cash and acts as a gauge of liquidity and solvency.

Price/Book Ratio is a weighted average of the price/book ratios of all the stocks in the underlying fund's portfolio. The P/B ratio of a company is calculated by dividing the market price of its stock by the company's per-share book value. Stocks with negative book values are excluded from this calculation.

Price/Sales is the asset-weighted average of the portfolio's stock's prices divided by the respective company's sales per share.

Geometric Average Capitalization is the overall size of a stock fund's portfolio as the geometric mean of the market capitalization for all of the stocks it owns. It's calculated by raising the market capitalization of each stock to a power equal to that stock's stake in the portfolio. The resulting numbers are multiplied together to produce the geometric mean of the market caps of the stocks in the portfolio, which is reported as geometric average cap.

Effective duration is a time measure of a bond's interest-rate sensitivity. In computing the average, Morningstar weights the duration of each fixed-income holding within the portfolio by the percentage of fixed income assets it represents compared with the entire portfolio.

Effective maturity is used for holdings in the taxable fixed-income category. This is a weighted average of all the maturities of the bonds in a portfolio, computed by weighting each maturity date by the market value of the security.

Credit quality breakdowns are shown for corporate-bond holdings and depict the quality of bonds in the underlying portfolio. The report shows the percentage of fixed-income securities that fall within each credit quality rating as assigned by an NRSRO. Bonds not rated by an NRSRO are included in the not rated (NR) category.

Expense Ratio %

The expense ratio is the annual fee that all funds charge their shareholders. It expresses the percentage of assets deducted each fiscal year for fund expenses, including 12b-1 fees, management fees, administrative fees, operating costs, and all other asset-based costs incurred by the fund. Portfolio transaction fees, or brokerage costs, as well as front-end or deferred sales charges are not included in the expense ratio. The expense ratio, which is deducted from the fund's average net assets, is accrued on a daily basis. The gross expense ratio, in contrast to the net expense ratio, does not reflect any fee waivers in effect during the time period.

Top 10 Underlying Holdings

This section indicates the 10 most heavily weighted underlying holdings in the portfolio. It identifies the percentage of assets that each holding represents in the portfolio, the security type, the sector classification, and the country of origin.

Fixed Annuity and Fixed Indexed Annuity Holdings Proxy Disclosure

When reviewing or recommending a portfolio, your financial professional analyses the investments in the portfolio along with their fees and expenses. Your financial professional may choose to rely on a proxy to estimate this information. If included in this report, the Holding Type will be "PROXY".

If a proxy is used in this report, the data shown may not be an accurate representation of the data for the actual portfolio and should not be viewed as such. The actual portfolio data may be higher or lower than what is shown in this report, and will vary depending on the actual investments in the portfolio and the allocation of those investments.

For Fixed Annuity or Fixed Indexed Annuity proxies included in this report, the performance of the proxy will be zero (0.00) over all time periods. A portfolio yield will not be calculated and all Risk and Return and MPT Statistics will be shown as zero (0.00). Your financial professional should explain to you how an actual Fixed Annuity or Fixed Indexed Annuity will impact the portfolio shown in this report any other limitations or disclosures that may be material to your decision-making process.

Morningstar has not reviewed or verified any information input by your financial professional, nor can Morningstar guarantee the completeness or accuracy of this data. Morningstar shall have no liability for any errors, omissions, or interruptions. Morningstar makes no warranty, express or implied, as to the results obtained by any person or entity from the use of a proxy or the data included therein. Morningstar makes no express or implied warranties, and expressly disclaims all warranties of merchantability or fitness for a particular purpose or use with respect to the proxies or any data included therein. Without limiting any of the foregoing, in no event shall Morningstar have any liability for any special, punitive, indirect or consequential damages (including lost profits) even if notified of the possibility of such damages.

Morningstar makes no representation or warranty, express or implied, regarding the advisability of investing in securities generally or the ability of a proxy to approximate data of a specific security or security type. Before selecting a proxy you and your financial professional should, among other factors, carefully consider the proxy and its applicability. There is no guarantee that a proxy will achieve any objective.

The proxy used in this report is provided for informational and educational purposes only to help your financial professional illustrate and document a portfolio to you. Morningstar is not responsible for any trading decisions, damages, or other losses resulting from or related to a proxy, assumptions made in choosing a proxy, or the information noted herein. Any security noted is not an offer or solicitation by Morningstar to buy or sell that security.

In no way should the information about a proxy shown within this report be considered indicative or a guarantee of an actual portfolio. Actual results may differ substantially from that shown.

Please note: If a proxy is used in this report, you should not use it as the sole basis for your investment decisions.

Portfolio Snapshot Report Disclosure Statement

General

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

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

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

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

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

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

Comparison of Fund Types

Funds, including closed-end funds, exchange-traded funds (ETFs), money market funds, open-end funds, and unit investment trusts (UITs), have many similarities, but also many important differences. In general, publicly-offered funds are investment companies registered with the Securities and Exchange Commission under the Investment Company Act of 1940, as amended. Funds pool money from their investors and manage it according to an investment strategy or objective, which can vary greatly from fund to fund. Funds have the ability to offer diversification and professional management, but also involve risk, including the loss of principal.

A closed-end fund is an investment company, which typically makes one public offering of a fixed number of shares. Thereafter, shares are traded on a secondary market. As a result, the secondary market price may be higher or lower than the closed-end fund's net asset value (NAV). If these shares trade at a price above their NAV, they are said to be trading at a premium. Conversely, if they are trading at a price below their NAV, they are said to be trading at a discount. A closed-end mutual fund’s expense ratio is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. Closed-end funds may also have 12b-1 fees. Income distributions and capital gains of the closed-end fund are subject to income tax, if held in a taxable account.

An ETF is an investment company that typically has an investment objective of striving to achieve a similar return as a particular market index. The ETF will invest in either all or a representative sample of the securities included in the index it is seeking to imitate. Like closed-end funds, an ETF can be traded on a secondary market and thus have a market price that may be higher or lower than its net asset value. If these shares trade at a price above their NAV, they are said to be trading at a premium. Conversely, if they are trading at a price below their NAV, they are said to be trading at a discount. ETFs are not actively managed, so their value may be affected by a general decline in the U.S. market segments relating to their underlying indexes. Similarly, an imperfect match between an ETF’s holdings and those of its underlying index may cause its performance to vary from that of its underlying index. The expense ratio of an ETF is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. ETFs do not have 12b-1 fees or sales loads. Capital gains from funds held in a taxable account are subject to income tax. In many, but not all cases, ETFs are generally considered to be more tax-efficient when compared to similarly invested mutual funds.

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

A money-market fund is an investment company that invests in commercial paper, banker's acceptances, repurchase agreements, government securities, certificates of deposit and other highly liquid securities, and pays money market rates of interest. Money markets are not FDIC-insured, may lose money, and are not guaranteed by a bank or other financial institution.

An open-end fund is an investment company that issues shares on a continuous basis. Shares can be purchased from the open-end mutual fund itself, or through an intermediary, but cannot be traded on a secondary market, such as the New York Stock Exchange. Investors pay the open-end mutual fund’s current net asset value plus any initial sales loads. Net asset value is calculated daily, at the close of business. Open-end mutual fund shares can be redeemed, or sold back to the fund or intermediary, at their current net asset value minus any deferred sales loads or redemption fees. The expense ratio for an open-end mutual fund is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. Open-end funds may also have 12b-1 fees. Income distributions and capital gains of the open-end fund are subject to income tax, if held in a taxable account.

A unit investment trust (UIT) is an investment company organized under a trust agreement between a sponsor and trustee. UITs typically purchase a fixed portfolio of securities and then sell units in the trust to investors. The major difference between a UIT and a mutual fund is that a mutual fund is actively managed, while a UIT is not. On a periodic basis, UITs usually distribute to the unit holder their pro rata share of the trust's net investment income and net realized capital gains, if any. If the trust is one that invests only in tax-free securities, then the income from the trust is also tax-free. UITs generally make one public offering of a fixed number of units. However, in some cases, the sponsor will maintain a secondary market that allows existing unit holders to sell their units and for new investors to buy units. A one-time initial sales charge is deducted from an investment made into the trust. UIT investors may also pay creation and development fees, organization costs, and/or trustee and operation expenses. UIT units may be redeemed by the sponsor at their net asset value minus a deferred sales charge, and sold to other investors. UITs have set termination dates, at which point the underlying securities are sold and the sales proceeds are paid to the investor. Typically, a UIT investment is rolled over into successive trusts as part of a long-term strategy. A rollover fee may be charged for the exercise of rollover purchases. There are tax consequences associated with rolling over an investment from one trust to the next.

Comparison of Other Security Types

Variable annuities are tax-deferred investments structured to convert a sum of money into a series of payments over time. Variable annuity policies have limitations and are not viewed as short-term liquid investments. An insurance company's fulfillment of a commitment to pay a minimum death benefit, a schedule of payments, a fixed investment account guaranteed by the insurance company, or another form of guarantee depends on the claims-paying ability of the issuing insurance company. Any such guarantee does not affect or apply to the investment return or principal value of the separate account and its subaccount. The financial ratings quoted for an insurance company do not apply to the separate account and its subaccount. The insurance company offering a variable life contract will charge several fees to investors, including annual contract charges that compensate the insurance company for the cost of maintaining and administering the variable life contract, mortality and expense risk (M&E Risk) charges based on a percentage of a subaccount's assets to cover costs associated with mortality and expense risk, and administration fees that are based on a percentage of a subaccount's assets to cover the costs involved in offering and administering the subaccount. A variable life investor will also be charged a front-end load by the insurance company on their initial contribution, ongoing fees related to the management of the fund, and surrender charges if the investor makes a withdrawal prior to a specified time. If the variable annuity subaccount is invested in a money-market fund, the money market fund is not FDIC-insured, may lose money, and is not guaranteed by a bank or other financial institution.

Variable life insurance is a cash-value life insurance that has a variable cash value and/or death benefit depending on the investment performance of the subaccount into which premium payments are invested. Unlike traditional life insurance, variable life insurance has inherent risks associated with it, including market volatility, and is not viewed as a short-term liquid investment. For more information on a variable life product, including each subaccount, please read the current prospectus. Please note, the financial ratings noted on the report are quoted for an insurance company and do not apply to the separate account and its subaccount.

Fixed annuities have a predetermined rate of return an investor earns and a fixed income payout that is guaranteed by the issuing investment company, and may be immediate or deferred. Payouts may last for a specific period or for the life of the investor. Investments in a deferred fixed annuity grow tax-deferred with income tax incurred upon withdrawal, and do not depend on the stock market. However, the insurance company's guaranteed rate of return and payments depends on the claims-paying ability of the insurance company. Fixed annuities typically do not have cost-of-living payment adjustments. Fixed annuities often have surrender charges if the event you need to withdraw your investment early. Fixed annuities are regulated by state insurance commissioners.

Fixed indexed annuities, also called equity index annuities, are a combination of the characteristics of both fixed and variable annuities. Fixed indexed annuities offer a predetermined rate of return like a fixed annuity, but they also allow for participation in the stock market, like a variable annuity. Fixed indexed annuities are typically risker and offer the potential for greater return than fixed annuities, but less so than a variable annuity. Investments in a fixed indexed annuity grow tax-deferred with income tax incurred upon withdrawal. The insurance company's guaranteed rate of return and ability to make payments depends on the claims-paying ability of the insurance company. While fixed indexed annuities may limit an investor's gains in an up market, they are also designed to help limit losses in a down market. Fixed indexed annuities can be complicated and an investor in a fixed indexed annuity should carefully read the insurance company's offering material to understand how a specific annuity's return will be determined. Fixed indexed annuities often have surrender charges in the event you need to withdraw your investment early and are regulated by state insurance commissioners.

A stock is an ownership interest in a company. When an investor purchases a stock, they become a business owner, and the value of their ownership stake will rise and fall according to the underlying business. Stockholders are entitled to the profits, if any, generated by the company after everyone else – employees, vendors, lenders – get paid. Companies usually pay out their profits to investors in the form of dividends, or they reinvest the money back into the business. Stocks trade on exchanges throughout the day, through a brokerage firm who will charge a commission for the purchase or sale of shares. Income distributions and capital gains of the stock are subject to income tax upon their sale, if held in a taxable account.

A bond is a debt security. When an investor purchases a bond, the purchase amount is lent to a government, municipality, corporation or other entity known as an issuer. The issuer promises to pay a specified rate of interest during the life of the bond and repay the face value of the bond when it matures. U.S Treasuries can be purchased directly from the Treasury or through a brokerage firm. Most other newly issued bonds are offered through an underwriter. Older bonds are traded throughout the day on the secondary market and can be purchased through a brokerage firm, who will charge transaction fees and commission for the purchase or sale. Price evaluations are provided by Interactive Data Corporation (IDC).

Preferred stock usually offers a fixed dividend payment, which is paid out before variable dividends that may be paid to investors in a company's common stock. Therefore, preferred stock is typically less risky in terms of principal loss, but there is also less potential for return when compared to a company's common stock. If a company fails, their obligations to preferred stockholders must be met before those of the company's common stock holders, but after bondholders are reimbursed.

A separate account is a portfolio of securities (such as stocks, bonds, and cash) that follows a specified investment strategy and is managed by an investment professional. The securities in the portfolio are directly owned by the separate account's owner. Separate accounts are unregistered investment vehicles; therefore they do not have the same performance and holding reporting responsibilities that registered securities have. Separate account performance data is reported to Morningstar from the investment manager as a composite of similarly managed portfolios. As such, investors in the same separate account may have slightly different portfolio holdings because each investor has customized account needs, tax considerations and security preferences. The method for calculating composite returns can vary. The composite performance for each separate account manager may differ from actual returns in specific client accounts during the same period for a number of reasons. Different separate account managers may use different methods in constructing or computing performance figures. Thus, performance and risk figures for different separate account managers may not be fully comparable to each other.

Likewise, performance and risk information of certain separate account managers may include only composites of larger accounts, which may or may not have more holdings, different diversification, different trading patterns and different performance than smaller accounts with the same strategy. Finally, composite performance of the separate account offered by the money manager may or may not reflect the reinvestment of dividends and capital gains. Gross returns are collected on a monthly and quarterly basis for separate accounts and commingled pools. This information is collected directly from the asset management firm running the product(s). Morningstar calculates total returns, using the raw data (gross monthly and quarterly returns), collected from these asset management firms. The performance data reported by the separate account managers will not represent actual performance net of management fees, brokerage commissions or other expenses. Management fees as well as other expenses a client may incur will reduce individual returns for that client. Because fees are deducted regularly, the compounding effect will increase the impact of the fee deduction on gross account performance by a greater percentage than that of the annual fee charged. For example, if an account is charged a 1% management fee per year and has gross performance of 12% during that same period, the compounding effect of the quarterly fee assessments will result in an actual return of approximately 10.9%. Clients should refer to the disclosure document of the separate account manager and their financial professional for specific information regarding fees and expenses. The analysis in this report may be based, in part, on adjusted historical returns for periods prior to an insurance group separate account's (IGSA's) actual inception. When pre-inception data are presented in the report, the header at the top of the report will indicate this and the affected data elements will be displayed in italics. These calculated returns reflect the historical performance of the oldest share class of the underlying fund, adjusted to reflect the management fees of the current IGSA. While the inclusion of pre-inception data provides valuable insight into the probable long-term behavior of an IGSA based on the underlying fund's performance, investors should be aware that an adjusted historical return can only provide an approximation of that behavior. These adjusted historical returns are not actual returns. Calculation methodologies utilized by Morningstar may differ from those applied by other entities, including the IGSA itself. Morningstar % Rank within Morningstar Category does not account for a separate account's sales charge (if applicable).

A collective investment trust (CIT) may also be called a commingled or collective fund. CITs are tax-exempt, pooled investment vehicles maintained by a bank or trust company exclusively for qualified plans, including 401(k)s, and certain types of government plans. CITs are unregistered investment vehicles subject to banking regulations of the Office of the Comptroller of the Currency (OCC), which means they are typically less expensive than other investment options due to lower marketing, overhead, and compliance-related costs. CITs are not available to the general public, but are managed only for specific retirement plans.

A 529 Portfolio is a specific portfolio of securities created from a 529 plan's available investments. In general, the data presented for a 529 Portfolio uses a weighted average of the underlying holdings in the portfolio. Most 529 plans are invested in open-end mutual funds; however, other investment types are possible such as stable value funds, certificates of deposit, and separate accounts.

Before investing, an investor should consider whether the investor's or designated beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in such state's 529 qualified tuition program.

Offshore funds are funds domiciled in a country outside the one the investor resides in. Many banks have offshore subsidiaries that are under the standards and regulations of the particular country, which can vary considerably. Companies may establish headquarters offshore because of lower tax rates. Offshore funds are not regulated by the SEC and may have tax implications.

Hedge funds are aggressively managed portfolios which make extensive use of unconventional investment tools such as derivatives as well as long and short positions. Managers of hedge-funds typically focus on specific areas of the market and/or trading strategies. Strategies may include the use of arbitrage, derivatives, leverage, and short selling, and may hold concentrated positions or private securities, which can make them risker than other investment types. Hedge funds are typically pooled investment vehicles available to sophisticated investors that meet high investing minimums. Many hedge funds are unregistered and are not subject to the same regulations as registered investment vehicles, such as mutual funds. Funds of hedge funds are pooled investment vehicles that invest in multiple unregistered hedge funds, and may be registered with the SEC. Registered funds of hedge funds typically have lower investment minimums than hedge funds, but they are usually not registered on an exchange and can be illiquid. Fund of hedge fund fees are generally higher than those of other pooled investments (like mutual funds) and may have tax consequences.

Cash is a short-term, highly liquid investment. Cash typically doesn't earn as much as other investments, such as stocks or bonds, but is less risky.

Indexes are unmanaged and not available for direct investment. Indexes are created to measure a specified area of the stock market using a representative portfolio of securities. If a security is not available in Morningstar's database, your financial professional may choose to show a representative index. Please note that indexes vary widely, and it is important to choose an index that has similar characteristics to the security it is being used to represent. In no way should the performance of an index be considered indicative or a guarantee of the future performance of an actual security, be considered indicative of the actual performance achieved by a security, or viewed as a substitute for the actual security in your portfolio. Actual results of a security may differ substantially from the historical performance shown for an index and may include an individual client incurring a loss. Past performance is no guarantee of future results.

Morningstar assigns each security in its database to a Morningstar Category using the underlying securities in the security's portfolio. If a security is not available in Morningstar's database, your financial professional may choose to show the security's category. Please note that a category will not be an exact match to your securities. In no way should the performance of a category be considered indicative or a guarantee of the future performance of an actual security, be considered indicative of the actual performance achieved by a security, or viewed as a substitute for the actual security in your portfolio. Actual results of a security may differ substantially from the historical performance shown for a category and may include an individual client incurring a loss. Past performance is no guarantee of future results.

Range Accruals - Tracks how many days the underlying exceeds the underlying level threshold out of a given frequency period and multiplies this proportion by a stated interest rate. For example, if the coupon rate is 4%, and the underlying level is above the threshold for 15 of 30 days, the coupon paid that month is 2%.

Trigger Notes - Tracks an underlying and offers a participation rate on the underlying return at maturity if the underlying return is positive. If the underlying return is negative, the investor receives the original principal amount.

Dual Directionals – Investors receive a contingent interest payment at maturity if the underlying return is within the dual barrier levels. If the underlying return is outside the dual barrier levels, the investor receives either the positive underlying returns or loses principal.

Barriers - Tracks an underlying and offers a participation rate on the underlying return at maturity if positive. If underlying return is negative but above the buffer rate, client receives principal. If the underlying return is negative and below the barrier, the client experiences the full loss of the underlying.

Buffers - Tracks an underlying and offers a participation rate on the underlying return at maturity if positive. If underlying return is negative but above the buffer rate, client receives principal. If underlying return is below the buffer rate, client experiences the negative underlying return in excess of the buffer.

Income Notes - Guarantees a minimum interest rate with the possibility of a call feature/premium if the worst performing underlying asset's price is higher than its initial price on the valuation date.

Structured Products

Structured products are unsecured debt securities of an issuer that are linked to the performance of an underlying asset, such as a security, basket of securities, index, commodity, interest rate, yield, exchange rate, debt issuance, or a foreign currency or a combination of these assets. Structured products are typically the combination of a note (or other corporate bond) and a derivative (such as an option). Structured products include range accruals, trigger notes, dual directionals, barriers, buffers, and income notes.

Structured products are generally designed to be held until maturity and are not intended for short-term trading. Structured products may not be appropriate for investors seeking current income, as they may not pay interest or the interest they pay may vary in amount or timing. It may be possible to lose the entire amount of principal invested in a structured product. Some structured products result in the investor owning the underlying asset at maturity.

Each structured product may differ greatly from another structured product. Some offer full principal protection while others offer limited or no protection. The note portion of the structured product may pay regular interest payments, interest payments that vary according to certain conditions, or may not pay interest at all. Investors should be aware of any attributes related to limits on the upside or downside potential of returns, call options, income, risk reduction strategies, early termination events, tax consequences, and market events that impact the structured product or its underlying asset. Before investing in a structured product, investors should carefully read its offering documents and make sure they fully understand the specific terms and conditions for that product.

Investors should fully understand the underlying assets upon which a structured product is based on and how events that affect the underlying assets, like mergers or rebalances, may affect the structured product. The return on a structured product may not align with its underlying asset. The structured product may not provide a return, and/or the return may be significantly less than what an investor could have received by investing directly in the underlying asset or other security. Underlying assets are subject to market and other risks that may impact the structured product. Structured products are complex and may use advanced trading techniques such as leverage, options, futures, swaps, and other derivatives which lead to additional risks. Investing in a structured product should not be compared to investing in the underlying asset, as the features and risks may differ significantly.

As unsecured debt securities, structured products are not backed by collateral and they are subject to the creditworthiness of the issuer to make interest payments and repay principal. If the issuer of a structured product were to default or go into bankruptcy, an investor may lose some or all of their invested principal. An investor should carefully consider the credit rating, financial condition, and stability of the issuer before investing in a structured product, however, the credit rating of the issuer is not a reflection of the risk of the structured product or its underlying asset.

Structured products may not be listed on a national securities exchange and those that are may be thinly traded. A structured product's issuer may maintain a secondary market, but is not required to do so. Even if a secondary market is maintained, an investor may not be able to sell the structured product prior to maturity and is unlikely to receive the full amount invested. An investor should be prepared to hold a structured product until maturity.

As structured products are typically not traded on a national securities exchange and they are linked to an underlying asset, it is difficult to value a structured product.

Structured products may use barriers, caps, participation rates, or other limits that impact their return potential. Certain structured products may not offer any return if a barrier is crossed or certain thresholds are reached. Caps impose maximum return limits, regardless of the return reached by the underlying asset. Participation rates limit the amount of return an investor can realize.

The costs and fees of a structured product are typically included within the product, and will vary.

Structured products have an uncertain tax treatment due to limited guidance. The Internal Revenue Service may change how structured products are treated at any time. Investors should consult with a tax financial professional prior to investing in a structured product.

Important Note: In this report, if a structured product is included, it is reflected as a 100% allocation to bonds. No return information, fees or risk, return, or portfolio statistics for a structured product are included in the data shown in this report.

Pre-inception Returns

The analysis in this report may be based, in part, on adjusted historical returns for periods prior to the fund's actual inception. These calculated returns reflect the historical performance of the oldest share class of the fund, adjusted to reflect the fees and expenses of this share class. These fees and expenses are referenced in the report's list of holdings and again on the standardized returns page. When pre-inception data is presented in the report, the header at the top of the report will indicate this and the affected data elements will be displayed in italics.

While the inclusion of pre-inception data provides valuable insight into the probable long-term behavior of newer share classes of a fund, investors should be aware that an adjusted historical return can only provide an approximation of that behavior. For example, the fee structures of a retail share class will vary from that of an institutional share class, as retail shares tend to have higher operating expenses and sales charges. These adjusted historical returns are not actual returns. Calculation methodologies utilized by Morningstar may differ from those applied by other entities, including the fund itself.

Scheduled Portfolio Trailing Returns

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

The trailing returns for scheduled portfolios commence at the end of the day on the investment start date. All front-load fees and beginning of period asset-based fees are deducted at the start of the day, therefore these fees will not be incorporated within the trailing return time period that matches the whole investment time period. For example, an investor pays $10,000 for security A with a 5% front-load and generates a 5-year Hypothetical Illustration that shows an end value of $12,500. Assuming no cash inflows or outflows aside from the initial investment and end value, the whole investment time period return will be 4.56% ((12,500/ $10,000)^(1/5)-1) while the 5-year trailing return will be 5.64% (($12,500/ $9,500)^(1/5)-1).

Scheduled Portfolio Returns-Based Performance Data

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

Important VA Disclosure for Scheduled Portfolios

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

Scheduled Portfolio Investment Activity Graph

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

Unscheduled Portfolio Returns

Monthly total returns for unscheduled portfolios are calculated by applying the ending period holding weightings supplied by the user to an individual holding's monthly returns. When monthly returns are unavailable for a holding (ie. due to it not being in existence during the historical period being reported), the remaining portfolio holdings are re-weighted to maintain consistent proportions. Inception dates are listed in the Disclosure for Standardized and Tax Adjusted Returns. Trailing returns are calculated by geometrically linking these weighted-average monthly returns. Unscheduled portfolio returns thus assume monthly rebalancing. Returns for individual holdings are simple time-weighted trailing returns. Neither portfolio returns nor holding returns are adjusted for loads or taxes, and if they were, the returns stated would be reduced. The returns stated assume the reinvestment of dividends and capital gains. Mutual fund returns include all ongoing fund expenses. VA/VL returns reflect subaccount level fund expenses, including M&E expenses, administration fees, and actual ongoing fund-level expenses.

Unscheduled Portfolio Investment Activity Graph

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

Benchmark Returns

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

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

Standardized Returns

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

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

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

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

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

Non-Standardized Returns

For mutual funds, total return is not adjusted for sales charges and reflects all ongoing fund expenses for various time periods. These returns assume reinvestment of dividends and capital gains. If adjusted for sales charges and the effects of taxation, the mutual fund returns would be reduced. Please note these returns can include pre-inception data and if included, this data will be represented in italics.

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

For VA and VL subaccounts, non-standardized returns illustrate performance that is adjusted to reflect recurring and non-recurring charges such as surrender fees, contract charges, maximum front-end load, maximum deferred load, maximum M&E risk charge, administrative fees and underlying fund-level expenses for various time periods. Non-standardized performance returns assume reinvestment of dividends and capital gains. If adjusted for the effects of taxation, the subaccount returns would be significantly reduced. Please note these returns can include pre-inception data and if included, this data will be represented in italics.

Investment Advisory Fees

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

Asset Allocation

The weighting of the portfolio in various asset classes, including "Other", is shown in this graph and table. "Other" includes security types that are not neatly classified in the other asset classes, such as convertible bonds and preferred stocks. "Not classified" represents the portion of the portfolio that Morningstar could not classify at all, due to missing data.

In the graph and table, allocation to the classes is shown for long positions, short positions, and net (long positions net of short) positions. These new portfolio statistics help investors look "under the hood" of a portfolio. These statistics summarize what the managers are buying and how they are positioning the portfolio. When short positions are captured in these portfolio statistics, investors get a more robust description of the funds' exposure and risk.

Most managed product portfolios hold fairly conventional securities, such as long positions in stocks and bonds. Other portfolios use other investment strategies or securities, such as short positions or derivatives, to reduce transaction costs, enhance returns, or reduce risk. Some of these securities and strategies behave like conventional securities, while others have unique return and risk characteristics.

Most portfolios take long positions in securities. Long positions involve buying the security outright and then selling it later, with the hope that the security price rises over time. In contrast, short positions are taken to benefit from anticipated price declines. In this type of transaction, the investor borrows the security from another investor, sells it and receives cash, and then is obligated to buy it back at some point in the future. If the price falls after the short sale, the investor will have sold high and can now buy low to close the short position and lock in a profit. However, if the price of the security increases after the short sale, the investor will experience losses by buying it at a higher price than the sale price.

The strategy of selling securities short is prevalent in specialized portfolios, such as long-short, market-neutral, bear-market, and hedge funds. Most conventional portfolios do not typically short securities, although they may reserve the right to do so under special circumstances. Funds may also short derivatives, and this is sometimes more efficient than shorting individual securities. Short positions produce negative exposure to the security that is being shorted. This means that when the security rises in value, the short position will fall in value and vice versa. Morningstar's portfolio statistics will capture this negative exposure. For example, if a fund has many short stock positions, the percent of assets in stocks in the asset allocation breakdown may be negative. Funds must provide their broker with cash collateral for the short position, so funds that short often have a large cash position, sometimes even exceeding 100% cash.

Investment Style

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

For equity funds, the vertical axis shows the market capitalization of the stocks owned and the horizontal axis shows investment style (value, core, or growth).

For fixed-income funds, the vertical axis shows the credit quality of the 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 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 equal to 6 years; (iii) Extensive: greater than 6 years.

Stock Regions

This section provides the allocation of the portfolio's long stock positions to the world regions, in comparison with a benchmark.

Risk and Return

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

Mean represents the annualized geometric return for the period shown.

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

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

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

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

Best/Worst Time Periods

This Best/Worst Time Periods area shows the periods during the last ten years in which the portfolio has had its highest percentage gain and loss, as well as what those gains and losses were. Best and worst time periods are displayed for three-month, one-year and three-year time periods.

Portfolio Yield

The dividend yield produced for the most recent 12 months is presented.

Fundamental Analysis

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

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

The Price/Cash Flow ratio is a weighted average of the price/cash-flow ratios of the stocks in a subaccounts portfolio. Price/cash-flow shows the ability of a business to generate cash and acts as a gauge of liquidity and solvency.

The Price/Book ratio is a weighted average of the price/book ratios of all the stocks in the underlying fund's portfolio. The P/B ratio of a company is calculated by dividing the market price of its stock by the company's per-share book value. Stocks with negative book values are excluded from this calculation.

The Price/Earnings ratio is calculated by dividing the market value of the equity assets by the trailing 12 month earnings. The 12 month earnings value comes from multiplying the number of shares and the adjusted trailing 12 months' earnings per share for each equity asset and summing the results.

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

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

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

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

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

Average maturity is used for holdings in the taxable fixed-income category. This is a weighted average of all the maturities of the bonds in a portfolio, computed by weighting each maturity date by the market value of the security.

Credit quality breakdowns are shown for corporate-bond holdings and depict the quality of bonds in the underlying portfolio. The report shows the percentage of fixed-income securities that fall within each credit quality rating as assigned by an NRSRO. Bonds not rated by an NRSRO are included in the not rated (NR) category.

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

Duration is a time measure of a bond`s interest-rate sensitivity.

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

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

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

The average expense ratio is the percentage of assets deducted each year for operating expenses, management fees, and all other asset-based costs incurred by the fund, excluding brokerage fees. Please note for mutual funds, variable annuities/life, ETFs and closed-end funds, we use the gross prospectus ratio as provided in the prospectus. Separate accounts and stocks are excluded from the average expense ratio.

Expense Ratio %

The expense ratio is the annual fee that all funds charge their shareholders. It expresses the percentage of assets deducted each fiscal year for fund expenses, including 12b-1 fees, management fees, administrative fees, operating costs, and all other asset-based costs incurred by the fund. Portfolio transaction fees, or brokerage costs, as well as front-end or deferred sales charges are not included in the expense ratio. The expense ratio, which is deducted from the fund's average net assets, is accrued on a daily basis. The gross expense ratio, in contrast to the net expense ratio, does not reflect any fee waivers in effect during the time period.

Potential capital gains exposure is the percentage of a holding's total assets that represent capital appreciation.

Stock Intersection Report Disclosure Statement

Used as supplemental sales literature, the Stock Intersection report must be preceded or accompanied by the fund's/policy's current prospectus or equivalent. In all cases, this disclosure statement should accompany the Stock Intersection report. Morningstar is not itself a FINRA-member firm. Information contained in the report is from the most recent information available to Morningstar.

The Stock Intersection report reviews the top 50 holdings in the portfolio to identify, at a glance, the portfolio's overall weighting in a particular security or sector. This report only displays the top 50 holdings; the investor's portfolio may hold substantially more.

Note that while the investor does not own the securities held by an open-end fund, closed-end fund, or similar investment, the holdings are relevant in reviewing the overall asset allocation and diversification. This report is not an offer or recommendation by Morningstar to purchase or liquidate any security listed.

Before investing, an investor should consider whether the investor's or designated beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in such state's 529 qualified tuition program.

Percentage of Portfolio
The Percentage of Portfolio column indicates the percentage of net assets any given security (either as an individual holding or as an underlying stock) makes up as an overall position of the portfolio.

Holding Portfolio Date
The Portfolio Date is the date that the fund's portfolio was last updated. When making comparisons among funds, it is an important date to keep in mind. Although Morningstar tries to ensure that we receive timely information, we don't always receive current information from fund companies. By law, funds need only report this information two times during the calendar year, and they have two months after the report date to actually release the shareholder report and portfolio. Therefore, it is possible that a fund's portfolio could be up to eight months old at the time of publication.

Sector
Morningstar breaks down all equities into the following sectors: Consumer Defensive, Healthcare, Utilities, Communication Services, Energy, Industrials, Technology, Basic Materials, Consumer Cyclical, Financial Services, and Real Estate.

Mutual Fund Detail Report Disclosure Statement

The Mutual Fund Detail Report is supplemental sales literature, and therefore must be preceded or accompanied by the mutual fund’s current prospectus or an equivalent statement. Please read this information carefully. In all cases, this disclosure statement should accompany the Mutual Fund Detail Report. Morningstar is not itself a FINRA-member firm.

All data presented is based on the most recent information available to Morningstar as of the release date and may or may not be an accurate reflection of current data for securities included in the fund’s portfolio. There is no assurance that the data will remain the same.

Unless otherwise specified, the definition of “funds” used throughout this Disclosure Statement includes closed-end funds, exchange-traded funds, grantor trusts, index mutual funds, open-ended mutual funds, and unit investment trusts. It does not include exchange-traded notes or exchange-traded commodities.

Prior to 2016, Morningstar’s methodology evaluated open-end mutual funds and exchange-traded funds as separate groups. Each group contained a subset of the current investments included in our current comparative analysis. In this report, historical data presented on a calendar-year basis and trailing periods ending at the most-recent month-end reflect the updated methodology.

Risk measures (such as alpha, beta, r-squared, standard deviation, mean, or Sharpe ratio) are calculated for securities or portfolios that have at least a three-year history.

Most Morningstar rankings do not include any adjustment for one-time sales charges, or loads. Morningstar does publish load-adjusted returns, and ranks such returns within a Morningstar Category in certain reports. The total returns for ETFs and fund share classes without one-time loads are equal to Morningstar’s calculation of load-adjusted returns. Share classes that are subject to one-time loads relating to advice or sales commissions have their returns adjusted as part of the load-adjusted return calculation to reflect those loads.

Comparison of Fund Types
Funds, including closed-end funds, exchange-traded funds (ETFs), money market funds, open-end funds, and unit investment trusts (UITs), have many similarities, but also many important differences. In general, publically-offered funds are investment companies registered with the Securities and Exchange Commission under the Investment Company Act of 1940, as amended. Funds pool money from their investors and manage it according to an investment strategy or objective, which can vary greatly from fund to fund. Funds have the ability to offer diversification and professional management, but also involve risk, including the loss of principal.

A closed-end fund is an investment company, which typically makes one public offering of a fixed number of shares. Thereafter, shares are traded on a secondary market. As a result, the secondary market price may be higher or lower than the closed-end fund's net asset value (NAV). If these shares trade at a price above their NAV, they are said to be trading at a premium. Conversely, if they are trading at a price below their NAV, they are said to be trading at a discount. A closed-end mutual fund’s expense ratio is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. Closed-end funds may also have 12b-1 fees. Income distributions and capital gains of the closed-end fund are subject to income tax, if held in a taxable account.

An ETF is an investment company that typically has an investment objective of striving to achieve a similar return as a particular market index. The ETF will invest in either all or a representative sample of the securities included in the index it is seeking to imitate. Like closed-end funds, an ETF can be traded on a secondary market and thus have a market price that may be higher or lower than its net asset value. If these shares trade at a price above their NAV, they are said to be trading at a premium. Conversely, if they are trading at a price below their NAV, they are said to be trading at a discount. ETFs are not actively managed, so their value may be affected by a general decline in the U.S. market segments relating to their underlying indexes. Similarly, an imperfect match between an ETF’s holdings and those of its underlying index may cause its performance to vary from that of its underlying index. The expense ratio of an ETF is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. ETFs do not have 12b-1 fees or sales loads. Capital gains from funds held in a taxable account are subject to income tax. In many, but not all cases, ETFs are generally considered to be more tax-efficient when compared to similarly invested mutual funds.

Holding company depository receipts (HOLDRs) are similar to ETFs, but they focus on narrow industry groups. HOLDRs initially own 20 stocks, which are unmanaged, and can become more concentrated due to mergers, or the disparate performance of their holdings. HOLDRs can only be bought in 100-

share increments. Investors may exchange shares of a HOLDR for its underlying stocks at any time.

A money-market fund is an investment company that invests in commercial paper, banker's acceptances, repurchase agreements, government securities, certificates of deposit and other highly liquid securities, and pays money market rates of interest. Money markets are not FDIC-insured, may lose money, and are not guaranteed by a bank or other financial institution.

An open-end fund is an investment company that issues shares on a continuous basis. Shares can be purchased from the open-end mutual fund itself, or through an intermediary, but cannot be traded on a secondary market, such as the New York Stock Exchange. Investors pay the open-end mutual fund's current net asset value plus any initial sales loads. Net asset value is calculated daily, at the close of business. Open-end mutual fund shares can be redeemed, or sold back to the fund or intermediary, at their current net asset value minus any deferred sales loads or redemption fees. The expense ratio for an open-end mutual fund is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. Open-end funds may also have 12b-1 fees. Income distributions and capital gains of the open-end fund are subject to income tax, if held in a taxable account.

A unit investment trust (UIT) is an investment company organized under a trust agreement between a sponsor and trustee. UITs typically purchase a fixed portfolio of securities and then sell units in the trust to investors. The major difference between a UIT and a mutual fund is that a mutual fund is actively managed, while a UIT is not. On a periodic basis, UITs usually distribute to the unit holder their pro rata share of the trust's net investment income and net realized capital gains, if any. If the trust is one that invests only in tax-free securities, then the income from the trust is also tax-free. UITs generally make one public offering of a fixed number of units. However, in some cases, the sponsor will maintain a secondary market that allows existing unit holders to sell their units and for new investors to buy units. A one-time initial sales charge is deducted from an investment made into the trust. UIT investors may also pay creation and development fees, organization costs, and/or trustee and operation expenses. UIT units may be redeemed by the sponsor at their net asset value minus a deferred sales charge, and sold to other investors. UITs have set termination dates, at which point the underlying securities are sold and the sales proceeds are paid to the investor. Typically, a UIT investment is rolled over into successive trusts as part of a long-term strategy. A rollover fee may be charged for the exercise of rollover purchases. There are tax consequences associated with rolling over an investment from one trust to the next.

Performance

The performance data given represents past performance and should not be considered indicative of future results. Principal value and investment return will fluctuate, so that an investor's shares, when sold, may be worth more or less than the original investment. Fund portfolio statistics change over time. Funds are not FDIC-insured, may lose value, and are not guaranteed by a bank or other financial institution.

Morningstar calculates after-tax returns using the highest applicable federal marginal income tax rate plus the investment income tax and Medicare surcharge. As of 2018, this rate is 37% plus 3.8% investment income plus 0.9% Medicare surcharge, or 41.7%. This rate changes periodically in accordance with changes in federal law.

Pre-Inception Returns

The analysis in this report may be based, in part, on adjusted historical returns for periods prior to the inception of the share class of the fund shown in this report ("Report Share Class"). If pre-inception returns are shown, a performance stream consisting of the Report Share Class and older share class(es) is created. Morningstar adjusts pre-inception returns downward to reflect higher expenses in the Report Share Class, we do not hypothetically adjust returns upwards for lower expenses. For more information regarding calculation of pre-inception returns please see the Morningstar Extended Performance Methodology.

When pre-inception data is presented in the report, the header at the top of the report will indicate this. In addition, the pre-inception data included in the report will appear in italics.

While the inclusion of pre-inception data provides valuable insight into the probable long-term behavior of newer share classes of a fund, investors should be aware that an adjusted historical return can only provide an approximation of that behavior. For example, the fee structures of a retail share class will vary from that of an institutional share class, as retail shares tend to have higher operating expenses and sales charges. These adjusted historical returns are not actual returns. The underlying investments in the share classes used to calculate the pre-performance string will likely vary from the underlying investments held in the fund after inception. Calculation methodologies utilized by Morningstar may differ from those applied by other entities, including the fund itself.

12b1 Expense %

A 12b-1 fee is a fee used to pay for a mutual fund's distribution costs. It is often used as a commission to brokers for selling the fund. The amount of the fee is taken from a fund's returns.

Alpha

Alpha is a measure of the difference between a security or portfolio's actual returns and its expected performance, given its level of risk (as measured by beta.) Alpha is often seen as a measure of the value added or subtracted by a portfolio manager.

Asset Allocation

Asset Allocation reflects asset class weightings of the portfolio. The "Other" category includes security types that are not neatly classified in the other asset classes, such as convertible bonds and preferred stocks, or cannot be classified by Morningstar as a result of missing data. Morningstar may display asset allocation data in several ways, including tables or pie charts. In addition, Morningstar may compare the asset class breakdown of the fund against its three-year average, category average, and/or index proxy.

Asset allocations shown in tables may include a breakdown among the long, short, and net (long positions net of short) positions. These statistics summarize what the fund's managers are buying and how they are positioning the fund's portfolio. When short positions are captured in these portfolio statistics, investors get a more robust description of the fund's exposure and risk. Long positions involve buying the security outright and selling it later, with the hope the security's price rises over time. Short positions are taken with the hope of benefitting from anticipated price declines. The investor borrows the security from another investor, sells it and receives cash, and then is obligated to buy it back at some point in the future. If the price falls after the short sale, the investor will have sold high and can buy low to close the short position and lock in a profit. However, if the price of the security increases after the short sale, the investor will experience a loss buying it at a higher price than the sale price.

Most fund portfolios hold fairly conventional securities, such as long positions in equities and bonds. Morningstar may generate a colored pie chart for these portfolios. Other portfolios use other investment strategies or securities, such as short positions or derivatives, in an attempt to reduce transaction costs, enhance returns, or reduce risk. Some of these securities and strategies behave like conventional securities, while other have unique return and risk characteristics. Portfolios that incorporate investment strategies resulting in short positions or portfolio with relatively exotic derivative positions often report data to Morningstar that does not meet the parameters of the calculation underlying a pie chart's generation. Because of the nature of how these securities are reported to Morningstar, we may not always get complete portfolio information to report asset allocation. Morningstar, at its discretion, may determine if unidentified characteristics of fund holdings are material. Asset allocation and other breakdowns may be rescaled accordingly so that percentages total to 100 percent. (Morningstar used discretion to determine if unidentified characteristics of fund holdings are material, pie charts and other breakdowns may rescale identified characteristics to 100% for more intuitive presentation.)

Note that all other portfolio statistics presented in this report are based on the long (or long rescaled) holdings of the fund only.

Average Effective Duration
Duration is a time measure of a bond's interest-rate sensitivity. Average effective duration is a weighted average of the duration of the fixed-income securities within a portfolio.

Average Effective Maturity
Average Effective Maturity is a weighted average of the maturities of all bonds in a portfolio.

Average Weighted Coupon
A coupon is the fixed annual percentage paid out on a bond. The average weighted coupon is the asset-weighted coupon of each bond in the portfolio.

Average Weighted Price
Average Weighted Price is the asset-weighted price of bonds held in a portfolio, expressed as a percentage of par (face) value. This number reveals if the portfolio favors bonds selling at prices above or below par value (premium or discount securities respectively.)

Best Fit Index
Alpha, beta, and R-squared statistics are presented for a broad market index and a "best fit" index. The Best Fit Index identified in this report was determined by Morningstar by calculating R-squared for the fund against approximately 100 indexes tracked by Morningstar. The index representing the highest R-squared is identified as the best fit index. The best fit index may not be the fund's benchmark, nor does it necessarily contain the types of securities that may be held by the fund or portfolio.

Beta
Beta is a measure of a security or portfolio's sensitivity to market movements (proxied using an index.) A beta of greater than 1 indicates more volatility than the market, and a beta of less than 1 indicates less volatility than the market.

Credit Quality Breakdown
Credit Quality breakdowns are shown for corporate-bond holdings in the fund's portfolio and depict the quality of bonds in the underlying portfolio. It shows the percentage of fixed-income securities that fall within each credit-quality rating as assigned by a Nationally Recognized Statistical Rating Organization (NRSRO). Bonds not rated by an NRSRO are included in the Other/Not-Classified category.

Deferred Load %
The back-end sales charge or deferred load is imposed when an investor redeems shares of a fund. The percentage of the load charged generally declines the longer the fund's shares are held by the investor. This charge, coupled with 12b-1 fees, commonly serves as an alternative to a traditional front-end load.

Expense Ratio %
The expense ratio is the annual fee that all funds charge their shareholders. It expresses the percentage of assets deducted each fiscal year for fund expenses, including 12b-1 fees, management fees, administrative fees, operating costs, and all other asset-based costs incurred by the fund. Portfolio transaction fees, or brokerage costs, as well as front-end or deferred sales charges are not included in the expense ratio. The expense ratio, which is deducted from the fund's average net assets, is accrued on a daily basis. The gross expense ratio, in contrast to the net expense ratio, does not reflect any fee waivers in effect during the time period.

Front-end Load %
The initial sales charge or front-end load is a deduction made from each investment in the fund and is generally based on the amount of the investment.

Geometric Average Market Capitalization
Geometric Average Market Capitalization is a measure of the size of the companies in which a portfolio invests.

Growth of 10,000
For funds, this graph compares the growth of an investment of 10,000 (in the base currency of the fund) with that of an index and/or with that of the average for all funds in its Morningstar Category. The total returns are not adjusted to reflect sales charges or the effects of taxation but are adjusted to reflect actual ongoing fund expenses, and they assume reinvestment of dividends and capital gains. If adjusted, effects of sales charges and taxation would reduce the performance quoted. If pre-inception data is included in the analysis, it will be graphed.

The index in the Growth of 10,000 graph is an unmanaged portfolio of specified securities and cannot be invested in directly. 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.

Management Fees %
The management fee includes the management and administrative fees listed in the Management Fees section of a fund's prospectus. Typically, these fees represent the costs shareholders paid for management and administrative services over the fund's prior fiscal year.

Maximum Redemption Fee %
The Maximum Redemption Fee is the maximum amount a fund may charge if redeemed in a specific time period after the fund's purchase (for example, 30, 180, or 365 days).

Mean
Mean is the annualized geometric return for the period shown.

Morningstar Analyst Rating™
Effective October 31, 2019, Morningstar updated its Morningstar Analyst Rating™ methodology. For any Morningstar Analyst Rating published on or prior to October 31, 2019, the following disclosure applies:

The Morningstar Analyst Rating™ is not a credit or risk rating. It is a subjective evaluation performed by Morningstar's manager research group, which consists of various Morningstar, Inc. subsidiaries ("Manager Research Group"). In the United States, that subsidiary is Morningstar Research Services LLC, which is registered with and governed by the U.S. Securities and Exchange Commission.

The Manager Research Group evaluates funds based on five key pillars, which are process, performance, people, parent, and price. The Manager Research Group uses this five pillar evaluation to determine how they believe funds are likely to perform relative to a benchmark, or in the case of exchange-traded funds and index mutual funds, a relevant peer group, over the long term on a risk-adjusted basis. They consider quantitative and qualitative factors in their research, and the weight of each pillar may vary. The Analyst Rating scale is Gold, Silver, Bronze, Neutral, and Negative. A Morningstar Analyst Rating of Gold, Silver, or Bronze reflects the Manager Research Group's conviction in a fund's prospects for outperformance. Analyst Ratings ultimately reflect the Manager Research Group's overall assessment, are overseen by an Analyst Rating Committee, and are continuously monitored and reevaluated at east every 14 months. For more detailed information about Morningstar's Analyst Rating, including its methodology, please go to global.morningstar.com/managerdisclosures/.

The Morningstar Analyst Rating (i) should not be used as the sole basis in evaluating a fund, (ii) involves unknown risks and uncertainties which may cause the Manager Research Group's expectations not to occur or to differ significantly from what they expected, and (iii) should not be considered an offer or solicitation to buy or sell the fund.

For any Morningstar Analyst Rating published after October 31, 2019, the following disclosure applies:

The Morningstar Analyst Rating™ is not a credit or risk rating. It is a subjective evaluation performed by Morningstar's manager research group, which consists of various Morningstar, Inc. subsidiaries ("Manager Research Group"). In the United States, that subsidiary is Morningstar Research Services LLC, which is registered with and governed by the U.S. Securities and Exchange Commission. The Manager Research Group evaluates funds based on five key pillars, which are process, performance, people, parent, and price. The Manager Research Group uses this five-pillar evaluation to determine how they believe funds are likely to perform relative to a benchmark over the long term on a risk adjusted basis. They consider quantitative and qualitative factors in their research. For actively managed strategies, people and process each receive a 45% weighting in their analysis, while parent receives a 10% weighting. For passive strategies, process receives an 80% weighting, while people and parent each receive a 10% weighting. For both active and passive strategies, performance has no explicit weight as it is incorporated into the analysis of people and process; price at the share-class level (where applicable) is directly subtracted from an expected gross alpha estimate derived from the analysis of the other pillars. The impact of the weighted pillar scores for people, process and parent on the final Analyst Rating is further modified by a measure of the dispersion of historical alphas among relevant peers. For certain peer groups where standard benchmarking is not applicable, primarily peer groups of funds using alternative investment strategies, the modification by alpha dispersion is not used.

For active funds, a Morningstar Analyst Rating of Gold, Silver, or Bronze reflects the Manager Research Group's expectation that an active fund will be able to deliver positive alpha net of fees relative to the standard benchmark index assigned to the Morningstar category. The level of the rating relates to the level of expected positive net alpha relative to Morningstar category peers for active funds. For passive funds, a Morningstar Analyst Rating of Gold, Silver, or Bronze reflects the Manager Research Group's expectation that a fund will be able to deliver a higher alpha net of fees than the lesser of the relevant Morningstar category median or 0. The level of the rating relates to the level of expected net alpha relative to Morningstar category peers for passive funds. For certain peer groups where standard benchmarking is not applicable, primarily peer groups of funds using alternative investment strategies, a Morningstar Analyst Rating of Gold, Silver, or Bronze reflects the Manager Research Group's expectation that a fund will deliver a weighted pillar score above a predetermined threshold within its peer group. Analyst Ratings ultimately reflect the Manager Research Group's overall assessment, are overseen by an Analyst Rating Committee, and are continuously monitored and reevaluated at least every 14 months.

For more detailed information about Morningstar's Analyst Rating, including its methodology, please go to https://shareholders.morningstar.com/investor-relations/governance/Compliance--Disclosure/default.aspx

The Morningstar Analyst Rating (i) should not be used as the sole basis in evaluating a fund, (ii) involves unknown risks and uncertainties which may cause the Manager Research Group's expectations not to occur or to differ significantly from what they expected, and (iii) should not be considered an offer or solicitation to buy or sell the fund.

Morningstar Quantitative Rating™

Morningstar's quantitative fund ratings consist of: (i) Morningstar Quantitative Rating (overall score), (ii) Quantitative Parent pillar, (iii) Quantitative People pillar, and (iv) Quantitative Process pillar (collectively the"Quantitative Fund Ratings").The Quantitative Fund Ratings are calculated monthly and derived from the analyst-driven ratings of a fund's peers as determined by statistical algorithms. Morningstar, Inc. calculates Quantitative Fund Ratings for funds when an analyst rating does not exist as part of its qualitative coverage.

- ***Morningstar Quantitative Rating:*** Intended to be comparable to Morningstar's Analyst Ratings for open-end funds and ETFs, which is the summary expression of Morningstar's forward-looking analysis of a fund. The Morningstar Analyst Rating is based on the analyst's conviction in the fund's ability to outperform its peer group and/or relevant benchmark on a risk-adjusted basis over a full market cycle of at least 5 years. Ratings are assigned on a five-tier scale with three positive ratings of Gold, Silver, and Bronze, a Neutral rating, and a Negative rating. Morningstar calculates the Morningstar Quantitative Rating using a statistical model derived from the Morningstar Analyst Rating our fund analysts assign to open-end funds and ETFs. Please go to https://shareholders.morningstar.com/investor-relations/governance/Compliance--Disclosure/default.aspx for information about Morningstar Analyst Rating Morningstar's fund analysts assign to funds.

- ***Quantitative Parent pillar:*** Intended to be comparable to Morningstar's Parent pillar scores, which provides Morningstar's analyst opinion on the stewardship quality of a firm. Morningstar calculates the Quantitative Parent pillar using an algorithm designed to predict the Parent Pillar score our fund analysts would assign to the fund. The quantitative pillar rating is expressed in both a rating and a numerical value as High (5), Above Average (4), Average (3), Below Average (2), Low (1).

- ***Quantitative People pillar:*** Morningstar's People pillar scores, which provides Morningstar's analyst opinion on the fund manager's talent, tenure, and resources. Morningstar calculates the Quantitative People pillar using an algorithm designed to predict the People pillar score our fund analysts would assign to the fund. The quantitative pillar rating is expressed in both a rating and a numerical value as High (5), Above Average (4), Average (3), Below Average (2), Low (1).

- ***Quantitative Process Pillar:*** Intended to be comparable to Morningstar's Process pillar scores, which provides Morningstar's analyst opinion on the fund's strategy and whether the management has a competitive advantage enabling it to execute the process and consistently over time. Morningstar calculates the Quantitative Process pillar using an algorithm designed to predict the Process pillar score our fund analysts would assign to the fund. The quantitative pillar rating is expressed in both a rating and a numerical value as High (5), Above Average (4), Average (3), Below Average (2), and Low (1).

Morningstar Quantitative Ratings **have not been made available** to the issuer of the security prior to publication.

Risk Warning

The quantitative fund ratings are not statements of fact. Morningstar does not guarantee the completeness or accuracy of the assumptions or models used in determining the quantitative fund ratings. In addition, there is the risk that the return target will not be met due to such things as unforeseen changes in changes in management, technology, economic development, interest rate development, operating and/or material costs, competitive pressure, supervisory law, exchange rate, and tax rate. For investments in foreign markets there are further risks, generally based on exchange rate changes or changes in political and social conditions. A change in the fundamental factors underlying the quantitative fund ratings can mean that the recommendation is subsequently no longer accurate.

For more information about Morningstar's quantitative methodology, please visit https://shareholders.morningstar.com/investor-relations/governance/Compliance--Disclosure/default.aspx

Morningstar Category

Morningstar Category is assigned by placing funds into peer groups based on their underlying holdings. The underlying securities in each portfolio are the primary factor in our analysis as the investment objective and investment strategy stated in a fund's prospectus may not be sufficiently detailed for our proprietary classification methodology. Funds are placed in a category based on their portfolio statistics and compositions over the past three years. Analysis of performance and other indicative facts are also considered. If the fund is new and has no portfolio history, Morningstar estimates where it will fall before giving it a permanent category assignment. Categories may be changed based on recent changes to the portfolio.

Morningstar Rank

Morningstar Rank is the total return percentile rank within each Morningstar Category. The highest (or most favorable) percentile rank is zero and the lowest (or least favorable) percentile rank is 100. Historical percentile ranks are based on a snapshot of a fund at the time of calculation.

Morningstar Rating™

The Morningstar Rating™for funds, or "star rating", is calculated for funds and separate accounts with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The Morningstar Rating does not include any adjustment for sales loads. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. For more information about the Morningstar Rating for funds, including its methodology, please go to global.morningstar.com/managerdisclosures

The Morningstar Return rates a fund's performance relative to other managed products in its Morningstar Category. It is an assessment of a product's excess return over a risk-free rate (the return of the 90-day Treasury Bill) in comparison with the products in its Morningstar category. In each Morningstar category, the top 10% of products earn a High Morningstar Return (High), the next 22.5% Above Average (+Avg), the middle 35% Average (Avg), the next 22.5% Below Average (-Ave), and the bottom 10% Low (Low). Morningstar Return is measured for up to three time periods (three, five, and 10 years). These separate measures are then weighted and averaged to produce an overall measure for the product. Products with less than three years of performance history are not rated.

Morningstar Risk

Morningstar Risk evaluates a fund's downside volatility relative to that of other products in its Morningstar Category. It is an assessment of the variations in monthly returns, with an emphasis on downside variations, in comparison with the products in its Morningstar category. In each Morningstar category, the 10% of products with the lowest measured risk are described as Low Risk (Low), the next 22.5% Below Average (-Avg), the middle 35% Average (Avg), the next 22.5% Above Average (+Avg), and the top 10% High (High). Morningstar Risk is measured for up to three time periods (three, five, and 10 years). These separate measures are then weighted and averaged to produce an overall measure for the product. Products with less than three years of performance history are not rated.

Morningstar Style Box™

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

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

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 (for example, 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. 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 an NRSRO nor does it issue a credit rating on the fund. 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 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, 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 used. 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-U.S. taxable and non-U.S. domiciled fixed-income funds, static duration breakpoints are used: (i) Limited: less than or equal to 3.5 years; (ii) Moderate: more than 3.5 years but less than or equal to 6 years; (iii) Extensive: more than 6 years.

Interest-rate sensitivity for non-U.S. domiciled funds (excluding funds in convertible categories) may be measured with modified duration when effective duration is not available.

P/B Ratio TTM
The Price/Book Ratio (or P/B Ratio) for a fund is the weighted average of the P/B Ratio of the stocks in its portfolio. Book value is the total assets of a company, less total liabilities. The P/B ratio of a company is calculated by dividing the market price of its outstanding stock by the company's book value, and then adjusting for the number of shares outstanding. Stocks with negative book values are excluded from this calculation. It shows approximately how much an investor is paying for a company’s assets based on historical valuations.

P/C Ratio TTM
The Price/Cash Flow Ratio (or P/C Ratio) for a fund is the weighted average of the P/C Ratio of the stocks in its portfolio. The P/C Ratio of a stock represents the amount an investor is willing to pay for a dollar generated from a company’s operations. It shows the ability of a company to generate cash and acts as a gauge of liquidity and solvency.

P/E Ratio TTM
The Price/Earnings Ratio (or P/E Ratio) for a fund is the weighted average of the P/E Ratios of the stocks in its portfolio. The P/E Ratio of a stock is the stock’s current price divided by the company’s trailing 12-month earnings per share. A high P/E Ratio usually indicates the market will pay more to obtain the company’s earnings because it believes in the company’s abilities to increase their earnings. A low P/E Ratio indicates the market has less confidence that the company’s earnings will increase, however value investors may believe such stocks have an overlooked or undervalued potential for appreciation.

Percentile Rank in Category
Percentile Rank is a standardized way of ranking items within a peer group, in this case, funds within the same Morningstar Category. The observation with the largest numerical value is ranked zero the observation with the smallest numerical value is ranked 100. The remaining observations are placed equal distance from one another on the rating scale. Note that lower percentile ranks are generally more favorable for returns (high returns), while higher percentile ranks are generally more favorable for risk measures (low risk).

Performance Quartile
Performance Quartile reflects a fund’s Morningstar Rank.

Potential Capital Gains Exposure
Potential Capital Gains Exposure is an estimate of the percent of a fund’s assets that represent gains. It measures how much the fund’s assets have appreciated, and it can be an indicator of possible future capital gains distributions. A positive potential capital gains exposure value means that the fund’s holdings have generally increased in value while a negative value means that the fund has reported losses on its book.

Quarterly Returns
Quarterly Return is calculated applying the same methodology as Total Return except it represents return through each quarter-end.

R-Squared
R-squared is the percentage of a security or portfolio’s return movements that are explained by movements in its benchmark index, showing the degree of correlation between the security or portfolio and the benchmark. This figure is helpful in assessing how likely it is that beta and alpha are statistically significant. A value of 1 indicates perfect correlation between the security or portfolio and its benchmark. The lower the R-squared value, the lower the correlation.

Regional Exposure
The regional exposure is a display of the portfolio’s assets invested in the regions shown on the report.

Sector Weightings
Super Sectors represent Morningstar's broadest classification of equity sectors by assigning the 11 equity sectors into three classifications. The Cyclical Super Sector includes industries significantly impacted by economic shifts, and the stocks included in these sectors generally have betas greater than 1. The Defensive Super Sector generally includes industries that are relatively immune to economic cycles, and the stocks in these industries generally have betas less than 1. The Sensitive Super Sector includes industries that ebb and flow with the overall economy, but not severely so. Stocks in the Sensitive Super Sector generally have betas that are close to 1.

Share Change
Shares Change represents the number of shares of a stock bought or sold by a fund since the previously reported portfolio of the fund.

Sharpe Ratio
Sharpe Ratio uses standard deviation and excess return (a measure of a security or portfolio’s return in excess of the U.S. Treasury three-month Treasury Bill) to determine the reward per unit of risk.

Standard Deviation
Standard deviation is a statistical measure of the volatility of the security or portfolio’s returns. The larger the standard deviation, the greater the volatility of return.

Standardized Returns
Standardized Return applies the methodology described in the Standardized Returns page of this report. Standardized Return is calculated through the most recent calendar-quarter end for one-year, five-year, 10-year, and/or since-inception periods, and it demonstrates the impact of sales charges (if applicable) and ongoing fund expenses. Standardized Return reflects the return an investor may have experience if the security was purchased at the beginning of the period and sold at the end, incurring transaction charges.

Total Return
Total Return, or "Non Load-Adjusted Return", reflects performance without adjusting for sales charges (if applicable) or the effects of taxation, but it is adjusted to reflect all actual ongoing security expenses and assumes

reinvestment of dividends and capital gains. It is the return an investor would have experienced if the fund was held throughout the period. If adjusted for sales charges and the effects of taxation, the performance quoted would be significantly reduced.

Total Return +/- indicates how a fund has performed relative to its peers (as measure by its Standard Index and/or Morningstar Category Index) over the time periods shown.

Trailing Returns

Standardized Return applies the methodology described in the Standardized Returns page of this report. Standardized Return is calculated through the most recent calendar-quarter end for one-year, five-year, 10-year, and/or since-inception periods, and it demonstrates the impact of sales charges (if applicable) and ongoing fund expenses. Standardized Return reflects the return an investor may have experienced if the fund was purchased at the beginning of the period and sold at the end, incurring transaction charges.

Load-Adjusted Monthly Return is calculated applying the same methodology as Standardized Return, except that it represents return through month-end. As with Standardized Return, it reflects the impact of sales charges and ongoing fund expenses, but not taxation. If adjusted for the effects of taxation, the performance quoted would be significantly different.

Trailing Return +/- indicates how a fund has performed relative to its peers (as measure by its Standard Index and/or Morningstar Category Index) over the time periods shown.

Investment Risks

International/Emerging Market Equities: Investing in international securities involves special additional risks. These risks include, but are not limited to, currency risk, political risk, and risk associated with varying accounting standards. Investing in emerging markets may accentuate these risks.

Sector Strategies: Portfolios 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 Strategies: Portfolios that invest a significant percentage of assets in a single issuer involve additional risks, including share price fluctuations, because of the increased concentration of investments.

Small Cap Equities: Portfolios 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 Equities: Portfolios that invest in companies with market capitalization below $10 billion involve additional risks. The securities of these companies may be more volatile and less liquid than the securities of larger companies.

High-Yield Bonds: Portfolios 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 Bonds: 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.

Bonds: Bonds are subject to interest rate risk. As the prevailing level of bond interest rates rise, the value of bonds already held in a portfolio declines. Portfolios that hold bonds are subject to declines and increases in value due to general changes in interest rates.

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

Hedge Funds: The investor should note that hedge fund investing involves specialized risks that are dependent upon the type of strategies undertaken by the manager. This can include distressed or event-driven strategies, long/short strategies, using arbitrage (exploiting price inefficiencies), international investing, and use of leverage, options and/or derivatives. Although the goal of hedge fund managers may be to reduce volatility and produce positive absolute return under a variety of market conditions, hedge funds may involve a high degree of risk and are suitable only for investors of substantial financial means who could bear the entire loss of their investment.

Bank Loan/Senior Debt: Bank loans and senior loans are impacted by the risks associated with fixed income in general, including interest rate risk and default risk. They are often non-investment grade; therefore, the risk of default is high. These securities are also relatively illiquid. Managed products that invest in bank loans/senior debt are often highly leveraged, producing a high risk of return volatility.

Exchange Traded Notes (ETNs): ETNs are unsecured debt obligations. Any repayment of notes is subject to the issuer's ability to repay its obligations. ETNs do not typically pay interest.

Leveraged ETFs: Leveraged investments are designed to meet multiples of the return performance of the index they track and seek to meet their fund objectives on a daily basis (or other time period stated within the prospectus objective). The leverage/gearing ratio is the amount of excess return that a leveraged investment is designed to achieve in comparison to its index performance (i.e. 200%, 300%, -200%, or -300% or 2X, 3X, -2X, -3X). Compounding has the ability to affect the performance of the fund to be either greater or less than the index performance multiplied by the multiple stated within the funds objective over a stated time period.

Short Positions: When a short position moves in an unfavorable way, the losses are theoretically unlimited. The broker may demand more collateral and a manager might have to close out a short position at an inopportune time to limit further losses.

Long-Short: Due to the strategies used by long-short funds, which may include but are not limited to leverage, short selling, short-term trading, and investing in derivatives, these funds may have greater risk, volatility, and expenses than those focusing on traditional investment strategies.

Liquidity Risk: Closed-end fund, ETF, and HOLDR trading may be halted due to market conditions, impacting an investor's ability to sell a fund.

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

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

Target-Date Funds: Target-date funds typically invest in other mutual funds and are designed for investors who are planning to retire during the target date year. The fund's target date is the approximate date when investors expect to begin withdrawing their money. A target-date fund's investment objective/strategy typically becomes more conservative over time, primarily by reducing its allocation to equity mutual funds and increasing its allocations in fixed-income mutual funds. An investor's principal value in a target-date fund is not guaranteed at any time, including at the fund's target date.

High double- and triple-digit returns: High double- and triple-digit returns were the result of extremely favorable market conditions, which may not continue to be the case. High returns for short time periods must not be a major factor when making investment decisions.

Benchmark Disclosure

BBgBarc US Agg Bond TR USD
This index is composed of the BarCap Government/Credit Index, the Mortgage-Backed Securities Index, and the Asset-Backed Securities Index. The returns we publish for the index are total returns, which includes the daily reinvestment of dividends. The constituents displayed for this index are from the following proxy: iShares Core US Aggregate Bond ETF.

BBgBarc US Govt/Credit 1-3 Yr TR USD
BarCap 1-3 Year Government/Corporate Bond Index is an unmanaged index that tracks debt instruments, including U.S. government Treasury and Agency securities as well as corporate and Yankee bonds.

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

This disclosure applies to all MSCI indices: Certain information included herein is derived by Morningstar in part from MSCI's Index Constituents (the "Index Data"). However, MSCI has not reviewed any information contained herein and does not endorse or express any opinion such information or analysis. MSCI does not make any express or implied warranties, representations or guarantees concerning the Index Data or any information or data derived therefrom, and in no event will MSCI have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) relating to any use of this information.

S&P 500 TR USD
A market capitalization-weighted index composed of the 500 most widely held stocks whose assets and/or revenues are based in the US; it's often used as a proxy for the U.S. stock market. TR (Total Return) indexes include daily reinvestment of dividends. The constituents displayed for this index are from the following proxy: SPDR® S&P 500 ETF Trust.

S&P/LSTA Leveraged Loan TR
Description unavailable.

USTREAS T-Bill Auction Ave 3 Mon
Three-month T-bills are government-backed, short-term investments considered to be risk-free and as good as cash because the maturity is only three months. Morningstar collects yields on the T-bill on a weekly basis from the Wall Street Journal.

LORD ABBETT®

FIXED INCOME 3Q20

SHORT DURATION INCOME FUND

TAXABLE BOND CATEGORY

#5 FOR 2019 | TOP 5 IN 7 OF THE PAST 9 YEARS

Barron's/Lipper Annual Ranking*

As part of "Barron's Best Mutual Fund Families" annual ranking.

OVERALL MORNINGSTAR RATING‡

★★★★

Morningstar rated the Lord Abbett Short Duration Income Fund class A share 3, 4 and 5 stars among 515, 459 and 297 Short-Term Bond Funds for the overall rating and the 3, 5 and 10 year periods ended 9/30/2020, respectively. Morningstar Rating for other share classes may have different performance characteristics. Morningstar ratings are based on risk-adjusted returns and do not take into account the effect of sales charges and loads. See additional information on next page. © 2020 Morningstar, Inc. All Rights Reserved. The information contained: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

LOWER EXPENSES - CLASS A

Fund Expense Ratio[1]	0.60%
Category Average[2]	0.74%

GOAL

The Fund seeks to deliver a high level of current income consistent with the preservation of capital by investing in a variety of short maturity debt securities including, corporate bonds, U.S. government securities, and mortgage and other asset-backed debt securities.

PORTFOLIO CHARACTERISTICS

Average Effective Duration: 2.1 Years
Average Life: 2.6 Years
Number of Issues: 1,597

FUND SYMBOLS/CUSIPS

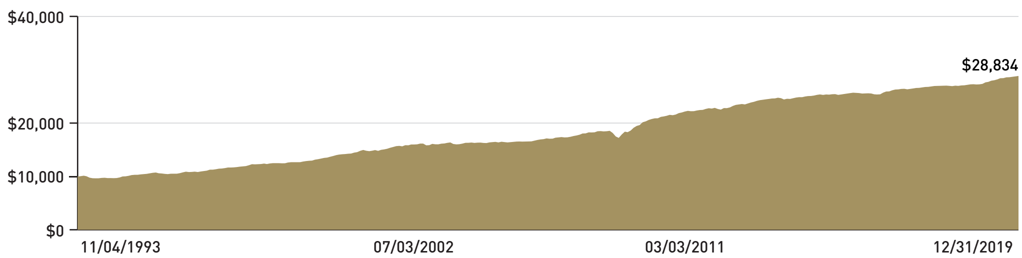
Class A:	LALDX	543916100
Class C:	LDLAX	543916704
Class F:	LDLFX	543916464
Class F3:	LOLDX	54401E143
Class I:	LLDYX	543916688
Class R2:	LDLQX	543916456
Class R3:	LDLRX	543916449
Class R4:	LDLKX	54401E648
Class R5:	LDLTX	54401E630
Class R6:	LDLVX	54401E622

Not all share classes are available to all investors. Please see prospectus for more information.

AVERAGE ANNUAL TOTAL RETURNS (%) AS OF 09/30/2020

CLASS A SHARES	YTD	1 YEAR	3 YEARS	5 YEARS	10 YEARS	EXPENSE RATIO[1]
Net Asset Value (without sales charge)	1.32	2.16	2.70	2.71	2.80	0.60%
Maximum Offering Price (with 2.25% sales charge)	-1.03	-0.21	1.91	2.25	2.56	

GROWTH OF $10,000



Based on a hypothetical Class A Share investment of $10,000 on 11/04/1993, at net asset value and includes the reinvestment of all distributions. Data as of 12/31/2019.

CALENDAR YEAR TOTAL RETURNS AT NAV (%)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
NAV	6.38	3.16	6.64	1.62	1.73	0.43	4.01	2.29	1.23	5.42

Reflects the percent change in net asset value (NAV) of Class A shares and includes the reinvestment of all distributions. Performance is shown for each calendar year. Performance of Class A shares with sales charge reflects the reinvestment of all distributions and includes initial maximum sales charge. Certain purchases of Class A shares without a sales charge are subject to a contingent deferred sales charge (CDSC). The CDSC is not reflected in the performance shown. Returns for less than one year are not annualized. Instances of high double-digit returns were achieved primarily during favorable market conditions and may not be sustainable over time.

Performance data quoted reflect past performance and are no guarantee of future results. Current performance may be higher or lower than the performance quoted. The investment return and principal value of an investment in the Fund will fluctuate so that shares, on any given day or when redeemed, may be worth more or less than their original cost. You can obtain performance data current to the most recent month-end by calling Lord Abbett at 888-522-2388 or referring to lordabbett.com.

Effective 12/14/2007 the Fund transitioned its investment approach from a limited duration U.S. government and government sponsored enterprises strategy to a short duration fixed-income strategy. The historical performance shown of the Fund prior to 12/14/2007 reflects periods when the Fund pursued its previous investment strategy.

*Among 55 qualifying fund families. Based on net total return of the one-year period ending 12/31/2019. Barron's Top Fund Families of 2019, February 14, 2020, Lord Abbett Funds ranked 5 out of 55, 3 out of 52, 2 out of 45 mutual fund families within the taxable bond category for the 1-, 5- and 10- year periods ending 12/31/2019, respectively. Barron's Best Mutual Fund Families, March 11, 2019, Lord Abbett Funds ranked 21 out of 57, 3 out of 55, 3 out of 49 mutual fund families within the taxable bond category for the 1-, 5- and 10- year periods ending 12/31/2018, respectively. Barron's Best Mutual Fund Families, March 10, 2018, Lord Abbett Funds ranked 3 out of 59, 1 out of 54, and 1 out of 50 mutual fund families within the taxable bond category for the 1-, 5- and 10- year periods ending 12/31/2017, respectively. Barron's Best Mutual Fund Families, February 11, 2017, Lord Abbett Funds ranked #1 in the Taxable Bond Category among 61 fund families based on the net total return of the one–year period ending 12/31/2016, respectively. Barron's Best Mutual Fund Families, February 6, 2016, #21 in the Taxable Bond Category among 67 fund families based on the net total return of the one-year period ending 12/31/2015. Barron's Best Mutual Fund Families, February 7, 2015, #1 in the Taxable Bond Category among 65 fund families. Based on the net total return of the one-year period ending 12/31/2014. Barron's Best Mutual Fund Families, February 8, 2014, #3 in the Taxable Bond Category among 64 fund families. Based on the net total return of the one-year period ending 12/31/2013. Barron's Best Mutual Fund Families, February 11, 2013, #2 in the Taxable Bond Category among 62 fund families. Based on the net total return of the one-year period ending 12/31/2012. Barron's Best Mutual Fund Families, February 6, 2012, #4 in the Taxable Bond Category among 58 fund families. Based on the net total return of the one year period ending 12/31/2011.

The Short Duration Income Fund A share rankings within the Lipper Short Investment Grade Debt Funds Average as of 09/30/2020 for the one-year time period was 82% (306/374); five-year, 21% (61/296); and 10-year, 5% (8/189). Source: Lipper Analytical Services. Lipper Funds Average ranking reflect all share classes within the category and are based on total return and do not reflect the effect of sales charges.

[1]Reflects expenses for the Fund's fiscal year end and is subject to change. Fund expenses may fluctuate with market volatility. A substantial reduction in Fund assets (since its most recently completed fiscal year), whether caused by market conditions or significant redemptions or both, will likely cause total operating expenses (as a percentage of Fund assets) to become higher than those shown.

[2]Reflects the average net expenses of Class A shares of all funds within the Lipper Short Investment Grade Debt Funds Category based on Lipper data available.

A Note about Risk: The Fund is subject to the general risks associated with investing in debt securities, including market, credit, liquidity, and interest rate risk. The value of an investment will change as interest rates fluctuate and in response to market movements. When interest rates fall, the prices of debt securities tend to rise, and when interest rates rise, the prices of debt securities are likely to decline. Debt securities are subject to credit risk, which is the risk that the issuer will fail to make timely payments of interest and principal to the Fund. The Fund may invest in high yield, lower-rated debt securities, sometimes called junk bonds and may involve greater risks than higher rated debt securities. These securities carry increased risks of price volatility, illiquidity, and the possibility of default in the timely payment of interest and principal. The Fund may invest in foreign or emerging market securities, which may be adversely affected by economic, political, or regulatory factors and subject to currency volatility and greater liquidity risk. The Fund may invest in derivatives, which are subject to greater liquidity, leverage, and counterparty risk. These factors can affect Fund performance. Past performance is no guarantee of future results.

The Fund's portfolio is actively managed and is subject to change.

OT FDIC INSURED - NO BANK GUARANTEE - MAY LOSE V

INVESTMENT TEAM

Team Leader(s):
Andrew H. O'Brien, CFA, Partner
22 Years Industry Experience

Kewjin Yuoh, Partner
26 Years Industry Experience

Steven F. Rocco, CFA, Partner & Co-Head
19 Years Industry Experience

Robert A. Lee, Partner & Co-Head
29 Years Industry Experience

Supported By:
62 Investment Professionals
16 Years Avg. Industry Experience

FUND BASICS

Total Net Assets($B):[3] $54.7
Inception Date: 11/04/1993 (Class A)
Capital Gains Distribution: December
Dividend Frequency: Monthly
Minimum Initial Investment: $1,500

[3]Includes all share classes.

EXPENSE RATIOS[1]

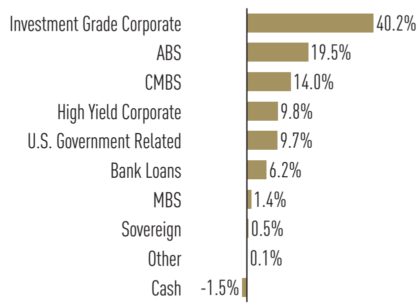
Class A:	0.60%
Class C:	1.22%
Class F:	0.50%
Class F3:	0.34%
Class I:	0.40%
Class R2:	1.00%
Class R3:	0.90%
Class R4:	0.65%
Class R5:	0.40%
Class R6:	0.34%

TEN LARGEST HOLDINGS

U.S. Treasury Note/Bond	4.7%	Wells Fargo & Co.	0.5%
U.S. Treasury Note/Bond	2.0%	DBWF 2018-AMXP Mortgage Trust	0.5%
U.S. Treasury Note/Bond	1.5%	Citigroup, Inc.	0.5%
United States Treasury Bill	1.5%	Dell International LLC / EMC Corp.	0.5%
Boeing Co	0.9%	BX Commercial Mortgage Trust 2019-XL	0.4%

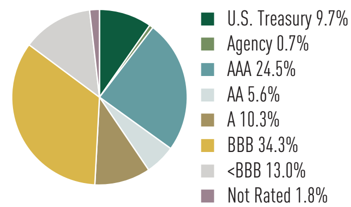
Holdings are for informational purposes only and are not a recommendation to buy, sell, or hold any security.

PORTFOLIO BREAKDOWN



Allocations are reported as of the date a security transaction is initiated; however, certain transactions may not settle until several days later. Accordingly, cash may appear as a negative allocation as a result of forward-settling instruments such as currency forwards, certain mortgage-backed securities, and treasury futures. "Other" may include municipal bonds and non-index holdings.

CREDIT QUALITY DISTRIBUTION



Ratings (other than U.S. Treasury securities or securities issued or backed by U.S. agencies) provided by Standard & Poor's, Moody's, and Fitch. For certain securities that are not rated by any of these three agencies, credit ratings from other agencies may be used. Where the rating agencies rate a security differently, Lord Abbett uses the average rating based on numeric values assigned to each rating. Ratings range from AAA (highest) to D (lowest). Bonds rated BBB or above are considered investment grade. Credit ratings BB and below are lower-rated securities (junk bonds). High-yielding, non-investment-grade bonds (junk bonds) involve higher risks than investment-grade bonds. Adverse conditions may affect the issuer's ability to pay interest and principal on these securities. A portion of the portfolio's securities may not be rated. Breakdown is not an S&P credit rating or an opinion of S&P as to the creditworthiness of such portfolio. Ratings apply to the creditworthiness of the issuers of the underlying securities and not the fund or its shares. Ratings may be subject to change.

GLOSSARY OF TERMS

Effective Duration is the change in the value of a fixed income security that will result from a 1% change in market interest rates, taking into account anticipated cash flow fluctuations from mortgage prepayments, puts, adjustable coupons, and potential call dates. Duration is expressed as a number of years, and generally, the larger a duration, the greater the interest-rate risk or reward for a portfolio's underlying bond prices. Where applicable, securities, such as common or preferred stock, convertible bonds and convertible preferred stock, ETFs and ADRs, and CPI swaps and related futures, are excluded from these calculations.

Average Life measures how long it will take, on average, to receive the repayment of the principal amount on a debt security. Average life is often used in connection with mortgage-backed securities as a measurement of the length of time, on average, before the underlying mortgages are paid, refinanced, or otherwise retired.

Lipper Short Investment Grade Debt Funds Average is based on a universe of funds with similar investment objectives as the Fund. Source: Lipper Analytical Services.

The information provided is not directed at any investor or category of investors and is provided solely as general information about Lord Abbett's products and services and to otherwise provide general investment education. None of the information provided should be regarded as a suggestion to engage in or refrain from any investment-related course of action as neither Lord Abbett nor its affiliates are undertaking to provide impartial investment advice, act as an impartial adviser, or give advice in a fiduciary capacity. If you are an individual retirement investor, contact your financial advisor or other fiduciary about whether any given investment idea, strategy, product or service may be appropriate for your circumstances.

"Barron's Top Fund Families of 2019," February 14, 2020. Barron's rankings are based on asset weighted returns in funds in five categories: U.S. equity, world equity (including international and global portfolios), mixed asset (which invest in stocks, bonds and other securities), taxable bond, and tax-exempt (each a "Barron's ranking category"). Rankings also take into account an individual fund's performance within its Lipper peer universe. Lipper calculated each fund's net total return for the year ended December 31, 2019, minus the effects of 12b-1 fees and sales charges. Each fund in the survey was given a percentile ranking with 100 the highest and 1 the lowest in its category. That ranking measured how a fund compared with its peer "universe," as tracked by Lipper, not just the funds in the survey. Individual fund scores were then multiplied by the 2019 weighting of their Barron's ranking category as determined by the entire Lipper universe of funds. Those fund scores were then totaled, creating an overall score and ranking for each fund family in the survey in each Barron's ranking category. The process is repeated for the five- and ten-year rankings as well. Barron's Fund Family Rankings are awarded annually.

‡The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. Ratings do not take into account the effects of sales charges and loads.

Investors should carefully consider the investment objectives, risks, charges, and expenses of the Lord Abbett Funds. This and other important information is contained in the Fund's summary prospectus and/or prospectus. To obtain a prospectus or summary prospectus on any Lord Abbett mutual fund, contact your investment professional, Lord Abbett Distributor LLC at 888-522-2388 or visit us at lordabbett.com. Read the prospectus carefully before you invest.

LORD ABBETT DISTRIBUTOR LLC

90 Hudson Street, Jersey City, NJ 07302-3973
lordabbett.com
888-522-2388

LORD ABBETT®

SUMMARY PROSPECTUS

Lord Abbett Short Duration Income Fund

APRIL 1, 2020

CLASS/TICKER

CLASS A...........	LALDX	CLASS I..........	LLDYX	CLASS R4.......	LDLKX
CLASS C...........	LDLAX	CLASS P.........	N/A	CLASS R5.......	LDLTX
CLASS F...........	LDLFX	CLASS R2	LDLQX	CLASS R6.......	LDLVX
CLASS F3.........	LOLDX	CLASS R3	LDLRX		

Important Information:
Intent to adopt alternate shareholder report delivery option under SEC Rule 30e-3

Beginning in January 2021, as permitted by regulations adopted by the Securities and Exchange Commission, paper copies of the Fund's shareholder reports will no longer be sent by mail, unless you specifically request paper copies of the reports from the Fund or from your financial intermediary, such as a broker-dealer, investment advisor or bank. Instead, the reports will be made available on Lord Abbett's website and you will be notified by mail each time a report is posted and provided with a website link to access the report.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. Shareholders who hold accounts directly with the Fund may elect to receive shareholder reports and other communications from the Fund electronically by signing into your Lord Abbett online account at lordabbett.com and selecting ''Log In.'' For further information, you may also contact the Fund at (800) 821-5129. Shareholders who hold accounts through a financial intermediary should contact them directly.

You may elect to receive all future reports in paper free of charge by contacting the Fund at (800) 821-5129. Your election to receive reports in paper will apply to all funds held with Lord Abbett. If your fund shares are held through a financial intermediary please contact them directly. Your election applies to all funds held with that intermediary.

Before you invest, you may want to review the Fund's prospectus and statement of additional information, which contain more information about the Fund and its risks. You can find the Fund's prospectus, statement of additional information and other information about the Fund at www.lordabbett.com/documentsandliterature. You can also get this information at no cost by calling 888-522-2388 (Option #2) or by sending an email request to literature@lordabbett.com. The current prospectus and statement of additional information dated April 1, 2020 as may be supplemented from time to time, are incorporated by reference into this summary prospectus.

INVESTMENT OBJECTIVE

The Fund's investment objective is to seek a high level of income consistent with preservation of capital.

FEES AND EXPENSES

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. You may qualify for sales charge discounts if you and certain members of your family invest, or agree to invest in the future, at least $100,000 in the Lord Abbett Family of Funds. More information about these and other discounts is available from your financial professional and in "Sales Charge Reductions and Waivers" on page 298 of the prospectus, Appendix A to the prospectus, titled "Intermediary-Specific Sales Charge Reductions and Waivers," and "Purchases, Redemptions, Pricing, and Payments to Dealers" on page 9-1 of Part II of the statement of additional information ("SAI").

Shareholder Fees[1] *(Fees paid directly from your investment)*			
Class	**A**	**C**	**F, F3, I, P, R2, R3, R4, R5, and R6**
Maximum Sales Charge (Load) Imposed on Purchases *(as a percentage of offering price)*	2.25%	None	None
Maximum Deferred Sales Charge (Load) *(as a percentage of offering price or redemption proceeds, whichever is lower)*	None[2]	1.00%[3]	None

Annual Fund Operating Expenses *(Expenses that you pay each year as a percentage of the value of your investment)*						
Class	**A**	**C**	**F**	**F3**	**I**	**P**
Management Fees	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Distribution and Service (12b-1) Fees	0.20%	0.82%[4]	0.10%	None	None	0.45%
Other Expenses	0.15%	0.15%	0.15%	0.09%	0.15%	0.15%
Total Annual Fund Operating Expenses	0.60%	1.22%	0.50%	0.34%	0.40%	0.85%

Annual Fund Operating Expenses *(continued)* *(Expenses that you pay each year as a percentage of the value of your investment)*					
Class	**R2**	**R3**	**R4**	**R5**	**R6**
Management Fees	0.25%	0.25%	0.25%	0.25%	0.25%
Distribution and Service (12b-1) Fees	0.60%	0.50%	0.25%	None	None
Other Expenses	0.15%	0.15%	0.15%	0.15%	0.09%
Total Annual Fund Operating Expenses	1.00%	0.90%	0.65%	0.40%	0.34%

(1) A shareholder transacting in share classes without a front-end sales charge may be required to pay a commission to its financial intermediary. Please contact your financial intermediary for more information about whether such a commission may apply to your transaction.

(2) A contingent deferred sales charge ("CDSC") of 1.00% may be assessed on certain Class A shares purchased or acquired without a sales charge if they are redeemed before the first day of the month of the one-year anniversary of the purchase.

(3) A CDSC of 1.00% may be assessed on Class C shares if they are redeemed before the first anniversary of their purchase.

(4) The 12b-1 fee the Fund will pay on Class C shares will be a blended rate calculated based on (i) 1.00% of the Fund's average daily net assets attributable to shares held for less than one year and (ii) 0.80% of the Fund's average daily net assets attributable to shares held for one year or more. All Class C shareholders of the Fund will bear 12b-1 fees at the same rate.

Example

This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The Example assumes that you invest $10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The Example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

Class	**If Shares Are Redeemed**				**If Shares Are Not Redeemed**			
	1 Year	**3 Years**	**5 Years**	**10 Years**	**1 Year**	**3 Years**	**5 Years**	**10 Years**
Class A Shares	$ 285	$ 413	$ 552	$ 958	$ 285	$ 413	$ 552	$ 958
Class C Shares	$ 224	$ 387	$ 670	$ 1,477	$ 124	$ 387	$ 670	$ 1,477
Class F Shares	$ 51	$ 160	$ 280	$ 628	$ 51	$ 160	$ 280	$ 628
Class F3 Shares	$ 35	$ 109	$ 191	$ 431	$ 35	$ 109	$ 191	$ 431
Class I Shares	$ 41	$ 128	$ 224	$ 505	$ 41	$ 128	$ 224	$ 505
Class P Shares	$ 87	$ 271	$ 471	$ 1,049	$ 87	$ 271	$ 471	$ 1,049
Class R2 Shares	$ 102	$ 318	$ 552	$ 1,225	$ 102	$ 318	$ 552	$ 1,225
Class R3 Shares	$ 92	$ 287	$ 498	$ 1,108	$ 92	$ 287	$ 498	$ 1,108
Class R4 Shares	$ 66	$ 208	$ 362	$ 810	$ 66	$ 208	$ 362	$ 810
Class R5 Shares	$ 41	$ 128	$ 224	$ 505	$ 41	$ 128	$ 224	$ 505
Class R6 Shares	$ 35	$ 109	$ 191	$ 431	$ 35	$ 109	$ 191	$ 431

Portfolio Turnover. The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in the annual fund operating expenses or in the example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 57% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES

The Fund invests in various types of short duration debt (or fixed income) securities. Under normal conditions, the Fund pursues its investment objective by investing at least 65% of its net assets in investment grade debt securities of various types. Such investments include:

- corporate debt securities of U.S. issuers;
- corporate debt securities of non-U.S. (including emerging market) issuers that are denominated in U.S. dollars;
- mortgage-backed, mortgage-related, and other asset-backed securities, including privately issued mortgage-related securities and commercial mortgage-backed securities ("CMBS");
- securities issued or guaranteed by the U.S. Government, its agencies and instrumentalities; and
- inflation-linked investments.

The Fund may invest in Treasury Inflation Protected Securities ("TIPS"), which are U.S. Government bonds whose principal automatically is adjusted for inflation as measured by the Consumer Price Index for All Urban Consumers ("CPI-U"), and other inflation-indexed securities issued by the U.S. Department of Treasury.

The Fund may invest up to 35% of its net assets in any one or a combination of the following types of fixed income securities and other instruments:

- high-yield debt securities (commonly referred to as "lower-rated" or "junk" bonds);
- debt securities of non-U.S. (including emerging market) issuers that are denominated in foreign currencies;
- loans, including bridge loans, novations, assignments, and participations; and
- convertible securities, including convertible bonds and preferred stocks.

The Fund will not invest more than 25% of its total assets in any industry; however, this limitation does not apply to mortgage-backed securities, privately issued mortgage-related securities, or securities issued by the U.S. Government, its agencies and instrumentalities. The Fund may, and typically does, invest substantially in CMBS, including lower-rated CMBS.

The Fund seeks to manage interest rate risk through its management of the average duration of the securities it holds in its portfolio. Under normal conditions, the Fund will maintain its average dollar-weighted duration range between one and three years. The duration of a security takes into account the pattern of all expected payments of interest and principal on the security over time, including how these payments are affected by changes in interest rates.

The Fund may use derivatives to hedge against risk or to gain investment exposure. Currently, the Fund expects to invest in derivatives consisting principally of futures, forwards, options, and swaps. The Fund may use derivatives to seek to enhance returns, to attempt to hedge some of its investment risk, to manage portfolio duration, as a substitute for holding the underlying asset on which the derivative instrument is based, or for cash management purposes. For example, the Fund may invest in or sell short U.S. Treasury futures, securities index futures, other futures, and/or currency forwards to adjust the Fund's exposure to the direction of interest rates, or for other portfolio management reasons.

The portfolio management team buys and sells securities using a relative value-oriented investment process, meaning the portfolio management team generally seeks more investment exposure to securities believed to be undervalued and less investment exposure to securities believed to be overvalued. The portfolio management team combines top-down and bottom-up analysis to construct its portfolio, using a blend of quantitative and fundamental research. As part of its top-down analysis, the portfolio management team evaluates global economic conditions, including monetary, fiscal, and regulatory policy, as well as the political and geopolitical environment, in order to identify and assess opportunities and risks across different segments of the fixed income market. The portfolio management team employs bottom-up analysis to identify and select securities for investment by the Fund based on in-depth company, industry, and market research and analysis. The portfolio management team may actively rotate sector exposure based on its assessment of relative value. The investment team may also consider environmental, social, and governance (ESG) factors in investment decisions. The Fund may engage in active and frequent trading of its portfolio securities.

The Fund may sell a security when the Fund believes the security is less likely to benefit from the current market and economic environment, or shows signs of deteriorating fundamentals, among other reasons. The Fund may deviate from the investment strategy described above for temporary defensive purposes. The Fund may miss certain investment opportunities if defensive strategies are used and thus may not achieve its investment objective.

PRINCIPAL RISKS

As with any investment in a mutual fund, investing in the Fund involves risk, including the risk that you may receive little or no return on your investment. When you redeem your shares, they may be worth more or less than what you paid for them, which means that you may lose a portion or all of the money you invested in the Fund. The principal risks of investing in the Fund, which could adversely affect its performance, include:

- **Portfolio Management Risk:** If the strategies used and investments selected by the Fund's portfolio management team fail to produce the intended result, the Fund may suffer losses or underperform other funds with the same investment objective or strategies, even in a favorable market.
- **Market Risk:** The market values of securities will fluctuate, sometimes sharply and unpredictably, based on overall economic conditions, governmental actions or intervention, market disruptions caused by trade disputes or other factors, political developments, and other factors. Prices of equity securities tend to rise and fall more dramatically than those of debt securities.
- **Fixed Income Securities Risk:** The Fund is subject to the general risks and considerations associated with investing in debt securities, including the risk that issuers will fail to make timely payments of principal or interest or default altogether. Typically, shorter-term bonds are less volatile than longer-term bonds; however, longer-term bonds typically offer higher yields and more stable interest income than shorter-term bonds. Lower-rated securities in which the Fund may invest may be more volatile and may decline more in price in response to negative issuer developments or general economic news than higher rated securities. In addition, as interest rates rise, the Fund's investments typically will lose value.
- **Foreign Currency Risk:** Investments in securities denominated in foreign currencies are subject to the risk that those currencies will decline in value relative to the U.S. dollar, or, in the case of hedged positions, that the U.S. dollar will decline in value relative to the currency being hedged. Foreign currency exchange rates may fluctuate significantly over short periods of time.
- **High Yield Securities Risk:** High yield securities (commonly referred to as "junk" bonds) typically pay a higher yield than investment grade securities, but may have greater price fluctuations and have a higher risk of default than investment grade securities. The market for high yield securities may be less liquid due to such factors as interest rate sensitivity, negative perceptions of the junk bond markets generally, and less secondary market liquidity. This may make such securities more difficult to sell at an acceptable price, especially during periods of financial distress, increased market volatility, or significant market decline.
- **Credit Risk:** Debt securities are subject to the risk that the issuer or guarantor of a security may not make interest and principal payments as they become due or may default altogether. In addition, if the market perceives a deterioration in the creditworthiness of an issuer, the value and liquidity of securities issued by that issuer may decline. To the extent that the Fund holds below investment

grade securities, these risks may be heightened. Insured debt securities have the credit risk of the insurer in addition to the credit risk of the underlying investment being insured.

- **Interest Rate Risk:** As interest rates rise, prices of bonds (including tax-exempt bonds) generally fall, typically causing the Fund's investments to lose value. Additionally, rising interest rates or lack of market participants may lead to decreased liquidity in fixed income markets. Interest rate changes typically have a greater effect on the price of fixed income securities with longer durations. A wide variety of market factors can cause interest rates to rise, including central bank monetary policy, rising inflation, and changes in general economic conditions. The Fund will be exposed to heightened interest rate risk as interest rates rise from historically low levels.
- **Liquidity/Redemption Risk:** The Fund may lose money when selling securities at inopportune times to fulfill shareholder redemption requests. The risk of loss may increase depending on the size and frequency of redemption requests, whether the redemption requests occur in times of overall market turmoil or declining prices, and whether the securities the Fund intends to sell have decreased in value or are illiquid. The Fund may be less able to sell illiquid securities at its desired time or price. It may be more difficult for the Fund to value its investments in illiquid securities than more liquid securities.
- **Government Securities Risk:** The Fund invests in securities issued or guaranteed by the U.S. Government or its agencies and instrumentalities (such as the Government National Mortgage Association ("Ginnie Mae"), the Federal National Mortgage Association ("Fannie Mae"), or the Federal Home Loan Mortgage Corporation ("Freddie Mac")). Unlike Ginnie Mae securities, securities issued or guaranteed by U.S. Government-related organizations, such as Fannie Mae and Freddie Mac, are not backed by the full faith and credit of the U.S. Government and no assurance can be given that the U.S. Government would provide financial support.
- **Mortgage-Related and Other Asset-Backed Securities Risk:** Mortgage-related securities, including commercial mortgage-backed securities and other privately issued mortgage-related securities, and other asset-backed securities may be particularly sensitive to changes in prevailing interest rates and economic conditions, including delinquencies and defaults. The prices of mortgage-related and other asset-backed securities, depending on their structure and the rate of payments, can be volatile. They are subject to prepayment risk (higher than expected prepayment rates of mortgage obligations due to a fall in market interest rates) and extension risk (lower than expected prepayment rates of mortgage obligations due to a rise in market interest rates). These risks increase the Fund's overall interest rate risk. Some mortgage-related securities receive government or private support, but there is no assurance that such support will remain in place.

- **Commercial Mortgage-Backed Securities Risk:** Commercial mortgage-backed securities ("CMBS") include securities that reflect an interest in, and are secured by, mortgage loans on commercial real property. Many of the risks of investing in CMBS reflect the risks of investing in the real estate securing the underlying mortgage loans. These risks reflect the effects of local and other economic conditions on real estate markets, the ability of tenants to make loan payments, and the ability of a property to attract and retain tenants. CMBS may be less liquid and exhibit greater price volatility than other types of mortgage- or asset-backed securities.

- **Convertible Securities Risk:** Convertible securities are subject to the risks affecting both equity and fixed income securities, including market, credit, liquidity, and interest rate risk. Convertible securities tend to be more volatile than other fixed income securities, and the markets for convertible securities may be less liquid than markets for common stocks or bonds. To the extent that the Fund invests in convertible securities and the investment value of the convertible security is greater than its conversion value, its price will likely increase when interest rates fall and decrease when interest rates rise. If the conversion value exceeds the investment value, the price of the convertible security will tend to fluctuate directly with the price of the underlying equity security. A significant portion of convertible securities have below investment grade credit ratings and are subject to increased credit and liquidity risks.

- **Inflation-Linked Investments Risk:** Unlike traditional fixed income securities, the principal and interest payments of inflation-linked investments are adjusted periodically based on the inflation rate. The value of the Fund's inflation-linked investments may be vulnerable to changes in expectations of inflation or interest rates and there is no guarantee that the Fund's use of these instruments will be successful.

- **Foreign and Emerging Market Company Risk:** Investments in foreign companies and in U.S. companies with economic ties to foreign markets generally involve special risks that can increase the likelihood that the Fund will lose money. For example, as compared with companies organized and operated in the U.S., these companies may be more vulnerable to economic, political, and social instability and subject to less government supervision, lack of transparency, inadequate regulatory and accounting standards, and foreign taxes. In addition, the securities of foreign companies also may be subject to inadequate exchange control regulations, the imposition of economic sanctions or other government restrictions, higher transaction and other costs, reduced liquidity, and delays in settlement to the extent they are traded on non-U.S. exchanges or markets. Foreign company securities also include ADRs. ADRs may be less liquid than the underlying shares in their primary trading market. Foreign securities also may subject the Fund's investments to changes in currency exchange rates. Emerging market securities generally are more volatile than other foreign securities, and are subject to greater liquidity, regulatory, and political risks. Investments in emerging markets may be considered speculative and generally are riskier than investments in more developed markets because such markets tend to develop unevenly and may never fully develop. Emerging markets are more likely to experience hyperinflation and currency devaluations. Securities of emerging market companies may have far lower trading volumes and less liquidity than securities of issuers in developed markets. Companies with economic ties to emerging markets may be susceptible to the same risks as companies organized in emerging markets.

- **Loan Risk:** Investments in floating or adjustable rate loans are subject to increased credit and liquidity risks. Loan prices also may be adversely affected by supply-demand imbalances caused by conditions in the loan market or related markets. Below investment grade loans, like high-yield debt securities, or junk bonds, usually are more credit sensitive than interest rate sensitive, although the value of these instruments may be affected by interest rate swings in the overall fixed income market. Loans may be subject to structural subordination and may be subordinated to other obligations of the borrower or its subsidiaries.

- **Derivatives Risk:** The risks associated with derivatives may be different from and greater than the risks associated with directly investing in securities and other investments. Derivatives may increase the Fund's volatility and reduce its returns. The risks associated with derivatives include, among other things, the following:

  - The risk that the value of a derivative may not correlate with the value of the underlying asset, rate, or index in the manner anticipated by the portfolio management team and may be more sensitive to changes in economic or market conditions than anticipated.

  - Derivatives may be difficult to value, especially under stressed or unforeseen market conditions.

  - The risk that the counterparty may fail to fulfill its contractual obligations under the derivative contract. Central clearing of derivatives is intended to decrease counterparty risk but does not eliminate it.

  - The Fund may be required to segregate permissible liquid assets to cover its obligations under these transactions and may have to liquidate positions before it is desirable to do so to fulfill its segregation requirements.

  - The risk that there may not be a liquid secondary trading market for the derivative, or that the Fund may otherwise be unable to sell or otherwise close a derivatives position when desired, exposing the Fund to additional losses.

  - Because derivatives generally involve a small initial investment relative to the risk assumed (known as leverage), derivatives can magnify the Fund's losses and increase its volatility.

- The Fund's use of derivatives may affect the amount, timing, and character of distributions, and may cause the Fund to realize more short-term capital gain and ordinary income than if the Fund did not use derivatives.

Derivatives may not perform as expected and the Fund may not realize the intended benefits. Whether the Fund's use of derivatives is successful will depend on, among other things, the portfolio managers' ability to correctly forecast market movements and other factors. If the portfolio managers incorrectly forecast these and other factors, the Fund's performance could suffer. In addition, given their complexity, derivatives are subject to the risk that improper or misunderstood documentation may expose the Fund to losses.

- **High Portfolio Turnover Risk:** High portfolio turnover may result in increased transaction costs, reduced investment performance, and higher taxes resulting from increased realized capital gains, including short-term capital gains taxable as ordinary income when distributed to shareholders.

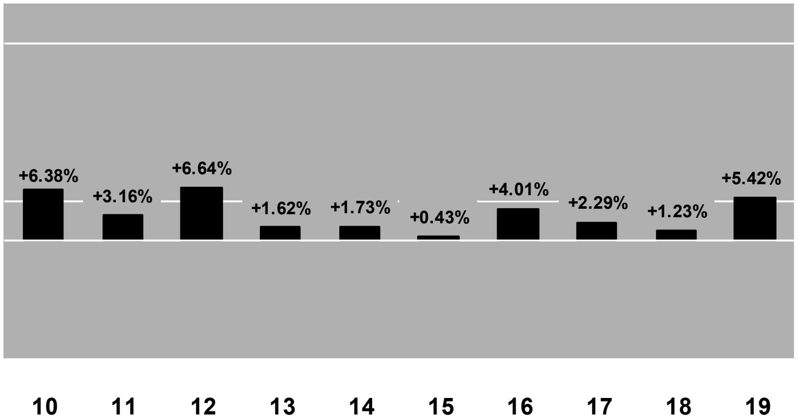
An investment in the Fund is not a deposit of any bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. For more information on the principal risks of the Fund, please see the ''More Information About the Funds – Principal Risks'' section in the prospectus.

PERFORMANCE

The bar chart and table below provide some indication of the risks of investing in the Fund by illustrating the variability of the Fund's returns. Each assumes reinvestment of dividends and distributions. The Fund's past performance, before and after taxes, is not necessarily an indication of how the Fund will perform in the future. No performance is shown for Class P shares because the Fund has not issued Class P shares.

The bar chart shows changes in the performance of the Fund's Class A shares from calendar year to calendar year. This chart does not reflect the sales charge applicable to Class A shares. If the sales charge were reflected, returns would be lower. Performance for the Fund's other share classes will vary due to the different expenses each class bears. Updated performance information is available at www.lordabbett.com or by calling 888-522-2388.

Bar Chart (per calendar year) - Class A Shares



Best Quarter 3rd Q '10 **+2.60%** **Worst Quarter** 3rd Q '11 **-0.84%**

The table below shows how the Fund's average annual total returns compare to the returns of a securities market index with investment characteristics similar to those of the Fund. The Fund's average annual total returns include applicable sales charges.

The after-tax returns of Class A shares included in the table below are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. In some cases, the return after taxes on distributions and sale of Fund shares may exceed the return before taxes due to a tax benefit resulting from realized losses on a sale of Fund shares at the end of the period that is used to offset other gains. Actual after-tax returns depend on an investor's tax situation and may differ from those shown. The after-tax returns shown are not relevant to investors who hold their Fund shares through tax-advantaged arrangements such as 401(k) plans or Individual Retirement Accounts ("IRAs"). After-tax returns for other share classes are not shown in the table and will vary from those shown for Class A shares.

Average Annual Total Returns (for the periods ended December 31, 2019)					
Class	**1 Year**	**5 Years**	**10 Years**	**Life of Class**	**Inception Date for Performance**
Class A Shares					
Before Taxes	2.94%	2.21%	3.04%	-	
After Taxes on Distributions	1.43%	0.58%	1.42%	-	
After Taxes on Distributions and Sale of Fund Shares	1.72%	0.95%	1.64%	-	
Class C Shares	3.76%	2.02%	2.59%	-	
Class F Shares	5.52%	2.81%	3.37%	-	
Class F3 Shares	5.69%	-	-	3.32%	4/4/2017
Class I Shares	5.63%	2.91%	3.47%	-	
Class R2 Shares	5.01%	2.26%	2.86%	-	
Class R3 Shares	4.86%	2.36%	2.95%	-	
Class R4 Shares	5.37%	-	-	2.63%	6/30/2015
Class R5 Shares	5.64%	-	-	2.83%	6/30/2015
Class R6 Shares	5.70%	-	-	2.95%	6/30/2015
Index					
ICE BofAML U.S. Corporate 1-3 Year Index *(reflects no deduction for fees, expenses, or taxes)*	5.43%	2.46%	2.63%	2.52% 2.97%	6/30/2015 4/4/2017

MANAGEMENT

Investment Adviser. The Fund's investment adviser is Lord Abbett.

Portfolio Managers.

Portfolio Managers/Title	**Member of the Portfolio Management Team Since**
Andrew H. O'Brien, Partner and Portfolio Manager	1998
Robert A. Lee, Partner and Chief Investment Officer	1998
Kewjin Yuoh, Partner and Portfolio Manager	2010
Steven F. Rocco, Partner and Director of Taxable Fixed Income	2013

PURCHASE AND SALE OF FUND SHARES

The minimum initial and additional amounts shown below vary depending on the class of shares you buy and the type of account. Certain financial intermediaries may impose different restrictions than those described below. For Class I shares, the minimum investment shown below applies to certain types of institutional investors, but does not apply to registered investment advisers or retirement and benefit plans otherwise eligible to invest in Class I shares. Class P shares are closed to substantially all new investors. See "Choosing a Share Class – Investment Minimums" in the prospectus for more information.

Investment Minimums — Initial/Additional Investments			
Class	**A and C(1)**	**F, F3, P, R2, R3, R4, R5, and R6**	**I**
General and IRAs without Invest-A-Matic Investments	$1,500/No minimum	N/A	$1 million/No minimum
Invest-A-Matic Accounts(2)	$250/$50	N/A	N/A
IRAs, SIMPLE and SEP Accounts with Payroll Deductions	No minimum	N/A	N/A
Fee-Based Advisory Programs and Retirement and Benefit Plans	No minimum	No minimum	No minimum

(1) There is no investment minimum for Class A shares purchased by investors maintaining an account with a financial intermediary that has entered into an agreement with Lord Abbett Distributor LLC to offer Class A shares through a load-waived network or platform, which may or may not charge transaction fees.

(2) There is no minimum initial investment for Invest-A-Matic accounts held directly with the Fund, including IRAs.

You may sell (redeem) shares through your securities broker, financial professional or financial intermediary on any business day the Fund calculates its net asset value ("NAV"). If you have direct account access privileges, you may redeem your shares by contacting the Fund in writing at P.O. Box 219336, Kansas City, MO 64121, by calling 888-522-2388 or by accessing your account online at www.lordabbett.com.

TAX INFORMATION

The Fund's distributions, if any, generally are taxable to you as ordinary income, capital gains or a combination of the two, unless you are a tax-exempt investor or investing through a tax-advantaged arrangement, such as a 401(k) plan or an IRA. Any withdrawals from such a tax-advantaged arrangement may be taxable to you.

PAYMENTS TO BROKER-DEALERS AND OTHER FINANCIAL INTERMEDIARIES

If you purchase Fund shares through a broker-dealer or other financial intermediary (such as a bank), the Fund and the Fund's distributor or its affiliates may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other financial intermediary and your individual financial professional to recommend the Fund over another investment. Ask your individual financial professional or visit your financial intermediary's website for more information.

NOTES:

LORD ABBETT®

Investment Company Act File Number: 811-07988

We Recycle
This document is printed on recycled paper.

Go Paperless!
Visit **www.lordabbett.com** to learn how to receive all your shareholder communications online.

00235445

LAIT-7SUM
(04/20)

Edward Jones®

Hypothetical Report

January 13, 2021

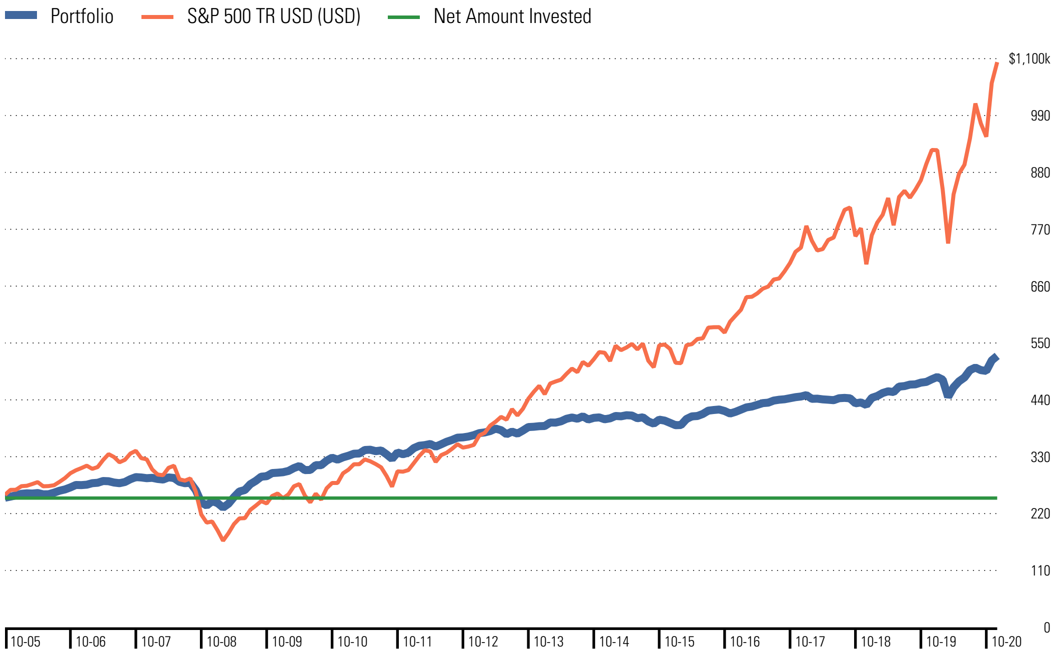
Prepared by:
Paul Harrison
583 Grant Street Se
Atlanta, GA 30312

This hypothetical report is an illustration of a simulated investment that assumes the portfolio holding(s) were purchased on the first day of the period indicated. Investments in securities involve investment risks including possible loss of principal and fluctuation in value. If this hypothetical report is being used for an Edward Jones Advisory Solutions model, please read the Edward Jones Advisory Solutions section of the Hypothetical Report Disclosure Statement at the end of this report. This hypothetical report is not an account statement and is not intended to be an actual reflection of your investment holdings at Edward Jones. The report is intended for illustrative purposes only and is not intended to replace official statements such as trade confirmations, account statements and 1099 forms that should be retained for tax purposes. You should not rely on this document to reflect your investment holdings at Edward Jones. To review your actual investment holdings at Edward Jones, please refer to your account statement or AccountLink. Edward Jones assumes no responsibility for assets held outside of Edward Jones. If there are any discrepancies or concerns regarding this document, please call our Client Relations department at 1-800-803-3333 or review your account online at www.edwardjones.com/access.

Hypothetical Portfolio Illustration

10-18-2005 to 12-31-2020

Portfolio Summary



Planning Assumptions

Currency	USD
Rebalance	None
Rebalance Threshold% +/-	0.00%
Allocation Update Frequency	None
Federal Income Tax Rate	0%
Capital Gain Tax Rate	0%
State Tax Rate	0%
Tax Paid	Out of Pocket

Performance

Net Amount Invested	$250,000
Final Market Value	$525,063
Average Annualized Return	5.00%
Cumulative Return	110.03%
Cumulative Ret - Benchmark	337.31%

Portfolio-Level Performance Disclosure

The portfolio-level performance shown is hypothetical and for illustrative purposes only. Investor returns will differ from the results shown.

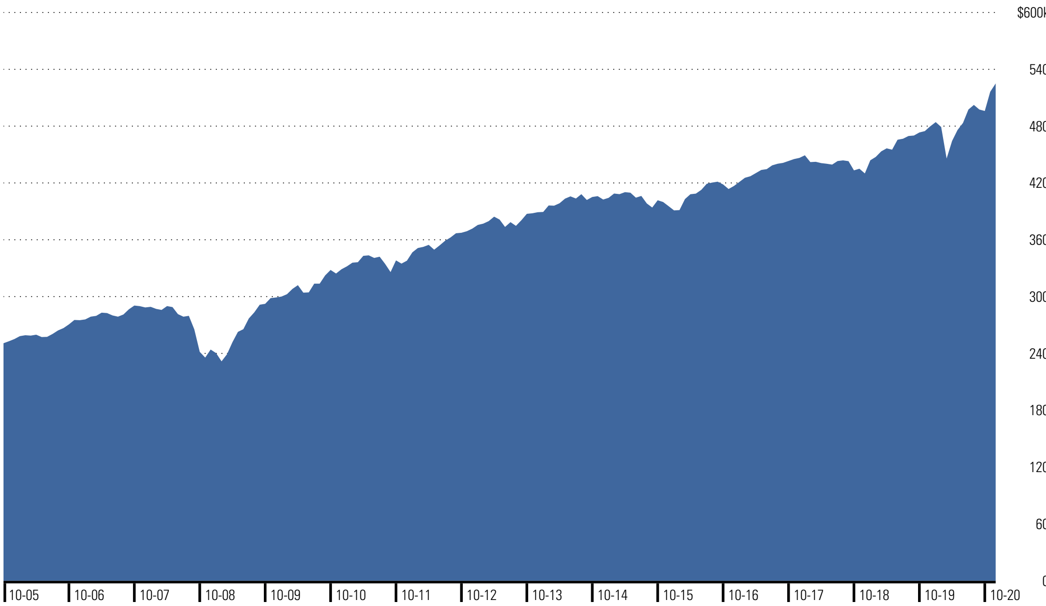
Investment Detail

Period		Beginning Balance	New Investment	Distribution/ Withdrawal	Total Reinvest	Charges & Fees	Taxes Due	Market Value	Total Return %
Totals		0	250,000	0	247,783	0	0	525,063	5.00
October-December	2005	0	250,000	0	1,548	0	0	255,166	2.07
January-December	2006	255,166	0	0	20,728	0	0	275,085	7.81
January-December	2007	275,085	0	0	12,836	0	0	288,523	4.89
January-December	2008	288,523	0	0	20,234	0	0	244,074	-15.41
January-December	2009	244,074	0	0	13,037	0	0	299,070	22.53
January-December	2010	299,070	0	0	14,323	0	0	328,855	9.96
January-December	2011	328,855	0	0	12,728	0	0	337,893	2.75
January-December	2012	337,893	0	0	12,114	0	0	371,776	10.03
January-December	2013	371,776	0	0	10,617	0	0	389,103	4.66
January-December	2014	389,103	0	0	24,506	0	0	402,473	3.44
January-December	2015	402,473	0	0	19,971	0	0	395,473	-1.74
January-December	2016	395,473	0	0	15,717	0	0	416,831	5.40
January-December	2017	416,831	0	0	14,409	0	0	446,469	7.11
January-December	2018	446,469	0	0	16,700	0	0	430,062	-3.67
January-December	2019	430,062	0	0	17,037	0	0	479,820	11.57
January-December	2020	479,820	0	0	21,281	0	0	525,063	9.43

Hypothetical Portfolio Illustration Continued

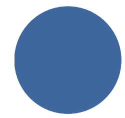
10-18-2005 to 12-31-2020

Security Summary

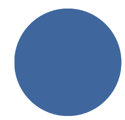


% of Total Market Value

Start 10-18-2005



End 12-31-2020



Investment Assumptions

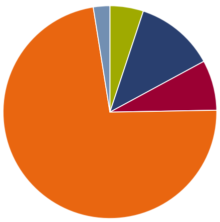
Investment Name	Holding Period Start	Holding Period End	Initial Investment Amount	Subsequent Invest/Withdwl Amount	Subsequent Invest/Withdwl Freq	Reinvest Distributions Income	Reinvest Distributions Cap Gains	Liqui-date	Re-balance (%)	Charges and Fees Front Load	Charges and Fees Annual Fee	Charges and Fees Deferred Load Amount%	Charges and Fees Period Years	Market Value End ($)
JHancock Multimanager Lifestyle Cnsrv A (USD, JALRX)	10-05	12-20	250,000	0	—	Y	Y	N	—	0.00%	0.00%	0.00-0.00	—	525,063

Portfolio X-Ray®

Benchmark
S&P 500 TR USD (USD)

Market Value
$525,062.66

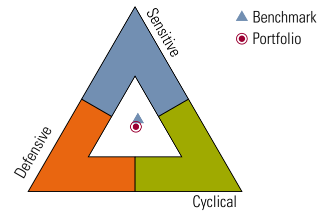
Asset Allocation 12-31-2020



Asset Allocation	Portfolio %	Bmark (%)
Cash	5.07	0.00
US Stocks	12.02	99.09
Non-US Stocks	7.63	0.91
Bonds	72.79	0.00
Other/Not Clsfd	**2.50**	**0.00**

Stock Analysis 12-31-2020

Stock Sectors



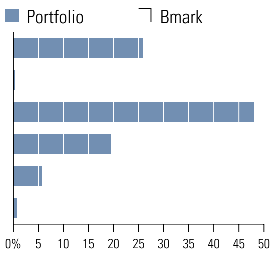
World Regions

	Portfolio (%)	Bmark (%)
Cyclical	**33.05**	**30.69**
Basic Matls	4.85	2.27
Consumer Cycl	10.79	12.50
Financial Svs	12.06	13.50
Real Estate	5.35	2.42
Sensitive	**37.21**	**46.03**
Commun Svs	8.76	10.77
Energy	4.64	2.28
Industrials	10.30	8.79
Technology	13.51	24.19
Defensive	**29.74**	**23.28**
Consumer Def	7.42	6.97
Healthcare	11.14	13.55
Utilities	11.18	2.76
Not Classified	**0.00**	**0.00**

	Portfolio (%)	Bmark (%)
Americas	**66.00**	**99.09**
North America	65.12	99.10
Latin America	0.88	0.00
Greater Europe	**18.15**	**0.86**
United Kingdom	3.56	0.52
Europe-Developed	13.87	0.33
Europe-Emerging	0.33	0.01
Africa/Middle East	0.39	0.00
Greater Asia	**15.85**	**0.04**
Japan	4.83	0.00
Australasia	1.09	0.00
Asia-Developed	3.63	0.04
Asia-Emerging	6.30	0.00
Not Classified	**0.00**	**0.00**

Bond Analysis 12-31-2020

Fixed-Income Sectors	Portfolio (%)	Bmark (%)
Government	25.84	0.00
Municipal	0.25	0.00
Corporate	48.05	0.00
Securitized	19.35	0.00
Cash & Equivalents	5.75	0.00
Derivative	0.76	0.00



Maturity Breakdown

Effective Maturity	Portfolio (%)
1-3	11.16
3-5	17.82
5-7	17.27
7-10	17.30
10-15	4.42
15-20	4.04
20-30	23.20
>30	4.79

Credit Quality Breakdown

Credit Quality	Portfolio (%)
AAA	32.32
AA	11.81
A	7.36
BBB	23.02
BB	11.11
B	11.42
Below B	1.87
NR	1.09

Investment Style 12-31-2020

	Ltd	Mod	Ext
High	0	0	0
Med	0	0	0
Low	0	100	0

0-10 10-25 25-50 >50

Fixed-Income Style	Portfolio	Bmark
Effective Duration	5.24	—
Effective Maturity	8.36	—

	Value	Blend	Growth
Large	21	27	21
Mid	9	8	4
Small	2	5	3

0-10 10-25 25-50 >50

Equity Style	Portfolio	Bmark
Average Market Cap ($mil)	44,749.65	176,727.08
Price/Earnings	23.04	28.32
Price/Book	2.28	4.00
Price/Sales	1.77	2.83
Price/Cash Flow	11.22	16.51

Top 10 Net Underlying Holdings 12-31-2020

Assets %	Name	Type	Sector	Country
0.71	US Treasury Bond 2042-11-15(USD)	BND	Government	United States
0.55	Federal National Mortgage Association	BND	—	United States
0.51	Us 5yr Note (Cbt) Dec20 Xcbt 20201231	BND	—	—
0.44	United States Treasury Notes	BND	—	United States
0.36	US Treasury Note 0.12%	BND	—	United States
0.36	Microsoft Corp(USD)	ST	Technology	United States
0.33	United States Treasury Bonds	BND	—	United States
0.33	Amazon.com Inc(USD)	ST	Consumer Cyclical	United States
0.32	US Treasury Note 0.12%	BND	—	United States
0.30	United States Treasury Bonds	BND	—	United States

Portfolio X-Ray®

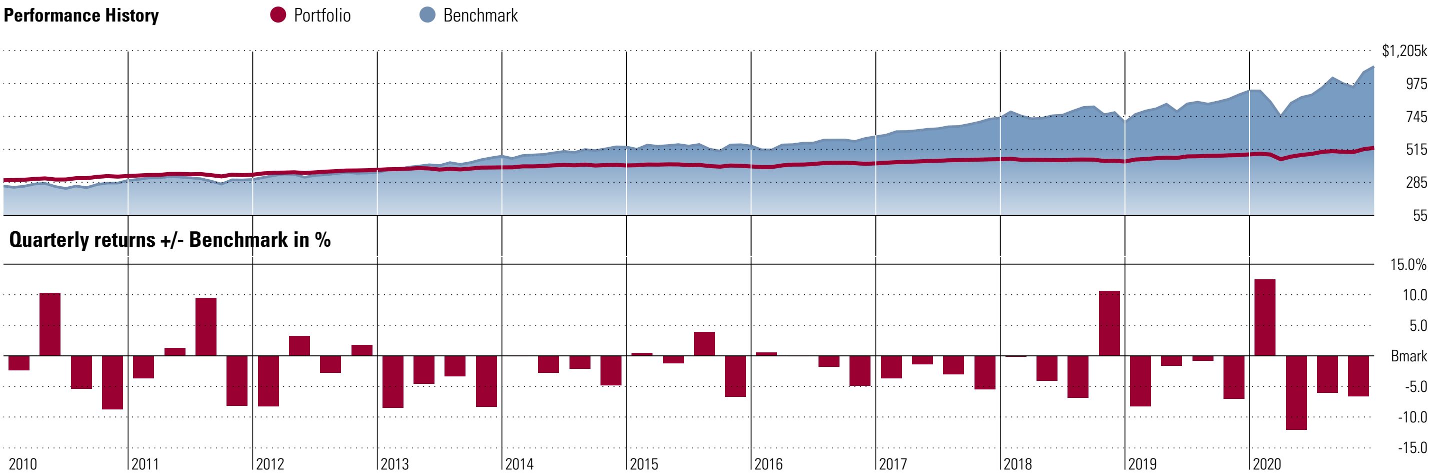
Performance X-Ray®

Benchmark
S&P 500 TR USD (USD)

Market Value
$525,062.66

Performance 12-31-2020

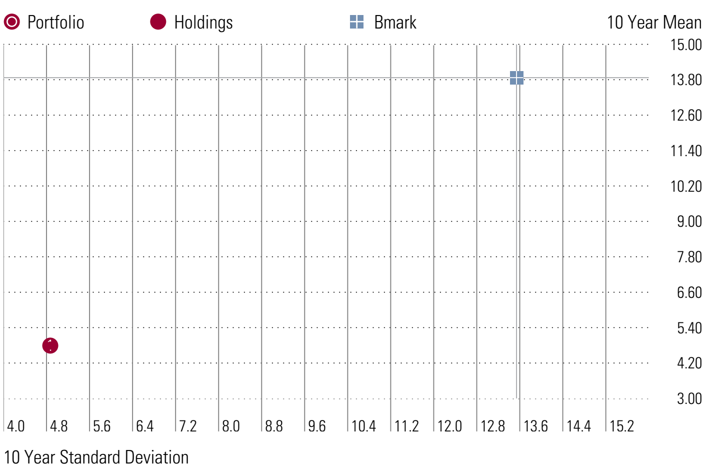
Performance History



Trailing Returns	Portfolio %	+/- Benchmark
3 Month	5.54	-6.61
6 Month	8.63	-13.53
1 Year	9.43	-8.97
3 Year	5.55	-8.62
5 Year	5.83	-9.37
YTD	9.43	-8.97

Trailing Returns	Best %	Worst %
3 Month	13.43 (Mar 2009-May 2009)	-15.76 (Sep 2008-Nov 2008)
6 Month	22.33 (Mar 2009-Aug 2009)	-18.46 (Jun 2008-Nov 2008)
1 Year	30.61 (Mar 2009-Feb 2010)	-19.30 (Mar 2008-Feb 2009)
3 Year	14.88 (Mar 2009-Feb 2012)	-3.68 (Mar 2006-Feb 2009)
5 Year	11.33 (Mar 2009-Feb 2014)	1.78 (Apr 2015-Mar 2020)

Risk/Return Analysis 12-31-2020



Top 10 Holdings 12-31-2020

	Assets %	Name	Mean	Stnd Dev
1	100.00	JHancock Multimanager Lifestyle Cnsrv A (USD, JALRX)	4.79	4.87

Risk and Return Statistics	3 Yr	5 Yr	10 Yr
Standard Deviation	6.67	5.45	4.87
Mean	5.55	5.83	4.79
Sharpe Ratio	0.63	0.87	0.88

MPT Statistics	3 Yr	5 Yr	10 Yr
Alpha	-0.07	0.35	0.13
Beta	0.31	0.30	0.30
R-Squared	75.49	71.41	71.41
Information Ratio	-0.63	-0.82	-0.90
Tracking Error	13.71	11.40	10.14

Illustration Returns

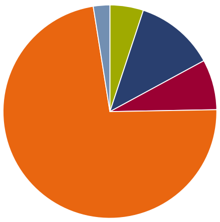
Total 1 holding as of 12-31-2020	Symbol	Type	Holdings Date	% of Assets	Holding Value $	7-day Yield	1 Yr Ret %	3 Yr Ret %	5 Yr Ret %	10 Yr Ret %
JHancock Multimanager Lifestyle Cnsrv A (USD, JALRX)	JALRX	MF	11-2020	100.00	525,063	—	9.43	5.55	5.83	4.79

Portfolio Snapshot

Portfolio Value
$525,062.66

Benchmark
S&P 500 TR USD (USD)

Analysis 12-31-2020



Asset Allocation	Portfolio Net %	Bmark Net %
Cash	5.07	0.00
US Stocks	12.02	99.09
Non-US Stocks	7.63	0.91
Bonds	72.79	0.00
Other/Not Clsfd	**2.50**	**0.00**

Morningstar Equity Style Box %

	Value	Blend	Growth
Large	21	27	21
Mid	9	8	4
Small	2	5	3

0-10 10-25 25-50 >50

Total Stock Holdings
3,149

% Not Classified
0

Morningstar Fixed Income Style Box %

	Ltd	Mod	Ext
High	0	0	0
Med	0	0	0
Low	0	100	0

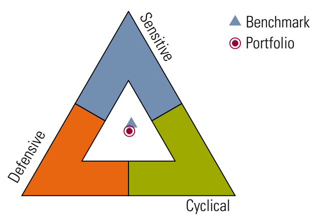
0-10 10-25 25-50 >50

Total Bond Holdings
4,276

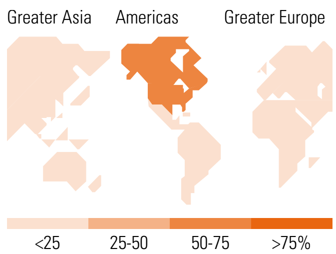
% Not Classified
0

Stock Analysis 12-31-2020

Stock Sectors



World Regions

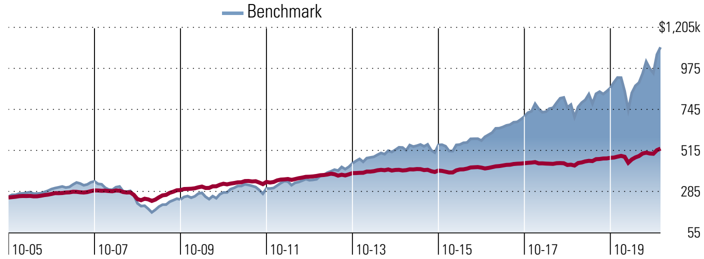


	Portfolio (%)	Bmark (%)
Cyclical	**33.05**	**30.69**
Basic Matls	4.85	2.27
Consumer Cycl	10.79	12.50
Financial Svs	12.06	13.50
Real Estate	5.35	2.42
Sensitive	**37.21**	**46.03**
Commun Svs	8.76	10.77
Energy	4.64	2.28
Industrials	10.30	8.79
Technology	13.51	24.19
Defensive	**29.74**	**23.28**
Consumer Def	7.42	6.97
Healthcare	11.14	13.55
Utilities	11.18	2.76
Not Classified	**0.00**	**0.00**

	Portfolio (%)	Bmark (%)
Americas	**66.00**	**99.09**
North America	65.12	99.09
Latin America	0.88	0.00
Greater Europe	**18.15**	**0.86**
United Kingdom	3.56	0.52
Europe-Developed	13.87	0.33
Europe-Emerging	0.33	0.01
Africa/Middle East	0.39	0.00
Greater Asia	**15.85**	**0.04**
Japan	4.83	0.00
Australasia	1.09	0.00
Asia-Developed	3.63	0.04
Asia-Emerging	6.30	0.00
Not Classified	**0.00**	**0.00**

Performance 12-31-2020

Investment Activity Graph — Portfolio — Benchmark Final Mkt Val: $525,063



Trailing Returns	3 Mo	1 Yr	3 Yr	5 Yr	10 Yr
Portfolio Return	5.54	9.43	5.55	5.83	4.79
Benchmark Return	12.15	18.40	14.17	15.20	13.87
+/- Benchmark Return	-6.61	-8.97	-8.62	-9.37	-9.08

Best/Worst Time Periods	Best %	Worst %
3 Months	13.43 (Mar 2009-May 2009)	-15.76 (Sep 2008-Nov 2008)
1 Year	30.61 (Mar 2009-Feb 2010)	-19.30 (Mar 2008-Feb 2009)
3 Years	14.88 (Mar 2009-Feb 2012)	-3.68 (Mar 2006-Feb 2009)

Portfolio Yield (12-31-2020)	Yield %
12-Month Yield	—

Portfolio-Level Performance Disclosure

The portfolio-level performance shown is hypothetical and for illustrative purposes only. Investor returns will differ from the results shown.

Holdings 12-31-2020

Top 1 holding out of 1	Symbol	Type	Holding Value $	% Assets
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	MF	525,063	100.00

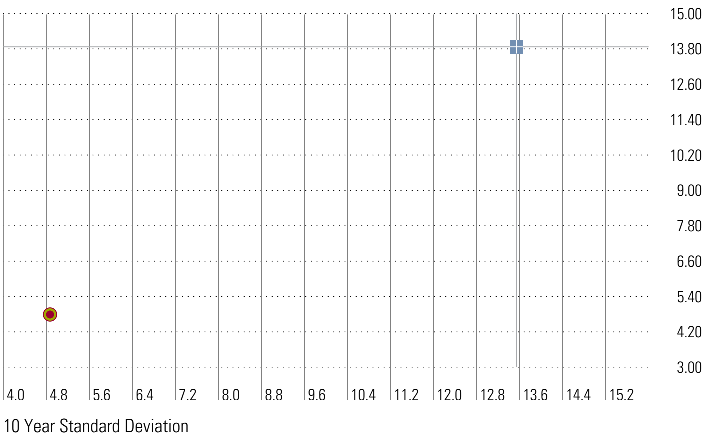
Portfolio Snapshot

Portfolio Value
$525,062.66

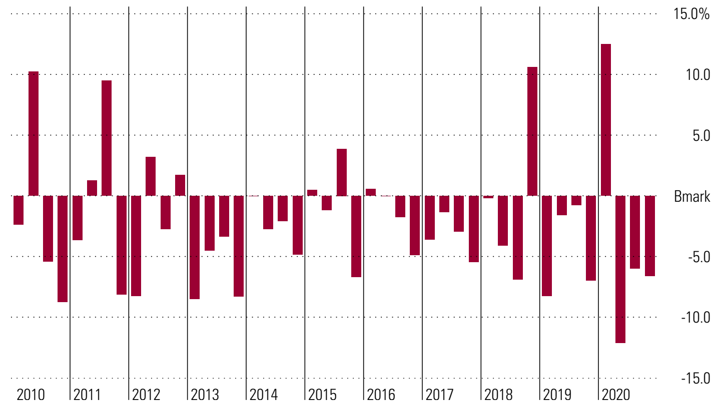
Benchmark
S&P 500 TR USD (USD)

Risk Analysis 12-31-2020

Risk/Reward Scatterplot



Performance History Graph



Risk and Return Statistics	3 Yr Portfolio	3 Yr Bmark	5 Yr Portfolio	5 Yr Bmark	10 Yr Portfolio	10 Yr Bmark
Standard Deviation	6.67	18.79	5.45	15.26	4.87	13.54
Mean	5.55	14.17	5.83	15.20	4.79	13.87
Sharpe Ratio	0.63	0.77	0.87	0.99	0.88	1.05

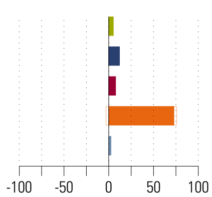
MPT Statistics	3 Yr Portfolio	5 Yr Portfolio	10 Yr Portfolio
Alpha	-0.07	0.35	0.13
Beta	0.31	0.30	0.30
R-Squared	75.49	71.41	71.41

Portfolio-Level Performance Disclosure

The portfolio-level performance shown is hypothetical and for illustrative purposes only. Investor returns will differ from the results shown.

Fundamental Analysis 12-31-2020

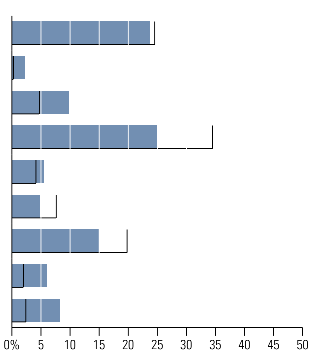
Asset Allocation



	Portfolio Net %	Portfolio Long %	Portfolio Short %
Cash	5.07	5.09	0.03
US Stocks	12.02	12.05	0.03
Non-US Stocks	7.63	7.63	0.00
Bonds	72.79	75.78	2.99
Other/Not Clsfd	**2.50**	**2.55**	**0.04**
Total	100.00	103.09	3.09

Type Weightings

% of Stocks	Portfolio	Bmark
High Yield	23.66	24.58
Distressed	2.15	0.25
Hard Asset	9.83	4.70
Cyclical	24.92	34.53
Slow Growth	5.48	4.14
Classic Growth	4.86	7.61
Aggressive Growth	14.89	19.81
Speculative Growth	6.04	1.97
Not Available	**8.18**	**2.40**



Market Maturity % of Stocks	Portfolio	Bmark
Developed Markets	92.24	99.99
Emerging Markets	7.76	0.01
Not Available	**0.00**	**0.00**

Valuation Multiples	Portfolio	Bmark
Price/Earnings	23.04	28.32
Price/Book	2.28	4.00
Price/Sales	1.77	2.83
Price/Cash Flow	11.22	16.51

Profitability % of Stocks	Portfolio 2020-12	Bmark 2020-12
Net Margin	11.25	15.62
ROE	13.77	27.27
ROA	4.82	8.67
Debt/Capital	41.57	45.66

Fund Statistics	
Potential Cap Gains Exposure	4.12
Avg Net Expense Ratio	1.24
Avg Gross Expense Ratio	1.25

Geometric Avg Capitalization ($Mil)	
Portfolio	44,749.65
Benchmark	176,727.08

Credit Quality Breakdown	% of Bonds
AAA	32.31
AA	11.81
A	7.36
BBB	23.02
BB	11.11
B	11.42
Below B	1.87
NR	1.09

Interest Rate Risk	Bonds	% Not Available
Avg Eff Maturity	8.36	0.00
Avg Eff Duration	5.24	0.00
Avg Wtd Coupon	—	0.00

Portfolio Snapshot

Portfolio Value
$525,062.66

Benchmark
S&P 500 TR USD (USD)

Standardized and Tax Adjusted Returns

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end please visit http://advisor.morningstar.com/familyinfo.asp.

Standardized Returns assume reinvestment of dividends and capital gains. They depict performance without adjusting for the effects of taxation, but are adjusted to reflect sales charges and ongoing fund expenses.

If adjusted for taxation, the performance quoted would be significantly reduced. For variable annuities, additional expenses will be taken into account, including M&E risk charges, fund-level expenses such as management fees and operating fees, contract-level administration fees, and charges such as surrender, contract, and sales charges. The maximum redemption fee is the maximum amount a fund may charge if redeemed in a specific time period after the fund's purchase.

After-tax returns are calculated using the highest individual federal marginal income tax rates, and do not reflect the impact of state and local taxes. Actual after-tax returns depend on the investor's tax situation and may differ from those shown. The after-tax returns shown are not relevant to investors who hold their fund shares through tax-deferred arrangements such as 401(k) plans or an IRA. After-tax returns exclude the effects of either the alternative minimum tax or phase-out of certain tax credits. Any taxes due are as of the time the distributions are made, and the taxable amount and tax character of each distribution are as specified by the fund on the dividend declaration date. Due to foreign tax credits or realized capital losses, after-tax returns may be greater than before-tax returns. After-tax returns for exchange-traded funds are based on net asset value.

Money Market Fund Disclosures

If money market fund(s) are included in the Standardized Returns table below, each money market fund's name will be followed by a superscripted letter that links it to the applicable disclosure below:

Institutional Money Market Funds (designated by an "S"):

You could lose money by investing in the fund. Because the share price of the fund will fluctuate, when you sell your shares they may be worth more or less than what you originally paid for them. The fund may impose a fee upon sale of your shares or may temporarily suspend your ability to sell shares if the fund's liquidity falls below required minimums because of market conditions or other factors. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.

Government Money Market Funds that have chosen to rely on the ability to impose liquidity fees and suspend redemptions (designated by an "L") and
Retail Money Market Funds (designated by an "L"):

You could lose money by investing in the fund. Although the fund seeks to preserve the value of your investment at $1.00 per share, it cannot guarantee it will do so. The fund may impose a fee upon sale of your shares or may temporarily suspend your ability to sell shares if the fund's liquidity falls below required minimums because of market conditions or other factors. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.

Government Money Market Funds that have chosen not to rely on the ability to impose liquidity fees and suspend redemptions (designated by an "N"):

You could lose money by investing in the fund. Although the fund seeks to preserve the value of your investment at $1.00 per share, it cannot guarantee it will do so. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.

Annualized returns 12-31-2020

Standardized Returns (%)	7-day Yield Subsidized *as of date*	7-day Yield Unsubsidized *as of date*	1Yr	5Yr	10Yr	Since Inception	Inception Date	**Max Front Load %**	**Max Back Load %**	**Net Exp Ratio %**	**Gross Exp Ratio %**	**Max Redemption %**
JHancock Multimanager Lifestyle Cnsrv A	—	—	4.50	4.86	4.31	4.68	10-18-2005	**4.50**	**NA**	**1.24**[1]	**1.25**	**NA**
BBgBarc US Agg Bond TR USD			**7.51**	**4.44**	**3.84**	**—**	**01-03-1980**					
Morningstar Con Tgt Risk TR USD			**9.75**	**6.20**	**4.79**	**—**	**02-18-2009**					
Morningstar Mod Tgt Risk TR USD			**12.82**	**9.75**	**7.77**	**—**	**02-18-2009**					

Annualized returns 12-31-2020

Standardized Returns (%)	7-day Yield Subsidized *as of date*	7-day Yield Unsubsidized *as of date*	1Yr	5Yr	10Yr	Since Inception	Inception Date	**Max Front Load %**	**Max Back Load %**	**Net Exp Ratio %**	**Gross Exp Ratio %**	**Max Redemption %**
MSCI EAFE NR USD			**7.82**	**7.45**	**5.51**	**—**	**03-31-1986**					
S&P 500 TR USD			**18.40**	**15.22**	**13.88**	**—**	**01-30-1970**					
USTREAS T-Bill Auction Ave 3 Mon			**0.39**	**1.17**	**0.61**	**—**	**02-28-1941**					

1. Contractual waiver; Expires 04-30-2021

Return after Tax (%)	On Distribution					On Distribution and Sales of Shares			
	1Yr	5Yr	10Yr	Since Inception	Inception Date	1Yr	5Yr	10Yr	Since Inception
JHancock Multimanager Lifestyle Cnsrv A	2.77	3.44	2.84	3.07	10-18-2005	2.69	3.19	2.77	3.01

Portfolio Snapshot

Portfolio Value
$525,062.66

Benchmark
S&P 500 TR USD (USD)

Illustration Returns

Total 1 holding as of 12-31-2020	Symbol	Type	Holdings Date	% of Assets	Holding Value $	30-day SEC Yield Subsidized	30-day SEC Yield Unsubsidized	1 Yr Ret %	3 Yr Ret %	5 Yr Ret %	10 Yr Ret %
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	MF	11-2020	100.00	525,063	—	—	9.43	5.55	5.83	4.79

Performance Disclosure

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please visit http://advisor.morningstar.com/familyinfo.asp.

See Disclosure Page for Standardized Returns.

Stock Intersection

This Stock Detail table shows how the top 50 net stock holdings are distributed across the portfolio, ranked by the percentage of portfolio net assets. The Holding Portfolio Date is the date that the fund's portfolio was last updated. When making comparisons among funds, it is an important date to keep in mind. It is possible that a fund's portfolio could be up to eight months old at the time of publication. See disclosures for more information.

Stock Details

Stock	Ticker/ISIN	Market Value $	% of Investments	Holding Portfolio Date	Sector
Microsoft Corp(USD)	MSFT	1,865	0.36		Technology
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	1,865	0.36	10-31-20	
Amazon.com Inc(USD)	AMZN	1,721	0.33		Consumer Cyclical
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	1,721	0.33	10-31-20	
Apple Inc(USD)	AAPL	1,089	0.21		Technology
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	1,089	0.21	10-31-20	
Alibaba Group Holding Ltd ADR(USD)	BABA	858	0.16		Consumer Cyclical
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	858	0.16	10-31-20	
Alphabet Inc Class C(USD)	GOOG	842	0.16		Communication Services
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	842	0.16	10-31-20	
General Electric Co(USD)	GE	799	0.15		Industrials
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	799	0.15	10-31-20	
Tencent Holdings Ltd(HKD)	00700	770	0.15		Communication Services
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	770	0.15	10-31-20	
Facebook Inc A(USD)	FB	764	0.15		Communication Services
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	764	0.15	10-31-20	
Comcast Corp Class A(USD)	CMCSA	745	0.14		Communication Services
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	745	0.14	10-31-20	
Berkshire Hathaway Inc Class B(USD)	BRK.B	692	0.13		Financial Services
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	692	0.13	10-31-20	
UnitedHealth Group Inc(USD)	UNH	642	0.12		Healthcare
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	642	0.12	10-31-20	
American Electric Power Co Inc(USD)	AEP	624	0.12		Utilities
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	624	0.12	10-31-20	
Alphabet Inc A(USD)	GOOGL	614	0.12		Communication Services
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	614	0.12	10-31-20	

Stock Intersection (Continued)

Stock Details

Stock	Ticker/ISIN	Market Value $	% of Investments	Holding Portfolio Date	Sector
Visa Inc Class A(USD)	V	610	0.12		Financial Services
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	610	0.12	10-31-20	
Exelon Corp(USD)	EXC	569	0.11		Utilities
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	569	0.11	10-31-20	
Taiwan Semiconductor Manufacturing Co Ltd(TWD)	2330	530	0.10		Technology
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	530	0.10	10-31-20	
NextEra Energy Inc Unit(USD)	NEEpP	504	0.10		Utilities
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	504	0.10	10-31-20	
Bank of America Corp(USD)	BAC	502	0.10		Financial Services
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	502	0.10	10-31-20	
PNC Financial Services Group Inc(USD)	PNC	491	0.09		Financial Services
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	491	0.09	10-31-20	
Johnson & Johnson(USD)	JNJ	467	0.09		Healthcare
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	467	0.09	10-31-20	
American Tower Corp(USD)	AMT	460	0.09		Real Estate
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	460	0.09	10-31-20	
Fiserv Inc(USD)	FISV	455	0.09		Technology
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	455	0.09	10-31-20	
National Grid PLC(GBP)	NG.	449	0.09		Utilities
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	449	0.09	10-31-20	
Danaher Corp(USD)	DHR	441	0.08		Healthcare
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	441	0.08	10-31-20	
Marsh & McLennan Companies Inc(USD)	MMC	436	0.08		Financial Services
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	436	0.08	10-31-20	
Duke Energy Corp(USD)	DUK	424	0.08		Utilities
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	424	0.08	10-31-20	

Stock Intersection (Continued)

Stock Details

Stock	Ticker/ISIN	Market Value $	% of Investments	Holding Portfolio Date	Sector
Charter Communications Inc A(USD)	CHTR	416	0.08		Communication Services
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	416	0.08	10-31-20	
Roche Holding AG Dividend Right Cert.(CHF)	ROG	414	0.08		Healthcare
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	414	0.08	10-31-20	
KDDI Corp(JPY)	9433	414	0.08		Communication Services
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	414	0.08	10-31-20	
Edison International(USD)	EIX	412	0.08		Utilities
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	412	0.08	10-31-20	
Dominion Energy Inc Series A(USD)	DCUE	411	0.08		Utilities
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	411	0.08	10-31-20	
Engie SA(EUR)	ENGI	406	0.08		Utilities
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	406	0.08	10-31-20	
Becton, Dickinson and Co(USD)	BDX	402	0.08		Healthcare
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	402	0.08	10-31-20	
NXP Semiconductors NV(USD)	NXPI	402	0.08		Technology
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	402	0.08	10-31-20	
China Longyuan Power Group Corp Ltd Class H(HKD)	00916	401	0.08		Utilities
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	401	0.08	10-31-20	
Iberdrola SA(EUR)	IBE	400	0.08		Utilities
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	400	0.08	10-31-20	
Canadian National Railway Co(CAD)	CNR	397	0.08		Industrials
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	397	0.08	10-31-20	
Humana Inc(USD)	HUM	397	0.08		Healthcare
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	397	0.08	10-31-20	
Sempra Energy(USD)	SRE	393	0.07		Utilities
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	393	0.07	10-31-20	

Stock Intersection (Continued)

Stock Details

Stock	Ticker/ISIN	Market Value $	% of Investments	Holding Portfolio Date	Sector
Danone SA(EUR)	BN	392	0.07		Consumer Defensive
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	392	0.07	10-31-20	
DTE Energy Co Units(USD)	DTP	389	0.07		Utilities
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	389	0.07	10-31-20	
CenterPoint Energy Inc(USD)	CNP	388	0.07		Utilities
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	388	0.07	10-31-20	
Nestle SA(CHF)	NESN	385	0.07		Consumer Defensive
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	385	0.07	10-31-20	
Vinci SA(EUR)	DG	376	0.07		Industrials
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	376	0.07	10-31-20	
TC Energy Corp(CAD)	TRP	372	0.07		Energy
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	372	0.07	10-31-20	
E.ON SE(EUR)	EOAN	370	0.07		Utilities
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	370	0.07	10-31-20	
FirstEnergy Corp(USD)	FE	362	0.07		Utilities
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	362	0.07	10-31-20	
JPMorgan Chase & Co(USD)	JPM	362	0.07		Financial Services
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	362	0.07	10-31-20	
Novartis AG(CHF)	NOVN	357	0.07		Healthcare
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	357	0.07	10-31-20	
Verizon Communications Inc(USD)	VZ	354	0.07		Communication Services
Source of Stock					
JHancock Multimanager Lifestyle Cnsrv A (USD)	JALRX	354	0.07	10-31-20	

Release date 12-31-2020

JHancock Multimanager Lifestyle Cnsrv A (USD)

Morningstar Analyst Rating™	Overall Morningstar Rating™	Standard Index	Category Index	Morningstar Cat
Neutral 03-23-2020	★★★ 166 US Fund Allocation--15% to 30% Equity	Morningstar Mod Tgt Risk TR USD	Morningstar Con Tgt Risk TR USD	US Fund Allocation--15% to 30% Equity

Performance 12-31-2020

Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2018	-0.93	-0.67	0.83	-2.92	-3.67
2019	5.41	2.71	0.95	2.08	11.57
2020	-7.10	8.44	2.93	5.54	9.43

Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	4.50	3.95	4.86	4.31	4.68
Std 12-31-2020	4.50	—	4.86	4.31	4.68
Total Return	9.43	5.55	5.83	4.79	5.00
+/- Std Index	-3.39	-2.99	-3.92	-2.98	—
+/- Cat Index	-0.32	-0.89	-0.36	0.00	—
% Rank Cat	21	41	43	51	
No. in Cat	177	166	147	92	

	Subsidized	Unsubsidized
7-day Yield	—	—
30-day SEC Yield	—	—

Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

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

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-225-5291 or visit www.jhfunds.com.

Fees and Expenses

Sales Charges

Front-End Load %	**4.50**
Deferred Load %	**NA**

Fund Expenses

Management Fees %	0.20
12b1 Expense %	0.30
Gross Expense Ratio %	**1.25**

Risk and Return Profile

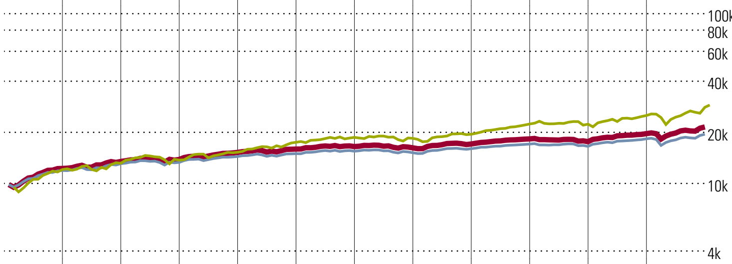
	3 Yr 166 funds	5 Yr 147 funds	10 Yr 92 funds
Morningstar Rating™	3★	3★	3★
Morningstar Risk	Avg	Avg	Avg
Morningstar Return	Avg	Avg	Avg

	3 Yr	5 Yr	10 Yr
Standard Deviation	6.67	5.45	4.87
Mean	5.55	5.83	4.79
Sharpe Ratio	0.62	0.85	0.86

MPT Statistics	Standard Index	Best Fit Index Morningstar Con Tgt Risk TR USD
Alpha	0.13	-2.36
Beta	0.54	1.33
R-Squared	87.87	94.29

12-Month Yield	—
Potential Cap Gains Exp	4.12%

	66	67	68	73	69	71	76	75	76	76	73	73	**Investment Style** Fixed-Income Bond %



Growth of $10,000

- JHancock Multimanager Lifestyle Cnsrv A 21,512
- Category Average 19,484
- Standard Index 28,949

Performance Quartile (within category)

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	12-20	**History**
12.15	12.77	12.63	13.44	13.68	13.30	12.42	12.60	13.06	12.10	13.02	13.65	NAV/Price
22.53	9.96	2.75	10.03	4.66	3.44	-1.74	5.40	7.11	-3.67	11.57	9.43	Total Return %
0.76	-2.37	2.16	-2.02	-9.65	-1.45	0.05	-3.17	-7.55	1.08	-7.46	-3.39	+/- Standard Index
12.97	2.89	-1.63	2.67	1.69	0.06	-0.82	0.73	0.11	-2.48	0.35	-0.32	+/- Category Index
20	38	28	24	47	59	60	43	42	73	41	21	% Rank Cat
119	121	139	170	201	207	229	206	201	200	199	177	No. of Funds in Cat

Portfolio Analysis 11-30-2020

Asset Allocation % 10-31-2020	Net %	Long %	Short %
Cash	5.07	5.09	0.03
US Stocks	12.02	12.05	0.03
Non-US Stocks	7.63	7.63	0.00
Bonds	72.79	75.78	2.99
Other/Not Clsfd	2.50	2.55	0.04
Total	100.00	103.09	3.09

Equity Style

Value Blend Growth; Large Mid Small

Portfolio Statistics	Port Avg	Rel Index	Rel Cat
P/E Ratio TTM	23.0	1.00	0.93
P/C Ratio TTM	11.2	0.91	0.81
P/B Ratio TTM	2.3	0.99	0.77
Geo Avg Mkt Cap $mil	44750	1.01	0.67

Fixed-Income Style

Ltd Mod Ext; High Med Low

Avg Eff Maturity	8.36
Avg Eff Duration	5.24
Avg Wtd Coupon	—
Avg Wtd Price	106.46

Credit Quality Breakdown 10-31-2020	Bond %
AAA	32.31
AA	11.81
A	7.36
BBB	23.02
BB	11.11
B	11.42
Below B	1.87
NR	1.09

Regional Exposure	Stocks %	Rel Std Index
Americas	66.0	1.08
Greater Europe	18.1	1.01
Greater Asia	15.8	0.76

Top Holdings 10-31-2020

Share Chg since 10-2020	Share Amount	Holdings : 3,151 Total Stocks , 4,304 Total Fixed-Income, 47% Turnover Ratio	Net Assets %
⊕	32 mil	JHFunds2 Core Bond NAV	18.64
⊕	26 mil	JHancock Bond NAV	18.03
⊕	22 mil	JHancock Strategic Income Opps NAV	10.07
⊕	14 mil	Fidelity® Inflation-Prot Bd Index	6.15
⊕	14 mil	JHancock Emerging Markets Debt NAV	5.26
⊕	37 mil	JHancock High Yield NAV	5.09
⊕	13 mil	JHancock Floating Rate Income NAV	4.43
⊕	8 mil	JHancock Short Duration Credit Opp	3.00
⊖	6 mil	JHFunds2 Capital Appreciation Valu	2.83
⊕	7 mil	JHancock International Stra Eq All	2.73
⊕	6 mil	JHancock Short Duration Bond NAV	2.58
⊕	5 mil	JHancock Multi-Asset High Income N	2.00
⊖	4 mil	JHFunds2 Asia Pacific Total Ret Bd	1.84
⊖	3 mil	JHancock Infrastructure NAV	1.70
	4 mil	JHancock Diversified Real Assets N	1.37

Sector Weightings	Stocks %	Rel Std Index
Cyclical	**33.1**	**0.87**
Basic Materials	4.8	0.94
Consumer Cyclical	10.8	1.00
Financial Services	12.1	0.81
Real Estate	5.4	0.74
Sensitive	**37.2**	**0.98**
Communication Services	8.8	1.24
Energy	4.6	1.39
Industrials	10.3	0.89
Technology	13.5	0.84
Defensive	**29.7**	**1.25**
Consumer Defensive	7.4	0.93
Healthcare	11.1	0.89
Utilities	11.2	3.32

Operations

Family:	John Hancock	Ticker:	JALRX	Incept:	10-18-2005
Manager:	Multiple	ISIN:	US47803V4169	Type:	MF
Tenure:	7.7 Years	Minimum Initial Purchase:	$1,000	Total Assets:	$2,503.62 mil
Objective:	Income	Min Auto Investment Plan:	$1,000		
Base Currency:	USD	Purchase Constraints:	—		

Hypothetical Report Disclosure Statement

General

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

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

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

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

Before investing, an investor should consider whether the investor's or designated beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in such state's 529 qualified tuition program.

Comparison of Fund Types

Funds, including closed-end funds, exchange-traded funds (ETFs), money market funds, open-end funds, and unit investment trusts (UITs), have many similarities, but also many important differences. In general, publicly-offered funds are investment companies registered with the Securities and Exchange Commission under the Investment Company Act of 1940, as amended. Funds pool money from their investors and manage it according to an investment strategy or objective, which can vary greatly from fund to fund. Funds have the ability to offer diversification and professional management, but also involve risk, including the loss of principal.

A closed-end fund is an investment company, which typically makes one public offering of a fixed number of shares. Thereafter, shares are traded on a secondary market. As a result, the secondary market price may be higher or lower than the closed-end fund's net asset value (NAV). If these shares trade at a price above their NAV, they are said to be trading at a premium. Conversely, if they are trading at a price below their NAV, they are said to be trading at a discount. A closed-end mutual fund's expense ratio is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. Closed-end funds may also have 12b-1 fees. Income distributions and capital gains of the closed-end fund are subject to income tax, if held in a taxable account.

An ETF is an investment company that typically has an investment objective of striving to achieve a similar return as a particular market index. The ETF will invest in either all or a representative sample of the securities included in the index it is seeking to imitate. Like closed-end funds, an ETF can be traded on a secondary market and thus have a market price that may be higher or lower than its net asset value. If these shares trade at a price above their NAV, they are said to be trading at a premium. Conversely, if they are trading at a price below their NAV, they are said to be trading at a discount. ETFs are not actively managed, so their value may be affected by a general decline in the U.S. market segments relating to their underlying indexes. Similarly, an imperfect match between an ETF's holdings and those of its underlying index may cause its performance to vary from that of its underlying index. The expense ratio of an ETF is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. ETFs do not have 12b-1 fees or sales loads. Capital gains from funds held in a taxable account are subject to income tax. In many, but not all cases, ETFs are generally considered to be more tax-efficient when compared to similarly invested mutual funds.

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

A money-market fund is an investment company that invests in commercial paper, banker's acceptances, repurchase agreements, government securities, certificates of deposit and other highly liquid securities, and pays money market rates of interest. Money markets are not FDIC-insured, may lose money, and are not guaranteed by a bank or other financial institution.

An open-end fund is an investment company that issues shares on a continuous basis. Shares can be purchased from the open-end mutual fund itself, or through an intermediary, but cannot be traded on a secondary market, such as the New York Stock Exchange. Investors pay the open-end mutual fund's current net asset value plus any initial sales loads. Net asset value is calculated daily, at the close of business. Open-end mutual fund shares can be redeemed, or sold back to the fund or intermediary, at their current net asset value minus any deferred sales loads or redemption fees. The expense ratio for an open-end mutual fund is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. Open-end funds may also have 12b-1 fees. Income distributions and capital gains of the open-end fund are subject to income tax, if held in a taxable account.

A unit investment trust (UIT) is an investment company organized under a trust agreement between a sponsor and trustee. UITs typically purchase a fixed portfolio of securities and then sell units in the trust to investors. The major difference between a UIT and a mutual fund is that a mutual fund is actively managed, while a UIT is not. On a periodic basis, UITs usually distribute to the unit holder their pro rata share of the trust's net investment income and net realized capital gains, if any. If the trust is one that invests only in tax-free securities, then the income from the trust is also tax-free. UITs generally make one public offering of a fixed number of units. However, in some cases, the sponsor will maintain a secondary market that allows existing unit holders to sell their units and for new investors to buy units. A one-time initial sales charge is deducted from an investment made into the trust. UIT investors may also pay creation and development fees, organization costs, and/or trustee and operation expenses. UIT units may be redeemed by the sponsor at their net asset value minus a deferred sales charge, and sold to other investors. UITs have set termination dates, at which point the underlying securities are sold and the sales proceeds are paid to the investor. Typically, a UIT investment is rolled over into successive trusts as part of a long-term strategy. A rollover fee may be charged for the exercise of rollover purchases. There are tax consequences associated with rolling over an investment from one trust to the next.

Comparison of Other Security Types

Variable annuities are tax-deferred investments structured to convert a sum of money into a series of payments over time. Variable annuity policies have limitations and are not viewed as short-term liquid investments. An insurance company's fulfillment of a commitment to pay a minimum death benefit, a schedule of payments, a fixed investment account guaranteed by the insurance company, or another form of guarantee depends on the claims-paying ability of the issuing insurance company. Any such guarantee does not affect or apply to the investment return or principal value of the separate account and its subaccount. The financial ratings quoted for an insurance company do not apply to the separate account and its subaccount. The insurance company offering a variable annuity will charge several fees to investors, including annual contract charges that compensate the insurance company for the cost of maintaining and administering the variable annuity contract, mortality and expense risk (M&E Risk) charges based on a percentage of a subaccount's assets to cover costs associated with mortality and expense risk, and administration fees that are based on a percentage of a subaccount's assets to cover the costs involved in offering and administering the subaccount. A variable annuity investor will also be charged a front-end load by the insurance company on their initial contribution, ongoing fees related to the management of the fund, and surrender charges if the investor makes a withdrawal prior to a specified time. If the variable annuity subaccount is invested in a money-market fund, the money market fund is not FDIC-insured, may lose money, and is not guaranteed by a bank or other financial institution.

Variable life insurance is a cash-value life insurance that has a variable cash value and/or death benefit depending on the investment performance of the subaccount into which premium payments are invested. Unlike traditional life insurance, variable life insurance has inherent risks associated with it, including market volatility, and is not viewed as a short-term liquid investment. For more information on a variable life product, including each subaccount, please read the current prospectus. Please note, the financial ratings noted on the report are quoted for an insurance company and do not apply to the separate account and its subaccount. The insurance company offering a variable life contract will charge several fees to investors, including annual contract charges that compensate the insurance company for the cost of maintaining and administering the variable life contract, mortality and expense risk (M&E Risk) charges based on a percentage of a subaccount's assets to cover costs associated with mortality and expense risk, and administration fees that are based on a percentage of a subaccount's assets to cover the costs involved in offering and administering the subaccount. A variable life investor will also be charged a front-end load by the insurance company on their initial contribution, ongoing fees related to the management of the fund, and surrender charges if the investor makes a withdrawal prior to a specified time. If the variable life subaccount is invested in a money-market fund, the money market fund is not FDIC-insured, may lose money, and is not guaranteed by a bank or other financial institution.

Fixed annuities have a predetermined rate of return an investor earns and a fixed income payout that is guaranteed by the issuing investment company, and may be immediate or deferred. Payouts may last for a specific period or for the life of the investor. Investments in a deferred fixed annuity grow tax-deferred with income tax incurred upon withdrawal, and do not depend on the stock market. However, the insurance company's guaranteed rate of return and payments depends on the claims-paying ability of the insurance company. Fixed annuities typically do not have cost-of-living payment adjustments. Fixed annuities often have surrender charges if the event you need to withdraw your investment early. Fixed annuities are regulated by state insurance commissioners.

Fixed indexed annuities, also called equity index annuities, are a combination of the characteristics of both fixed and variable annuities. Fixed indexed annuities offer a predetermined rate of return like a fixed annuity, but they also allow for participation in the stock market, like a variable annuity. Fixed indexed annuities are typically risker and offer the potential for greater return than fixed annuities, but less so than a variable annuity. Investments in a fixed indexed annuity grow tax-deferred with income tax incurred upon withdrawal. The insurance company's guaranteed rate of return and ability to make payments depends on the claims-paying ability of the insurance company. While fixed indexed annuities may limit an investor's gains in an up market, they are also designed to help limit losses in a down market. Fixed indexed annuities can be complicated and an investor in a fixed indexed annuity should carefully read the insurance company's offering material to understand how a specific annuity's return will be determined. Fixed indexed annuities often have surrender charges in the event you need to withdraw your investment early and are regulated by state insurance commissioners.

A stock is an ownership interest in a company. When an investor purchases a stock, they become a business owner, and the value of their ownership stake will rise and fall according to the underlying business. Stockholders are entitled to the profits, if any, generated by the company after everyone else – employees, vendors, lenders – get paid. Companies usually pay out their profits to investors in the form of dividends, or they reinvest the money back into the business. Stocks trade on exchanges throughout the day, through a brokerage firm who will charge a commission for the purchase or sale of shares. Income distributions and capital gains of the stock are subject to income tax upon their sale, if held in a taxable account.

A bond is a debt security. When an investor purchases a bond, the purchase amount is lent to a government, municipality, corporation or other entity known as an issuer. The issuer promises to pay a specified rate of interest during the life of the bond and repay the face value of the bond when it matures. U.S Treasuries can be purchased directly from the Treasury or through a brokerage firm. Most other newly issued bonds are offered through an underwriter. Older bonds are traded throughout the day on the secondary market and can be purchased through a brokerage firm, who will charge transaction fees and commission for the purchase or sale. Price evaluations are provided by Interactive Data Corporation (IDC).

Preferred stock usually offers a fixed dividend payment, which is paid out before variable dividends that may be paid to investors in a company's common stock. Therefore, preferred stock is typically less risky in terms of principal loss, but there is also less potential for return when compared to a company's common stock. If a company fails, their obligations to preferred stockholders must be met before those of the company's common stock holders, but after bondholders are reimbursed.

A separate account is a portfolio of securities (such as stocks, bonds, and cash) that follows a specified investment strategy and is managed by an investment professional. The securities in the portfolio are directly owned by the separate account's owner. Separate accounts are unregistered investment vehicles; therefore they do not have the same performance and holding reporting responsibilities that registered securities have. Separate account performance data is reported to Morningstar from the investment manager as a composite of similarly managed portfolios. As such, investors in the same separate account may have slightly different portfolio holdings because each investor has customized account needs, tax considerations and security preferences. The method for calculating composite returns can vary. The composite performance for each separate account manager may differ from actual returns in specific client accounts during the same period for a number of reasons. Different separate account managers may use different methods in constructing or computing performance figures. Thus, performance and risk figures for different separate account managers may not be fully comparable to each other. Likewise, performance and risk information of certain separate account managers may include only composites of larger accounts, which may or may not have more holdings, different diversification, different trading patterns and different performance than smaller accounts with the same strategy. Finally, composite performance of the separate account offered by the money manager may or may not reflect the reinvestment of dividends and capital gains. Gross returns are collected on a monthly and quarterly basis for separate accounts and commingled pools. This information is collected directly from the asset management firm running the product(s). Morningstar calculates total returns, using the raw data (gross monthly and quarterly returns), collected from these asset management firms. The performance data reported by the separate account managers will not represent actual performance net of management fees, brokerage commissions or other expenses. Management fees as well as other expenses a client may incur will reduce individual returns for that client. Because fees are deducted regularly, the compounding effect will increase the impact of the fee deduction on gross account performance by a greater percentage than that of the annual fee charged. For example, if an account is charged a 1% management fee per year and has gross performance of 12% during that same period, the compounding effect of the quarterly fee assessments will result in an actual return of approximately 10.9%. Clients should refer to the disclosure document of the separate account manager and their financial professional for specific information regarding fees and expenses. The analysis in this report may be based, in part, on adjusted historical returns for periods prior to an insurance group separate account's (IGSA's) actual inception. When pre-inception data are presented in the report, the header at the top of the report will indicate this and the affected data elements will be displayed in italics. These calculated returns reflect the historical performance of the oldest share class of the underlying fund, adjusted to reflect the management fees of the current IGSA. While the inclusion of pre-inception data provides valuable insight into the probable long-term behavior of an IGSA based on the underlying fund's performance, investors should be aware that an adjusted historical return can only provide an approximation of that behavior. These adjusted historical returns are not actual returns. Calculation methodologies utilized by Morningstar may differ from those applied by other entities, including the IGSA itself. Morningstar % Rank within Morningstar Category does not account for a separate account's sales charge (if applicable).

A collective investment trust (CIT) may also be called a commingled or collective fund. CITs are tax-exempt, pooled investment vehicles maintained by a bank or trust company exclusively for qualified plans, including 401(k)s, and certain types of government plans. CITs are unregistered investment vehicles subject to banking regulations of the Office of the Comptroller of the Currency (OCC), which means they are typically less expensive than other investment options due to lower marketing, overhead, and compliance-related costs. CITs are not available to the general public, but are managed only for specific retirement plans.

A 529 Portfolio is a specific portfolio of securities created from a 529 plan's available investments. In general, the data presented for a 529 Portfolio uses a weighted average of the underlying holdings in the portfolio. Most 529 plans are invested in open-end mutual funds; however, other investment types are possible such as stable value funds, certificates of deposit, and separate accounts.

Before investing, an investor should consider whether the investor's or designated beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in such state's 529 qualified tuition program.

Offshore funds are funds domiciled in a country outside the one the investor resides in. Many banks have offshore subsidiaries that are under the standards and regulations of the particular country, which can vary considerably. Companies may establish headquarters offshore because of lower tax rates. Offshore funds are not regulated by the SEC and may have tax implications.

Hedge funds are aggressively managed portfolios which make extensive use of unconventional investment tools such as derivatives as well as long and short positions. Managers of hedge-funds typically focus on specific areas of the market and/or trading strategies. Strategies may include the use of arbitrage, derivatives, leverage, and short selling, and may hold concentrated positions or private securities, which can make them risker than other investment types. Hedge funds are typically pooled investment vehicles available to sophisticated investors that meet high investing minimums. Many hedge funds are unregistered and are not subject to the same regulations as registered investment vehicles, such as mutual funds. Funds of hedge funds are pooled investment vehicles that invest in multiple unregistered hedge funds, and may be registered with the SEC. Registered funds of hedge funds typically have lower investment minimums than hedge funds, but they are usually not registered on an exchange and can be illiquid. Fund of hedge fund fees are generally higher than those of other pooled investments (like mutual funds) and may have tax consequences.

Cash is a short-term, highly liquid investment. Cash typically doesn't earn as much as other investments, such as stocks or bonds, but is less risky.

Indexes are unmanaged and not available for direct investment. Indexes are created to measure a specified area of the stock market using a representative portfolio of securities. If a security is not available in Morningstar's database, your financial professional may choose to show a representative index. Please note that indexes vary widely, and it is important to choose an index that has similar characteristics to the security it is being used to represent. In no way should the performance of an index be considered indicative or a guarantee of the future performance of an actual security, be considered indicative of the actual performance achieved by a security, or viewed as a substitute for the actual security in your portfolio. Actual results of a security may differ substantially from the historical performance shown for an index and may include an individual client incurring a loss. Past performance is no guarantee of future results.

Morningstar assigns each security in its database to a Morningstar Category using the underlying securities in the security's portfolio. If a security is not available in Morningstar's database, your financial professional may choose to show the security's category. Please note that a category will not be an exact match to your securities. In no way should the performance of a category be considered indicative or a guarantee of the future performance of an actual security, be considered indicative of the actual performance achieved by a security, or viewed as a substitute for the actual security in your portfolio. Actual results of a security may differ substantially from the historical performance shown for a category and may include an individual client incurring a loss. Past performance is no guarantee of future results.

Pre-inception Returns

The analysis in this report may be based, in part, on adjusted historical returns for periods prior to the fund's actual inception. These calculated returns reflect the historical performance of the oldest share class of the fund, adjusted to reflect the fees and expenses of this share class. These fees and expenses are referenced in the report's Charges and Fees section.

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

While the inclusion of pre-inception data provides valuable insight into the probable long-term behavior of newer share classes of a fund, investors should be aware that an adjusted historical return can only provide an approximation of that behavior. For example, the fee structures of a retail share class will vary from that of an institutional share class, as retail shares tend to have higher operating expenses and sales charges. These adjusted historical returns are not actual returns. Calculation methodologies utilized by Morningstar may differ from those applied by other entities, including the fund itself.

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

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

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

Investment Summary Graph

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

Standardized Returns

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

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

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

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

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

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

Bond Returns

Price evaluations and fixed coupon amounts are provided by Interactive Data Corporation. The fixed coupon amount is assumed to be paid out semi-annually with the first payment beginning six months after the bond start date within the illustration.

Definitions of Report Terms

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

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

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

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

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

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

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

Liquidate: Indicates whether the financial professional chose that the holding be liquidated on the end date.

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

New investment: Any new cash invested during the period.

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

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

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

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

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

Taxes Due: The total amount of taxes due from the investor, determined by applying specified tax rates to distributions and sale of shares during each calendar year. Taxes accrued during the calendar year are applied on April 15 of the following year, or on the illustration end date if it occurs before April 15.

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

Net Amount Invested: The total out-of-pocket expense for the investor. Includes new investment, annual fees paid to financial professional, and taxes due. This figure is net of withdrawals, including liquidation.

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

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

Expense Ratio %

The expense ratio is the annual fee that all funds charge their shareholders. It expresses the percentage of assets deducted each fiscal year for fund expenses, including 12b-1 fees, management fees, administrative fees, operating costs, and all other asset-based costs incurred by the fund. Portfolio transaction fees, or brokerage costs, as well as front-end or deferred sales charges are not included in the expense ratio. The expense ratio, which is deducted from the fund's average net assets, is accrued on a daily basis. The gross expense ratio, in contrast to the net expense ratio, does not reflect any fee waivers in effect during the time period.

Portfolio X-Ray Report Disclosure Statement

General

This report summarizes the composition characteristics of a portfolio of securities. It considers broad asset allocation and regional exposure, security style, and sector exposure to provide a variety of ways for considering the level of diversification within a portfolio, its potential riskiness, and its possible behavior in the future.

The Portfolio X-Ray report is supplemental sales literature and must be preceded or accompanied by the fund's/policy's current prospectus or equivalent. Please read these carefully before investing. In all cases, this disclosure statement should accompany the Portfolio X-Ray report. Morningstar is not itself a FINRA-member firm.

Data for this analysis is collected in several ways. For mutual funds, closed-end funds, exchange-traded funds, and variable annuity subaccounts, equity data is based upon Morningstar's analysis of the holdings, which are provided periodically by the fund to Morningstar. For fixed-income securities included in these products, duration and other data is provided by the fund company. For separately managed accounts, data for the account composite reflecting the average investor's experience is provided directly by the manager. Stock data is based upon Morningstar analysis.

An investment in the funds/subaccounts listed in this report is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency.

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

Comparison of Fund Types

Funds, including closed-end funds, exchange-traded funds (ETFs), money market funds, open-end funds, and unit investment trusts (UITs), have many similarities, but also many important differences. In general, publicly-offered funds are investment companies registered with the Securities and Exchange Commission under the Investment Company Act of 1940, as amended. Funds pool money from their investors and manage it according to an investment strategy or objective, which can vary greatly from fund to fund. Funds have the ability to offer diversification and professional management, but also involve risk, including the loss of principal.

A closed-end fund is an investment company, which typically makes one public offering of a fixed number of shares. Thereafter, shares are traded on a secondary market. As a result, the secondary market price may be higher or lower than the closed-end fund's net asset value (NAV). If these shares trade at a price above their NAV, they are said to be trading at a premium. Conversely, if they are trading at a price below their NAV, they are said to be trading at a discount. A closed-end mutual fund's expense ratio is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. Closed-end funds may also have 12b-1 fees. Income distributions and capital gains of the closed-end fund are subject to income tax, if held in a taxable account.

An ETF is an investment company that typically has an investment objective of striving to achieve a similar return as a particular market index. The ETF will invest in either all or a representative sample of the securities included in the index it is seeking to imitate. Like closed-end funds, an ETF can be traded on a secondary market and thus have a market price that may be higher or lower than its net asset value. If these shares trade at a price above their NAV, they are said to be trading at a premium. Conversely, if they are trading at a price below their NAV, they are said to be trading at a discount. ETFs are not actively managed, so their value may be affected by a general decline in the U.S. market segments relating to their underlying indexes. Similarly, an imperfect match between an ETF's holdings and those of its underlying index may cause its performance to vary from that of its underlying index. The expense ratio of an ETF is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. ETFs do not have 12b-1 fees or sales loads. Capital gains from funds held in a taxable account are subject to income tax. In many, but not all cases, ETFs are generally considered to be more tax-efficient when compared to similarly invested mutual funds.

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

A money-market fund is an investment company that invests in commercial paper, banker's acceptances, repurchase agreements, government securities, certificates of deposit and other highly liquid securities, and pays money market rates of interest. Money markets are not FDIC-insured, may lose money, and are not guaranteed by a bank or other financial institution.

An open-end fund is an investment company that issues shares on a continuous basis. Shares can be purchased from the open-end mutual fund itself, or through an intermediary, but cannot be traded on a secondary market, such as the New York Stock Exchange. Investors pay the open-end mutual fund’s current net asset value plus any initial sales loads. Net asset value is calculated daily, at the close of business. Open-end mutual fund shares can be redeemed, or sold back to the fund or intermediary, at their current net asset value minus any deferred sales loads or redemption fees. The expense ratio for an open-end mutual fund is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. Open-end funds may also have 12b-1 fees. Income distributions and capital gains of the open-end fund are subject to income tax, if held in a taxable account.

A unit investment trust (UIT) is an investment company organized under a trust agreement between a sponsor and trustee. UITs typically purchase a fixed portfolio of securities and then sell units in the trust to investors. The major difference between a UIT and a mutual fund is that a mutual fund is actively managed, while a UIT is not. On a periodic basis, UITs usually distribute to the unit holder their pro rata share of the trust's net investment income and net realized capital gains, if any. If the trust is one that invests only in tax-free securities, then the income from the trust is also tax-free. UITs generally make one public offering of a fixed number of units. However, in some cases, the sponsor will maintain a secondary market that allows existing unit holders to sell their units and for new investors to buy units. A one-time initial sales charge is deducted from an investment made into the trust. UIT investors may also pay creation and development fees, organization costs, and/or trustee and operation expenses. UIT units may be redeemed by the sponsor at their net asset value minus a deferred sales charge, and sold to other investors. UITs have set termination dates, at which point the underlying securities are sold and the sales proceeds are paid to the investor. Typically, a UIT investment is rolled over into successive trusts as part of a long-term strategy. A rollover fee may be charged for the exercise of rollover purchases. There are tax consequences associated with rolling over an investment from one trust to the next.

Comparison of Other Security Types

Variable annuities are tax-deferred investments structured to convert a sum of money into a series of payments over time. Variable annuity policies have limitations and are not viewed as short-term liquid investments. An insurance company's fulfillment of a commitment to pay a minimum death benefit, a schedule of payments, a fixed investment account guaranteed by the insurance company, or another form of guarantee depends on the claims-paying ability of the issuing insurance company. Any such guarantee does not affect or apply to the investment return or principal value of the separate account and its subaccount. The financial ratings quoted for an insurance company do not apply to the separate account and its subaccount. The insurance company offering a variable annuity will charge several fees to investors, including annual contract charges that compensate the insurance company for the cost of maintaining and administering the variable annuity contract, mortality and expense risk (M&E Risk) charges based on a percentage of a subaccount’s assets to cover costs associated with mortality and expense risk, and administration fees that are based on a percentage of a subaccount’s assets to cover the costs involved in offering and administering the subaccount. A variable annuity investor will also be charged a front-end load by the insurance company on their initial contribution, ongoing fees related to the management of the fund, and surrender charges if the investor makes a withdrawal prior to a specified time. If the variable annuity subaccount is invested in a money-market fund, the money market fund is not FDIC-insured, may lose money, and is not guaranteed by a bank or other financial institution.

Variable life insurance is a cash-value life insurance that has a variable cash value and/or death benefit depending on the investment performance of the subaccount into which premium payments are invested. Unlike traditional life insurance, variable life insurance has inherent risks associated with it, including market volatility, and is not viewed as a short-term liquid investment. For more information on a variable life product, including each subaccount, please read the current prospectus. Please note, the financial ratings noted on the report are quoted for an insurance company and do not apply to the separate account and its subaccount. The insurance company offering a variable life contract will charge several fees to investors, including annual contract charges that compensate the insurance company for the cost of maintaining and administering the variable life contract, mortality and expense risk (M&E Risk) charges based on a percentage of a subaccount’s assets to cover costs associated with mortality and expense risk, and administration fees that are based on a percentage of a subaccount’s assets to cover the costs involved in offering and administering the subaccount. A variable life investor will also be charged a front-end load by the insurance company on their initial contribution, ongoing fees related to the management of the fund, and surrender charges if the investor makes a withdrawal prior to a specified time. If the variable life subaccount is invested in a money-market fund, the money market fund is not FDIC-insured, may lose money, and is not guaranteed by a bank or other financial institution.

Fixed annuities have a predetermined rate of return an investor earns and a fixed income payout that is guaranteed by the issuing investment company, and may be immediate or deferred. Payouts may last for a specific period or for the life of the investor. Investments in a deferred fixed annuity grow tax-deferred with income tax incurred upon withdrawal, and do not depend on the stock market. However, the insurance company's guaranteed rate of return and payments depends on the claims-paying ability of the insurance company. Fixed annuities typically do not have cost-of-living payment adjustments. Fixed annuities often have surrender charges if the event you need to withdraw your investment early. Fixed annuities are regulated by state insurance commissioners.

Fixed indexed annuities, also called equity index annuities, are a combination of the characteristics of both fixed and variable annuities. Fixed indexed annuities offer a predetermined rate of return like a fixed annuity, but they also allow for participation in the stock market, like a variable annuity. Fixed indexed annuities are typically risker and offer the potential for greater return than fixed annuities, but less so than a variable annuity. Investments in a fixed indexed annuity grow tax-deferred with income tax incurred upon withdrawal. The insurance company’s guaranteed rate of return and ability to make payments depends on the claims-paying ability of the insurance company. While fixed indexed annuities may limit an investor’s gains in an up market, they are also designed to help limit losses in a down market. Fixed indexed annuities can be complicated and an investor in a fixed indexed annuity should carefully read the insurance company’s offering material to understand how a specific annuity’s return will be determined. Fixed indexed annuities often have surrender charges in the event you need to withdraw your investment early and are regulated by state insurance commissioners.

A stock is an ownership interest in a company. When an investor purchases a stock, they become a business owner, and the value of their ownership stake will rise and fall according to the underlying business. Stockholders are entitled to the profits, if any, generated by the company after everyone else – employees, vendors, lenders – get paid. Companies usually pay out their profits to investors in the form of dividends, or they reinvest the money back into the business. Stocks trade on exchanges throughout the day, through a brokerage firm who will charge a commission for the purchase or sale of shares. Income distributions and capital gains of the stock are subject to income tax upon their sale, if held in a taxable account.

A bond is a debt security. When an investor purchases a bond, the purchase amount is lent to a government, municipality, corporation or other entity known as an issuer. The issuer promises to pay a specified rate of interest during the life of the bond and repay the face value of the bond when it matures. U.S Treasuries can be purchased directly from the Treasury or through a brokerage firm. Most other newly issued bonds are offered through an underwriter. Older bonds are traded throughout the day on the secondary market and can be purchased through a brokerage firm, who will charge transaction fees and commission for the purchase or sale. Price evaluations are provided by Interactive Data Corporation (IDC).

Preferred stock usually offers a fixed dividend payment, which is paid out before variable dividends that may be paid to investors in a company's common stock. Therefore, preferred stock is typically less risky in terms of principal loss, but there is also less potential for return when compared to a company's common stock. If a company fails, their obligations to preferred stockholders must be met before those of the company's common stock holders, but after bondholders are reimbursed.

A separate account is a portfolio of securities (such as stocks, bonds, and cash) that follows a specified investment strategy and is managed by an investment professional. The securities in the portfolio are directly owned by the separate account's owner. Separate accounts are unregistered investment vehicles; therefore they do not have the same performance and holding reporting responsibilities that registered securities have. Separate account performance data is reported to Morningstar from the investment manager as a composite of similarly managed portfolios. As such, investors in the same separate account may have slightly different portfolio holdings because each investor has customized account needs, tax considerations and security preferences. The method for calculating composite returns can vary. The composite performance for each separate account manager may differ from actual returns in specific client accounts during the same period for a number of reasons. Different separate account managers may use different methods in constructing or computing performance figures. Thus, performance and risk figures for different separate account managers may not be fully comparable to each other. Likewise, performance and risk information of certain separate account managers may include only composites of larger accounts, which may or may not have more holdings, different diversification, different trading patterns and different performance than smaller accounts with the same strategy. Finally, composite performance of the separate account offered by the money manager may or may not reflect the reinvestment of dividends and capital gains. Gross returns are collected on a monthly and quarterly basis for separate accounts and commingled pools. This information is collected directly from the asset management firm running the product(s). Morningstar calculates total returns, using the raw data (gross monthly and quarterly returns), collected from these asset management firms. The performance data reported by the separate account managers will not represent actual performance net of management fees, brokerage commissions or other expenses. Management fees as well as other expenses a client may incur will reduce individual returns for that client. Because fees are deducted regularly, the compounding effect will increase the impact of the fee deduction on gross account performance by a greater percentage than that of the annual fee charged. For example, if an account is charged a 1% management fee per year and has gross performance of 12% during that same period, the compounding effect of the quarterly fee assessments will result in an actual return of approximately 10.9%. Clients should refer to the disclosure document of the separate account manager and their financial professional for specific information regarding fees and expenses. The analysis in this report may be based, in part, on adjusted historical returns for periods prior to an insurance group separate account's (IGSA's) actual inception. When pre-inception data are presented in the report, the header at the top of the report will indicate this and the affected data elements will be displayed in italics. These calculated returns reflect the historical performance of the oldest share class of the underlying fund, adjusted to reflect the management fees of the current IGSA. While the inclusion of pre-inception data provides valuable insight into the probable long-term behavior of an IGSA based on the underlying fund's performance, investors should be aware that an adjusted historical return can only provide an approximation of that behavior. These adjusted historical returns are not actual returns. Calculation methodologies utilized by Morningstar may differ from those applied by other entities, including the IGSA itself. Morningstar % Rank within Morningstar Category does not account for a separate account's sales charge (if applicable).

A collective investment trust (CIT) may also be called a commingled or collective fund. CITs are tax-exempt, pooled investment vehicles maintained by a bank or trust company exclusively for qualified plans, including 401(k)s, and certain types of government plans. CITs are unregistered investment vehicles subject to banking regulations of the Office of the Comptroller of the Currency (OCC), which means they are typically less expensive than other investment options due to lower marketing, overhead, and compliance-related costs. CITs are not available to the general public, but are managed only for specific retirement plans.

A 529 Portfolio is a specific portfolio of securities created from a 529 plan's available investments. In general, the data presented for a 529 Portfolio uses a weighted average of the underlying holdings in the portfolio. Most 529 plans are invested in open-end mutual funds; however, other investment types are possible such as stable value funds, certificates of deposit, and separate accounts.

Before investing, an investor should consider whether the investor's or designated beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in such state's 529 qualified tuition program.

Offshore funds are funds domiciled in a country outside the one the investor resides in. Many banks have offshore subsidiaries that are under the standards and regulations of the particular country, which can vary considerably. Companies may establish headquarters offshore because of lower tax rates. Offshore funds are not regulated by the SEC and may have tax implications.

Hedge funds are aggressively managed portfolios which make extensive use of unconventional investment tools such as derivatives as well as long and short positions. Managers of hedge-funds typically focus on specific areas of the market and/or trading strategies. Strategies may include the use of arbitrage, derivatives, leverage, and short selling, and may hold concentrated positions or private securities, which can make them risker than other investment types. Hedge funds are typically pooled investment vehicles available to sophisticated investors that meet high investing minimums. Many hedge funds are unregistered and are not subject to the same regulations as registered investment vehicles, such as mutual funds. Funds of hedge funds are pooled investment vehicles that invest in multiple unregistered hedge funds, and may be registered with the SEC. Registered funds of hedge funds typically have lower investment minimums than hedge funds, but they are usually not registered on an exchange and can be illiquid. Fund of hedge fund fees are generally higher than those of other pooled investments (like mutual funds) and may have tax consequences.

Cash is a short-term, highly liquid investment. Cash typically doesn't earn as much as other investments, such as stocks or bonds, but is less risky.

Indexes are unmanaged and not available for direct investment. Indexes are created to measure a specified area of the stock market using a representative portfolio of securities. If a security is not available in Morningstar's database, your financial professional may choose to show a representative index. Please note that indexes vary widely, and it is important to choose an index that has similar characteristics to the security it is being used to represent. In no way should the performance of an index be considered indicative or a guarantee of the future performance of an actual security, be considered indicative of the actual performance achieved by a security, or viewed as a substitute for the actual security in your portfolio. Actual results of a security may differ substantially from the historical performance shown for an index and may include an individual client incurring a loss. Past performance is no guarantee of future results.

Morningstar assigns each security in its database to a Morningstar Category using the underlying securities in the security's portfolio. If a security is not available in Morningstar's database, your financial professional may choose to show the security's category. Please note that a category will not be an exact match to your securities. In no way should the performance of a category be considered indicative or a guarantee of the future performance of an actual security, be considered indicative of the actual performance achieved by a security, or viewed as a substitute for the actual security in your portfolio. Actual results of a security may differ substantially from the historical performance shown for a category and may include an individual client incurring a loss. Past performance is no guarantee of future results.

Asset Allocation
The weighting of the portfolio in various asset classes, including "Other" is shown in this graph and table. "Other" includes security types that are not neatly classified in the other asset classes, such as convertible bonds and preferred stocks.

In the graph and table, allocation to the classes is shown for long positions, short positions, and net (long positions net of short) positions. These new portfolio statistics help investors look "under the hood" of a portfolio. These statistics summarize what the managers are buying and how they are positioning the portfolio. When short positions are captured in these portfolio statistics, investors get a more robust description of the funds' exposure and risk.

Most managed product portfolios hold fairly conventional securities, such as long positions in stocks and bonds. Other portfolios use other investment strategies or securities, such as short positions or derivatives, to reduce transaction costs, enhance returns, or reduce risk. Some of these securities and strategies behave like conventional securities, while others have unique return and risk characteristics.

Most portfolios take long positions in securities. Long positions involve buying the security outright and then selling it later, with the hope that the security price rises over time. In contrast, short positions are taken to benefit from anticipated price declines. In this type of transaction, the investor borrows the security from another investor, sells it and receives cash, and then is obligated to buy it back at some point in the future. If the price falls after the short sale, the investor will have sold high and can now buy low to close the short position and lock in a profit. However, if the price of the security increases after the short sale, the investor will experience losses by buying it at a higher price than the sale price.

The strategy of selling securities short is prevalent in specialized portfolios, such as long-short, market-neutral, bear-market, and hedge funds. Most conventional portfolios do not typically short securities, although they may reserve the right to do so under special circumstances. Funds may also short derivatives, and this is sometimes more efficient than shorting individual securities. Short positions produce negative exposure to the security that is being shorted. This means that when the security rises in value, the short position will fall in value and vice versa. Morningstar's portfolio statistics will capture this negative exposure. For example, if a fund has many short stock positions, the percent of assets in stocks in the asset allocation breakdown may be negative. Funds must provide their broker with cash collateral for the short position, so funds that short often have a large cash position, sometimes even exceeding 100% cash.

World Regions
This data set provides a broad breakdown of a portfolio's geographical exposure, by region and by market maturity. Only non-cash long equity assets are evaluated in determining the exposure. Not Classified indicates the percentage of the equity portion of the portfolio for which Morningstar is unable to assess region or origin.

Stock Sectors
This table shows the percentage of the portfolio's long equity assets invested in each of the three supersectors (Cyclical, Sensitive, and Defensive) and 11 major industry subclassifications. The Sector Graph accompanying the table demonstrates the sector orientation of the portfolio.

Fixed Income Sectors
This table shows the percentage of the portfolio's long fixed income assets invested in each of the six supersectors (Government, Municipal, Corporate, Securitized, Cash & Equivalents, and Derivative). The Sector Graph accompanying the table demonstrates the sector weighting of the portfolio against the benchmark.

Morningstar Style Box Diversification
The Morningstar Style Box reveals a fund's investment style 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 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 equal to 6 years; (iii) Extensive: greater than 6 years.

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

Price/Earnings Ratio: The asset-weighted average of the price/earnings ratios of the stocks in the portfolio. The P/E ratio of a stock is calculated by dividing the current price of the stock by its trailing 12-months' earnings per share.

Price/Cashflow: The asset-weighted average of the price/cash flow ratios of stocks in a portfolio. Price/cash flow shows the ability of a business to generate cash and acts as a gauge of liquidity and solvency.

Price/Book Ratio is a weighted average of the price/book ratios of all the stocks in the underlying fund's portfolio. The P/B ratio of a company is calculated by dividing the market price of its stock by the company's per-share book value. Stocks with negative book values are excluded from this calculation.

Price/Sales is the asset-weighted average of the portfolio's stock's prices divided by the respective company's sales per share.

Geometric Average Capitalization is the overall size of a stock fund's portfolio as the geometric mean of the market capitalization for all of the stocks it owns. It's calculated by raising the market capitalization of each stock to a power equal to that stock's stake in the portfolio. The resulting numbers are multiplied together to produce the geometric mean of the market caps of the stocks in the portfolio, which is reported as geometric average cap.

Effective duration is a time measure of a bond's interest-rate sensitivity. In computing the average, Morningstar weights the duration of each fixed-income holding within the portfolio by the percentage of fixed income assets it represents compared with the entire portfolio.

Effective maturity is used for holdings in the taxable fixed-income category. This is a weighted average of all the maturities of the bonds in a portfolio, computed by weighting each maturity date by the market value of the security.

Credit quality breakdowns are shown for corporate-bond holdings and depict the quality of bonds in the underlying portfolio. The report shows the percentage of fixed-income securities that fall within each credit quality rating as assigned by an NRSRO. Bonds not rated by an NRSRO are included in the not rated (NR) category.

Expense Ratio %

The expense ratio is the annual fee that all funds charge their shareholders. It expresses the percentage of assets deducted each fiscal year for fund expenses, including 12b-1 fees, management fees, administrative fees, operating costs, and all other asset-based costs incurred by the fund. Portfolio transaction fees, or brokerage costs, as well as front-end or deferred sales charges are not included in the expense ratio. The expense ratio, which is deducted from the fund's average net assets, is accrued on a daily basis. The gross expense ratio, in contrast to the net expense ratio, does not reflect any fee waivers in effect during the time period.

Top 10 Underlying Holdings

This section indicates the 10 most heavily weighted underlying holdings in the portfolio. It identifies the percentage of assets that each holding represents in the portfolio, the security type, the sector classification, and the country of origin.

Fixed Annuity and Fixed Indexed Annuity Holdings Proxy Disclosure

When reviewing or recommending a portfolio, your financial professional analyses the investments in the portfolio along with their fees and expenses. Your financial professional may choose to rely on a proxy to estimate this information. If included in this report, the Holding Type will be "PROXY".

If a proxy is used in this report, the data shown may not be an accurate representation of the data for the actual portfolio and should not be viewed as such. The actual portfolio data may be higher or lower than what is shown in this report, and will vary depending on the actual investments in the portfolio and the allocation of those investments.

For Fixed Annuity or Fixed Indexed Annuity proxies included in this report, the performance of the proxy will be zero (0.00) over all time periods. A portfolio yield will not be calculated and all Risk and Return and MPT Statistics will be shown as zero (0.00). Your financial professional should explain to you how an actual Fixed Annuity or Fixed Indexed Annuity will impact the portfolio shown in this report any other limitations or disclosures that may be material to your decision-making process.

Morningstar has not reviewed or verified any information input by your financial professional, nor can Morningstar guarantee the completeness or accuracy of this data. Morningstar shall have no liability for any errors, omissions, or interruptions. Morningstar makes no warranty, express or implied, as to the results obtained by any person or entity from the use of a proxy or the data included therein. Morningstar makes no express or implied warranties, and expressly disclaims all warranties of merchantability or fitness for a particular purpose or use with respect to the proxies or any data included therein. Without limiting any of the foregoing, in no event shall Morningstar have any liability for any special, punitive, indirect or consequential damages (including lost profits) even if notified of the possibility of such damages.

Morningstar makes no representation or warranty, express or implied, regarding the advisability of investing in securities generally or the ability of a proxy to approximate data of a specific security or security type. Before selecting a proxy you and your financial professional should, among other factors, carefully consider the proxy and its applicability. There is no guarantee that a proxy will achieve any objective.

The proxy used in this report is provided for informational and educational purposes only to help your financial professional illustrate and document a portfolio to you. Morningstar is not responsible for any trading decisions, damages, or other losses resulting from or related to a proxy, assumptions made in choosing a proxy, or the information noted herein. Any security noted is not an offer or solicitation by Morningstar to buy or sell that security.

In no way should the information about a proxy shown within this report be considered indicative or a guarantee of an actual portfolio. Actual results may differ substantially from that shown.

Please note: If a proxy is used in this report, you should not use it as the sole basis for your investment decisions.

Portfolio Snapshot Report Disclosure Statement

General

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

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

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

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

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

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

Comparison of Fund Types

Funds, including closed-end funds, exchange-traded funds (ETFs), money market funds, open-end funds, and unit investment trusts (UITs), have many similarities, but also many important differences. In general, publicly-offered funds are investment companies registered with the Securities and Exchange Commission under the Investment Company Act of 1940, as amended. Funds pool money from their investors and manage it according to an investment strategy or objective, which can vary greatly from fund to fund. Funds have the ability to offer diversification and professional management, but also involve risk, including the loss of principal.

A closed-end fund is an investment company, which typically makes one public offering of a fixed number of shares. Thereafter, shares are traded on a secondary market. As a result, the secondary market price may be higher or lower than the closed-end fund's net asset value (NAV). If these shares trade at a price above their NAV, they are said to be trading at a premium. Conversely, if they are trading at a price below their NAV, they are said to be trading at a discount. A closed-end mutual fund's expense ratio is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. Closed-end funds may also have 12b-1 fees. Income distributions and capital gains of the closed-end fund are subject to income tax, if held in a taxable account.

An ETF is an investment company that typically has an investment objective of striving to achieve a similar return as a particular market index. The ETF will invest in either all or a representative sample of the securities included in the index it is seeking to imitate. Like closed-end funds, an ETF can be traded on a secondary market and thus have a market price that may be higher or lower than its net asset value. If these shares trade at a price above their NAV, they are said to be trading at a premium. Conversely, if they are trading at a price below their NAV, they are said to be trading at a discount. ETFs are not actively managed, so their value may be affected by a general decline in the U.S. market segments relating to their underlying indexes. Similarly, an imperfect match between an ETF's holdings and those of its underlying index may cause its performance to vary from that of its underlying index. The expense ratio of an ETF is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. ETFs do not have 12b-1 fees or sales loads. Capital gains from funds held in a taxable account are subject to income tax. In many, but not all cases, ETFs are generally considered to be more tax-efficient when compared to similarly invested mutual funds.

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

A money-market fund is an investment company that invests in commercial paper, banker's acceptances, repurchase agreements, government securities, certificates of deposit and other highly liquid securities, and pays money market rates of interest. Money markets are not FDIC-insured, may lose money, and are not guaranteed by a bank or other financial institution.

An open-end fund is an investment company that issues shares on a continuous basis. Shares can be purchased from the open-end mutual fund itself, or through an intermediary, but cannot be traded on a secondary market, such as the New York Stock Exchange. Investors pay the open-end mutual fund's current net asset value plus any initial sales loads. Net asset value is calculated daily, at the close of business. Open-end mutual fund shares can be redeemed, or sold back to the fund or intermediary, at their current net asset value minus any deferred sales loads or redemption fees. The expense ratio for an open-end mutual fund is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. Open-end funds may also have 12b-1 fees. Income distributions and capital gains of the open-end fund are subject to income tax, if held in a taxable account.

A unit investment trust (UIT) is an investment company organized under a trust agreement between a sponsor and trustee. UITs typically purchase a fixed portfolio of securities and then sell units in the trust to investors. The major difference between a UIT and a mutual fund is that a mutual fund is actively managed, while a UIT is not. On a periodic basis, UITs usually distribute to the unit holder their pro rata share of the trust's net investment income and net realized capital gains, if any. If the trust is one that invests only in tax-free securities, then the income from the trust is also tax-free. UITs generally make one public offering of a fixed number of units. However, in some cases, the sponsor will maintain a secondary market that allows existing unit holders to sell their units and for new investors to buy units. A one-time initial sales charge is deducted from an investment made into the trust. UIT investors may also pay creation and development fees, organization costs, and/or trustee and operation expenses. UIT units may be redeemed by the sponsor at their net asset value minus a deferred sales charge, and sold to other investors. UITs have set termination dates, at which point the underlying securities are sold and the sales proceeds are paid to the investor. Typically, a UIT investment is rolled over into successive trusts as part of a long-term strategy. A rollover fee may be charged for the exercise of rollover purchases. There are tax consequences associated with rolling over an investment from one trust to the next.

Comparison of Other Security Types

Variable annuities are tax-deferred investments structured to convert a sum of money into a series of payments over time. Variable annuity policies have limitations and are not viewed as short-term liquid investments. An insurance company's fulfillment of a commitment to pay a minimum death benefit, a schedule of payments, a fixed investment account guaranteed by the insurance company, or another form of guarantee depends on the claims-paying ability of the issuing insurance company. Any such guarantee does not affect or apply to the investment return or principal value of the separate account and its subaccount. The financial ratings quoted for an insurance company do not apply to the separate account and its subaccount. The insurance company offering a variable annuity will charge several fees to investors, including annual contract charges that compensate the insurance company for the cost of maintaining and administering the variable annuity contract, mortality and expense risk (M&E Risk) charges based on a percentage of a subaccount's assets to cover costs associated with mortality and expense risk, and administration fees that are based on a percentage of a subaccount's assets to cover the costs involved in offering and administering the subaccount. A variable annuity investor will also be charged a front-end load by the insurance company on their initial contribution, ongoing fees related to the management of the fund, and surrender charges if the investor makes a withdrawal prior to a specified time. If the variable annuity subaccount is invested in a money-market fund, the money market fund is not FDIC-insured, may lose money, and is not guaranteed by a bank or other financial institution.

Variable life insurance is a cash-value life insurance that has a variable cash value and/or death benefit depending on the investment performance of the subaccount into which premium payments are invested. Unlike traditional life insurance, variable life insurance has inherent risks associated with it, including market volatility, and is not viewed as a short-term liquid investment. For more information on a variable life product, including each subaccount, please read the current prospectus. Please note, the financial ratings noted on the report are quoted for an insurance company and do not apply to the separate account and its subaccount. The insurance company offering a variable life contract will charge several fees to investors, including annual contract charges that compensate the insurance company for the cost of maintaining and administering the variable life contract, mortality and expense risk (M&E Risk) charges based on a percentage of a subaccount's assets to cover costs associated with mortality and expense risk, and administration fees that are based on a percentage of a subaccount's assets to cover the costs involved in offering and administering the subaccount. A variable life investor will also be charged a front-end load by the insurance company on their initial contribution, ongoing fees related to the management of the fund, and surrender charges if the investor makes a withdrawal prior to a specified time. If the variable life subaccount is invested in a money-market fund, the money market fund is not FDIC-insured, may lose money, and is not guaranteed by a bank or other financial institution.

Fixed annuities have a predetermined rate of return an investor earns and a fixed income payout that is guaranteed by the issuing investment company, and may be immediate or deferred. Payouts may last for a specific period or for the life of the investor. Investments in a deferred fixed annuity grow tax-deferred with income tax incurred upon withdrawal, and do not depend on the stock market. However, the insurance company's guaranteed rate of return and payments depends on the claims-paying ability of the insurance company. Fixed annuities typically do not have cost-of-living payment adjustments. Fixed annuities often have surrender charges if the event you need to withdraw your investment early. Fixed annuities are regulated by state insurance commissioners.

Fixed indexed annuities, also called equity index annuities, are a combination of the characteristics of both fixed and variable annuities. Fixed indexed annuities offer a predetermined rate of return like a fixed annuity, but they also allow for participation in the stock market, like a variable annuity. Fixed indexed annuities are typically risker and offer the potential for greater return than fixed annuities, but less so than a variable annuity. Investments in a fixed indexed annuity grow tax-deferred with income tax incurred upon withdrawal. The insurance company's guaranteed rate of return and ability to make payments depends on the claims-paying ability of the insurance company. While fixed indexed annuities may limit an investor's gains in an up market, they are also designed to help limit losses in a down market. Fixed indexed annuities can be complicated and an investor in a fixed indexed annuity should carefully read the insurance company's offering material to understand how a specific annuity's return will be determined. Fixed indexed annuities often have surrender charges in the event you need to withdraw your investment early and are regulated by state insurance commissioners.

A stock is an ownership interest in a company. When an investor purchases a stock, they become a business owner, and the value of their ownership stake will rise and fall according to the underlying business. Stockholders are entitled to the profits, if any, generated by the company after everyone else – employees, vendors, lenders – get paid. Companies usually pay out their profits to investors in the form of dividends, or they reinvest the money back into the business. Stocks trade on exchanges throughout the day, through a brokerage firm who will charge a commission for the purchase or sale of shares. Income distributions and capital gains of the stock are subject to income tax upon their sale, if held in a taxable account.

A bond is a debt security. When an investor purchases a bond, the purchase amount is lent to a government, municipality, corporation or other entity known as an issuer. The issuer promises to pay a specified rate of interest during the life of the bond and repay the face value of the bond when it matures. U.S Treasuries can be purchased directly from the Treasury or through a brokerage firm. Most other newly issued bonds are offered through an underwriter. Older bonds are traded throughout the day on the secondary market and can be purchased through a brokerage firm, who will charge transaction fees and commission for the purchase or sale. Price evaluations are provided by Interactive Data Corporation (IDC).

Preferred stock usually offers a fixed dividend payment, which is paid out before variable dividends that may be paid to investors in a company's common stock. Therefore, preferred stock is typically less risky in terms of principal loss, but there is also less potential for return when compared to a company’s common stock. If a company fails, their obligations to preferred stockholders must be met before those of the company's common stock holders, but after bondholders are reimbursed.

A separate account is a portfolio of securities (such as stocks, bonds, and cash) that follows a specified investment strategy and is managed by an investment professional. The securities in the portfolio are directly owned by the separate account’s owner. Separate accounts are unregistered investment vehicles; therefore they do not have the same performance and holding reporting responsibilities that registered securities have. Separate account performance data is reported to Morningstar from the investment manager as a composite of similarly managed portfolios. As such, investors in the same separate account may have slightly different portfolio holdings because each investor has customized account needs, tax considerations and security preferences. The method for calculating composite returns can vary. The composite performance for each separate account manager may differ from actual returns in specific client accounts during the same period for a number of reasons. Different separate account managers may use different methods in constructing or computing performance figures. Thus, performance and risk figures for different separate account managers may not be fully comparable to each other. Likewise, performance and risk information of certain separate account managers may include only composites of larger accounts, which may or may not have more holdings, different diversification, different trading patterns and different performance than smaller accounts with the same strategy. Finally, composite performance of the separate account offered by the money manager may or may not reflect the reinvestment of dividends and capital gains. Gross returns are collected on a monthly and quarterly basis for separate accounts and commingled pools. This information is collected directly from the asset management firm running the product(s). Morningstar calculates total returns, using the raw data (gross monthly and quarterly returns), collected from these asset management firms. The performance data reported by the separate account managers will not represent actual performance net of management fees, brokerage commissions or other expenses. Management fees as well as other expenses a client may incur will reduce individual returns for that client. Because fees are deducted regularly, the compounding effect will increase the impact of the fee deduction on gross account performance by a greater percentage than that of the annual fee charged. For example, if an account is charged a 1% management fee per year and has gross performance of 12% during that same period, the compounding effect of the quarterly fee assessments will result in an actual return of approximately 10.9%. Clients should refer to the disclosure document of the separate account manager and their financial professional for specific information regarding fees and expenses. The analysis in this report may be based, in part, on adjusted historical returns for periods prior to an insurance group separate account's (IGSA's) actual inception. When pre-inception data are presented in the report, the header at the top of the report will indicate this and the affected data elements will be displayed in italics. These calculated returns reflect the historical performance of the oldest share class of the underlying fund, adjusted to reflect the management fees of the current IGSA. While the inclusion of pre-inception data provides valuable insight into the probable long-term behavior of an IGSA based on the underlying fund’s performance, investors should be aware that an adjusted historical return can only provide an approximation of that behavior. These adjusted historical returns are not actual returns. Calculation methodologies utilized by Morningstar may differ from those applied by other entities, including the IGSA itself. Morningstar % Rank within Morningstar Category does not account for a separate account's sales charge (if applicable).

A collective investment trust (CIT) may also be called a commingled or collective fund. CITs are tax-exempt, pooled investment vehicles maintained by a bank or trust company exclusively for qualified plans, including 401(k)s, and certain types of government plans. CITs are unregistered investment vehicles subject to banking regulations of the Office of the Comptroller of the Currency (OCC), which means they are typically less expensive than other investment options due to lower marketing, overhead, and compliance-related costs. CITs are not available to the general public, but are managed only for specific retirement plans.

A 529 Portfolio is a specific portfolio of securities created from a 529 plan's available investments. In general, the data presented for a 529 Portfolio uses a weighted average of the underlying holdings in the portfolio. Most 529 plans are invested in open-end mutual funds; however, other investment types are possible such as stable value funds, certificates of deposit, and separate accounts.

Before investing, an investor should consider whether the investor's or designated beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in such state's 529 qualified tuition program.

Offshore funds are funds domiciled in a country outside the one the investor resides in. Many banks have offshore subsidiaries that are under the standards and regulations of the particular country, which can vary considerably. Companies may establish headquarters offshore because of lower tax rates. Offshore funds are not regulated by the SEC and may have tax implications.

Hedge funds are aggressively managed portfolios which make extensive use of unconventional investment tools such as derivatives as well as long and short positions. Managers of hedge-funds typically focus on specific areas of the market and/or trading strategies. Strategies may include the use of arbitrage, derivatives, leverage, and short selling, and may hold concentrated positions or private securities, which can make them risker than other investment types. Hedge funds are typically pooled investment vehicles available to sophisticated investors that meet high investing minimums. Many hedge funds are unregistered and are not subject to the same regulations as registered investment vehicles, such as mutual funds. Funds of hedge funds are pooled investment vehicles that invest in multiple unregistered hedge funds, and may be registered with the SEC. Registered funds of hedge funds typically have lower investment minimums than hedge funds, but they are usually not registered on an exchange and can be illiquid. Fund of hedge fund fees are generally higher than those of other pooled investments (like mutual funds) and may have tax consequences.

Cash is a short-term, highly liquid investment. Cash typically doesn’t earn as much as other investments, such as stocks or bonds, but is less risky.

Indexes are unmanaged and not available for direct investment. Indexes are created to measure a specified area of the stock market using a representative portfolio of securities. If a security is not available in Morningstar's database, your financial professional may choose to show a representative index. Please note that indexes vary widely, and it is important to choose an index that has similar characteristics to the security it is being used to represent. In no way should the performance of an index be considered indicative or a guarantee of the future performance of an actual security, be considered indicative of the actual performance achieved by a security, or viewed as a substitute for the actual security in your portfolio. Actual results of a security may differ substantially from the historical performance shown for an index and may include an individual client incurring a loss. Past performance is no guarantee of future results.

Morningstar assigns each security in its database to a Morningstar Category using the underlying securities in the security's portfolio. If a security is not available in Morningstar's database, your financial professional may choose to show the security's category. Please note that a category will not be an exact match to your securities. In no way should the performance of a category be considered indicative or a guarantee of the future performance of an actual security, be considered indicative of the actual performance achieved by a security, or viewed as a substitute for the actual security in your portfolio. Actual results of a security may differ substantially from the historical performance shown for a category and may include an individual client incurring a loss. Past performance is no guarantee of future results.

Range Accruals - Tracks how many days the underlying exceeds the underlying level threshold out of a given frequency period and multiplies this proportion by a stated interest rate. For example, if the coupon rate is 4%, and the underlying level is above the threshold for 15 of 30 days, the coupon paid that month is 2%.

Trigger Notes - Tracks an underlying and offers a participation rate on the underlying return at maturity if the underlying return is positive. If the underlying return is negative, the investor receives the original principal amount.

Dual Directionals – Investors receive a contingent interest payment at maturity if the underlying return is within the dual barrier levels. If the underlying return is outside the dual barrier levels, the investor receives either the positive underlying returns or loses principal.

Barriers - Tracks an underlying and offers a participation rate on the underlying return at maturity if positive. If underlying return is negative but above the buffer rate, client receives principal. If the underlying return is negative and below the barrier, the client experiences the full loss of the underlying.

Buffers - Tracks an underlying and offers a participation rate on the underlying return at maturity if positive. If underlying return is negative but above the buffer rate, client receives principal. If underlying return is below the buffer rate, client experiences the negative underlying return in excess of the buffer.

Income Notes - Guarantees a minimum interest rate with the possibility of a call feature/premium if the worst performing underlying asset's price is higher than its initial price on the valuation date.

Structured Products

Structured products are unsecured debt securities of an issuer that are linked to the performance of an underlying asset, such as a security, basket of securities, index, commodity, interest rate, yield, exchange rate, debt issuance, or a foreign currency or a combination of these assets. Structured products are typically the combination of a note (or other corporate bond) and a derivative (such as an option). Structured products include range accruals, trigger notes, dual directionals, barriers, buffers, and income notes.

Structured products are generally designed to be held until maturity and are not intended for short-term trading. Structured products may not be appropriate for investors seeking current income, as they may not pay interest or the interest they pay may vary in amount or timing. It may be possible to lose the entire amount of principal invested in a structured product. Some structured products result in the investor owning the underlying asset at maturity.

Each structured product may differ greatly from another structured product. Some offer full principal protection while others offer limited or no protection. The note portion of the structured product may pay regular interest payments, interest payments that vary according to certain conditions, or may not pay interest at all. Investors should be aware of any attributes related to limits on the upside or downside potential of returns, call options, income, risk reduction strategies, early termination events, tax consequences, and market events that impact the structured product or its underlying asset. Before investing in a structured product, investors should carefully read its offering documents and make sure they fully understand the specific terms and conditions for that product.

Investors should fully understand the underlying assets upon which a structured product is based on and how events that affect the underlying assets, like mergers or rebalances, may affect the structured product. The return on a structured product may not align with its underlying asset. The structured product may not provide a return, and/or the return may be significantly less than what an investor could have received by investing directly in the underlying asset or other security. Underlying assets are subject to market and other risks that may impact the structured product. Structured products are complex and may use advanced trading techniques such as leverage, options, futures, swaps, and other derivatives which lead to additional risks. Investing in a structured product should not be compared to investing in the underlying asset, as the features and risks may differ significantly.

As unsecured debt securities, structured products are not backed by collateral and they are subject to the creditworthiness of the issuer to make interest payments and repay principal. If the issuer of a structured product were to default or go into bankruptcy, an investor may lose some or all of their invested principal. An investor should carefully consider the credit rating, financial condition, and stability of the issuer before investing in a structured product, however, the credit rating of the issuer is not a reflection of the risk of the structured product or its underlying asset.

Structured products may not be listed on a national securities exchange and those that are may be thinly traded. A structured product's issuer may maintain a secondary market, but is not required to do so. Even if a secondary market is maintained, an investor may not be able to sell the structured product prior to maturity and is unlikely to receive the full amount invested. An investor should be prepared to hold a structured product until maturity.

As structured products are typically not traded on a national securities exchange and they are linked to an underlying asset, it is difficult to value a structured product.

Structured products may use barriers, caps, participation rates, or other limits that impact their return potential. Certain structured products may not offer any return if a barrier is crossed or certain thresholds are reached. Caps impose maximum return limits, regardless of the return reached by the underlying asset. Participation rates limit the amount of return an investor can realize.

The costs and fees of a structured product are typically included within the product, and will vary.

Structured products have an uncertain tax treatment due to limited guidance.

The Internal Revenue Service may change how structured products are treated at any time. Investors should consult with a tax financial professional prior to investing in a structured product.

Important Note: In this report, if a structured product is included, it is reflected as a 100% allocation to bonds. No return information, fees or risk, return, or portfolio statistics for a structured product are included in the data shown in this report.

Pre-inception Returns

The analysis in this report may be based, in part, on adjusted historical returns for periods prior to the fund's actual inception. These calculated returns reflect the historical performance of the oldest share class of the fund, adjusted to reflect the fees and expenses of this share class. These fees and expenses are referenced in the report's list of holdings and again on the standardized returns page. When pre-inception data is presented in the report, the header at the top of the report will indicate this and the affected data elements will be displayed in italics.

While the inclusion of pre-inception data provides valuable insight into the probable long-term behavior of newer share classes of a fund, investors should be aware that an adjusted historical return can only provide an approximation of that behavior. For example, the fee structures of a retail share class will vary from that of an institutional share class, as retail shares tend to have higher operating expenses and sales charges. These adjusted historical returns are not actual returns. Calculation methodologies utilized by Morningstar may differ from those applied by other entities, including the fund itself.

Scheduled Portfolio Trailing Returns

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

The trailing returns for scheduled portfolios commence at the end of the day on the investment start date. All front-load fees and beginning of period asset-based fees are deducted at the start of the day, therefore these fees will not be incorporated within the trailing return time period that matches the whole investment time period. For example, an investor pays $10,000 for security A with a 5% front-load and generates a 5-year Hypothetical Illustration that shows an end value of $12,500. Assuming no cash inflows or outflows aside from the initial investment and end value, the whole investment time period return will be 4.56% ((12,500/ $10,000)^(1/5)-1) while the 5-year trailing return will be 5.64% (($12,500/ $9,500)^(1/5)-1).

Scheduled Portfolio Returns-Based Performance Data

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

Important VA Disclosure for Scheduled Portfolios

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

Scheduled Portfolio Investment Activity Graph

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

Unscheduled Portfolio Returns

Monthly total returns for unscheduled portfolios are calculated by applying the ending period holding weightings supplied by the user to an individual holding's monthly returns. When monthly returns are unavailable for a holding (ie. due to it not being in existence during the historical period being reported), the remaining portfolio holdings are re-weighted to maintain consistent proportions. Inception dates are listed in the Disclosure for Standardized and Tax Adjusted Returns. Trailing returns are calculated by geometrically linking these weighted-average monthly returns. Unscheduled portfolio returns thus assume monthly rebalancing. Returns for individual holdings are simple time-weighted trailing returns. Neither portfolio returns nor holding returns are adjusted for loads or taxes, and if they were, the returns stated would be reduced. The returns stated assume the reinvestment of dividends and capital gains. Mutual fund returns include all ongoing fund expenses. VA/VL returns reflect subaccount level fund expenses, including M&E expenses, administration fees, and actual ongoing fund-level expenses.

Unscheduled Portfolio Investment Activity Graph

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

Benchmark Returns

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

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

Standardized Returns

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

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

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

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

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

Non-Standardized Returns

For mutual funds, total return is not adjusted for sales charges and reflects all ongoing fund expenses for various time periods. These returns assume reinvestment of dividends and capital gains. If adjusted for sales charges and the effects of taxation, the mutual fund returns would be reduced. Please note these returns can include pre-inception data and if included, this data will be represented in italics.

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

For VA and VL subaccounts, non-standardized returns illustrate performance that is adjusted to reflect recurring and non-recurring charges such as surrender fees, contract charges, maximum front-end load, maximum deferred load, maximum M&E risk charge, administrative fees and underlying fund-level expenses for various time periods. Non-standardized performance returns assume reinvestment of dividends and capital gains. If adjusted for the effects of taxation, the subaccount returns would be significantly reduced. Please note these returns can include pre-inception data and if included, this data will be represented in italics.

Investment Advisory Fees

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

Asset Allocation

The weighting of the portfolio in various asset classes, including "Other", is shown in this graph and table. "Other" includes security types that are not neatly classified in the other asset classes, such as convertible bonds and preferred stocks. "Not classified" represents the portion of the portfolio that Morningstar could not classify at all, due to missing data.

In the graph and table, allocation to the classes is shown for long positions, short positions, and net (long positions net of short) positions. These new portfolio statistics help investors look "under the hood" of a portfolio. These statistics summarize what the managers are buying and how they are positioning the portfolio. When short positions are captured in these portfolio statistics, investors get a more robust description of the funds' exposure and risk.

Most managed product portfolios hold fairly conventional securities, such as long positions in stocks and bonds. Other portfolios use other investment strategies or securities, such as short positions or derivatives, to reduce transaction costs, enhance returns, or reduce risk. Some of these securities and strategies behave like conventional securities, while others have unique return and risk characteristics.

Most portfolios take long positions in securities. Long positions involve buying the security outright and then selling it later, with the hope that the security price rises over time. In contrast, short positions are taken to benefit from anticipated price declines. In this type of transaction, the investor borrows the security from another investor, sells it and receives cash, and then is obligated to buy it back at some point in the future. If the price falls after the short sale, the investor will have sold high and can now buy low to close the short position and lock in a profit. However, if the price of the security increases after the short sale, the investor will experience losses by buying it at a higher price than the sale price.

The strategy of selling securities short is prevalent in specialized portfolios, such as long-short, market-neutral, bear-market, and hedge funds. Most conventional portfolios do not typically short securities, although they may reserve the right to do so under special circumstances. Funds may also short derivatives, and this is sometimes more efficient than shorting individual securities. Short positions produce negative exposure to the security that is being shorted. This means that when the security rises in value, the short position will fall in value and vice versa. Morningstar's portfolio statistics will capture this negative exposure. For example, if a fund has many short stock positions, the percent of assets in stocks in the asset allocation breakdown may be negative. Funds must provide their broker with cash collateral for the short position, so funds that short often have a large cash position, sometimes even exceeding 100% cash.

Investment Style

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

For equity funds, the vertical axis shows the market capitalization of the stocks owned and the horizontal axis shows investment style (value, core, or growth).

For fixed-income funds, the vertical axis shows the credit quality of the 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 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 equal to 6 years; (iii) Extensive: greater than 6 years.

Stock Regions

This section provides the allocation of the portfolio's long stock positions to the world regions, in comparison with a benchmark.

Risk and Return

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

Mean represents the annualized geometric return for the period shown.

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

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

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

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

Best/Worst Time Periods

This Best/Worst Time Periods area shows the periods during the last ten years in which the portfolio has had its highest percentage gain and loss, as well as what those gains and losses were. Best and worst time periods are displayed for three-month, one-year and three-year time periods.

Portfolio Yield

The dividend yield produced for the most recent 12 months is presented.

Fundamental Analysis

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

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

The Price/Cash Flow ratio is a weighted average of the price/cash-flow ratios of the stocks in a subaccounts portfolio. Price/cash-flow shows the ability of a business to generate cash and acts as a gauge of liquidity and solvency.

The Price/Book ratio is a weighted average of the price/book ratios of all the stocks in the underlying fund's portfolio. The P/B ratio of a company is calculated by dividing the market price of its stock by the company's per-share book value. Stocks with negative book values are excluded from this calculation.

The Price/Earnings ratio is calculated by dividing the market value of the equity assets by the trailing 12 month earnings. The 12 month earnings value comes from multiplying the number of shares and the adjusted trailing 12 months' earnings per share for each equity asset and summing the results.

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

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

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

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

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

Average maturity is used for holdings in the taxable fixed-income category. This is a weighted average of all the maturities of the bonds in a portfolio, computed by weighting each maturity date by the market value of the security.

Credit quality breakdowns are shown for corporate-bond holdings and depict the quality of bonds in the underlying portfolio. The report shows the percentage of fixed-income securities that fall within each credit quality rating as assigned by an NRSRO. Bonds not rated by an NRSRO are included in the not rated (NR) category.

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

Duration is a time measure of a bond`s interest-rate sensitivity.

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

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

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

The average expense ratio is the percentage of assets deducted each year for operating expenses, management fees, and all other asset-based costs incurred by the fund, excluding brokerage fees. Please note for mutual funds, variable annuities/life, ETFs and closed-end funds, we use the gross prospectus ratio as provided in the prospectus. Separate accounts and stocks are excluded from the average expense ratio.

Expense Ratio %
The expense ratio is the annual fee that all funds charge their shareholders. It expresses the percentage of assets deducted each fiscal year for fund expenses, including 12b-1 fees, management fees, administrative fees, operating costs, and all other asset-based costs incurred by the fund. Portfolio transaction fees, or brokerage costs, as well as front-end or deferred sales charges are not included in the expense ratio. The expense ratio, which is deducted from the fund's average net assets, is accrued on a daily basis. The gross expense ratio, in contrast to the net expense ratio, does not reflect any fee waivers in effect during the time period.

Potential capital gains exposure is the percentage of a holding's total assets that represent capital appreciation.

Stock Intersection Report Disclosure Statement

Used as supplemental sales literature, the Stock Intersection report must be preceded or accompanied by the fund's/policy's current prospectus or equivalent. In all cases, this disclosure statement should accompany the Stock Intersection report. Morningstar is not itself a FINRA-member firm. Information contained in the report is from the most recent information available to Morningstar.

The Stock Intersection report reviews the top 50 holdings in the portfolio to identify, at a glance, the portfolio's overall weighting in a particular security or sector. This report only displays the top 50 holdings; the investor's portfolio may hold substantially more.

Note that while the investor does not own the securities held by an open-end fund, closed-end fund, or similar investment, the holdings are relevant in reviewing the overall asset allocation and diversification. This report is not an offer or recommendation by Morningstar to purchase or liquidate any security listed.

Before investing, an investor should consider whether the investor's or designated beneficiary's home state offers any state tax or other state benefits such as financial aid, scholarship funds, and protection from creditors that are only available for investments in such state's 529 qualified tuition program.

Percentage of Portfolio
The Percentage of Portfolio column indicates the percentage of net assets any given security (either as an individual holding or as an underlying stock) makes up as an overall position of the portfolio.

Holding Portfolio Date
The Portfolio Date is the date that the fund's portfolio was last updated. When making comparisons among funds, it is an important date to keep in mind. Although Morningstar tries to ensure that we receive timely information, we don't always receive current information from fund companies. By law, funds need only report this information two times during the calendar year, and they have two months after the report date to actually release the shareholder report and portfolio. Therefore, it is possible that a fund's portfolio could be up to eight months old at the time of publication.

Sector
Morningstar breaks down all equities into the following sectors: Consumer Defensive, Healthcare, Utilities, Communication Services, Energy, Industrials, Technology, Basic Materials, Consumer Cyclical, Financial Services, and Real Estate.

Mutual Fund Detail Report Disclosure Statement

The Mutual Fund Detail Report is supplemental sales literature, and therefore must be preceded or accompanied by the mutual fund's current prospectus or an equivalent statement. Please read this information carefully. In all cases, this disclosure statement should accompany the Mutual Fund Detail Report. Morningstar is not itself a FINRA-member firm.

All data presented is based on the most recent information available to Morningstar as of the release date and may or may not be an accurate reflection of current data for securities included in the fund's portfolio. There is no assurance that the data will remain the same.

Unless otherwise specified, the definition of "funds" used throughout this Disclosure Statement includes closed-end funds, exchange-traded funds, grantor trusts, index mutual funds, open-ended mutual funds, and unit investment trusts. It does not include exchange-traded notes or exchange-traded commodities.

Prior to 2016, Morningstar's methodology evaluated open-end mutual funds and exchange-traded funds as separate groups. Each group contained a subset of the current investments included in our current comparative analysis. In this report, historical data presented on a calendar-year basis and trailing periods ending at the most-recent month-end reflect the updated methodology.

Risk measures (such as alpha, beta, r-squared, standard deviation, mean, or Sharpe ratio) are calculated for securities or portfolios that have at least a three-year history.

Most Morningstar rankings do not include any adjustment for one-time sales charges, or loads. Morningstar does publish load-adjusted returns, and ranks such returns within a Morningstar Category in certain reports. The total returns for ETFs and fund share classes without one-time loads are equal to Morningstar's calculation of load-adjusted returns. Share classes that are subject to one-time loads relating to advice or sales commissions have their returns adjusted as part of the load-adjusted return calculation to reflect those loads.

Comparison of Fund Types
Funds, including closed-end funds, exchange-traded funds (ETFs), money market funds, open-end funds, and unit investment trusts (UITs), have many similarities, but also many important differences. In general, publically-offered funds are investment companies registered with the Securities and Exchange Commission under the Investment Company Act of 1940, as amended. Funds pool money from their investors and manage it according to an investment strategy or

objective, which can vary greatly from fund to fund. Funds have the ability to offer diversification and professional management, but also involve risk, including the loss of principal.

A closed-end fund is an investment company, which typically makes one public offering of a fixed number of shares. Thereafter, shares are traded on a secondary market. As a result, the secondary market price may be higher or lower than the closed-end fund's net asset value (NAV). If these shares trade at a price above their NAV, they are said to be trading at a premium. Conversely, if they are trading at a price below their NAV, they are said to be trading at a discount. A closed-end mutual fund's expense ratio is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. Closed-end funds may also have 12b-1 fees. Income distributions and capital gains of the closed-end fund are subject to income tax, if held in a taxable account.

An ETF is an investment company that typically has an investment objective of striving to achieve a similar return as a particular market index. The ETF will invest in either all or a representative sample of the securities included in the index it is seeking to imitate. Like closed-end funds, an ETF can be traded on a secondary market and thus have a market price that may be higher or lower than its net asset value. If these shares trade at a price above their NAV, they are said to be trading at a premium. Conversely, if they are trading at a price below their NAV, they are said to be trading at a discount. ETFs are not actively managed, so their value may be affected by a general decline in the U.S. market segments relating to their underlying indexes. Similarly, an imperfect match between an ETF's holdings and those of its underlying index may cause its performance to vary from that of its underlying index. The expense ratio of an ETF is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. ETFs do not have 12b-1 fees or sales loads. Capital gains from funds held in a taxable account are subject to income tax. In many, but not all cases, ETFs are generally considered to be more tax-efficient when compared to similarly invested mutual funds.

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

A money-market fund is an investment company that invests in commercial paper, banker's acceptances, repurchase agreements, government securities, certificates of deposit and other highly liquid securities, and pays money market rates of interest. Money markets are not FDIC-insured, may lose money, and are not guaranteed by a bank or other financial institution.

An open-end fund is an investment company that issues shares on a continuous basis. Shares can be purchased from the open-end mutual fund itself, or through an intermediary, but cannot be traded on a secondary market, such as the New York Stock Exchange. Investors pay the open-end mutual fund's current net asset value plus any initial sales loads. Net asset value is calculated daily, at the close of business. Open-end mutual fund shares can be redeemed, or sold back to the fund or intermediary, at their current net asset value minus any deferred sales loads or redemption fees. The expense ratio for an open-end mutual fund is an annual fee charged to a shareholder. It includes operating expenses and management fees, but does not take into account any brokerage costs. Open-end funds may also have 12b-1 fees. Income distributions and capital gains of the open-end fund are subject to income tax, if held in a taxable account.

A unit investment trust (UIT) is an investment company organized under a trust agreement between a sponsor and trustee. UITs typically purchase a fixed portfolio of securities and then sell units in the trust to investors. The major difference between a UIT and a mutual fund is that a mutual fund is actively managed, while a UIT is not. On a periodic basis, UITs usually distribute to the unit holder their pro rata share of the trust's net investment income and net realized capital gains, if any. If the trust is one that invests only in tax-free securities, then the income from the trust is also tax-free. UITs generally make one public offering of a fixed number of units. However, in some cases, the sponsor will maintain a secondary market that allows existing unit holders to sell their units and for new investors to buy units. A one-time initial sales charge is deducted from an investment made into the trust. UIT investors may also pay creation and development fees, organization costs, and/or trustee and operation expenses. UIT units may be redeemed by the sponsor at their net asset value minus a deferred sales charge, and sold to other investors. UITs have set termination dates, at which point the underlying securities are sold and the sales proceeds are paid to the investor. Typically, a UIT investment is rolled over into successive trusts as part of a long-term strategy. A rollover fee may be charged for the exercise of rollover purchases. There are tax consequences associated with rolling over an investment from one trust to the next.

Performance

The performance data given represents past performance and should not be considered indicative of future results. Principal value and investment return will fluctuate, so that an investor's shares, when sold, may be worth more or less than the original investment. Fund portfolio statistics change over time. Funds are not FDIC-insured, may lose value, and are not guaranteed by a bank or other financial institution.

Morningstar calculates after-tax returns using the highest applicable federal marginal income tax rate plus the investment income tax and Medicare surcharge. As of 2018, this rate is 37% plus 3.8% investment income plus 0.9% Medicare surcharge, or 41.7%. This rate changes periodically in accordance with changes in federal law.

Pre-Inception Returns

The analysis in this report may be based, in part, on adjusted historical returns for periods prior to the inception of the share class of the fund shown in this report ("Report Share Class"). If pre-inception returns are shown, a performance stream consisting of the Report Share Class and older share class(es) is created. Morningstar adjusts pre-inception returns downward to reflect higher expenses in the Report Share Class, we do not hypothetically adjust returns upwards for lower expenses. For more information regarding calculation of pre-inception returns please see the Morningstar Extended Performance Methodology.

When pre-inception data is presented in the report, the header at the top of the report will indicate this. In addition, the pre-inception data included in the report will appear in italics.

While the inclusion of pre-inception data provides valuable insight into the probable long-term behavior of newer share classes of a fund, investors should be aware that an adjusted historical return can only provide an approximation of that behavior. For example, the fee structures of a retail share class will vary from that of an institutional share class, as retail shares tend to have higher operating expenses and sales charges. These adjusted historical returns are not actual returns. The underlying investments in the share classes used to calculate the pre-performance string will likely vary from the underlying investments held in the fund after inception. Calculation methodologies utilized by Morningstar may differ from those applied by other entities, including the fund itself.

12b1 Expense %
A 12b-1 fee is a fee used to pay for a mutual fund's distribution costs. It is often used as a commission to brokers for selling the fund. The amount of the fee is taken from a fund's returns.

Alpha
Alpha is a measure of the difference between a security or portfolio's actual returns and its expected performance, given its level of risk (as measured by beta.) Alpha is often seen as a measure of the value added or subtracted by a portfolio manager.

Asset Allocation
Asset Allocation reflects asset class weightings of the portfolio. The "Other" category includes security types that are not neatly classified in the other asset classes, such as convertible bonds and preferred stocks, or cannot be classified by Morningstar as a result of missing data. Morningstar may display asset allocation data in several ways, including tables or pie charts. In addition, Morningstar may compare the asset class breakdown of the fund against its three-year average, category average, and/or index proxy.

Asset allocations shown in tables may include a breakdown among the long, short, and net (long positions net of short) positions. These statistics summarize what the fund's managers are buying and how they are positioning the fund's portfolio. When short positions are captured in these portfolio statistics, investors get a more robust description of the fund's exposure and risk. Long positions involve buying the security outright and selling it later, with the hope the security's price rises over time. Short positions are taken with the hope of benefitting from anticipated price declines. The investor borrows the security from another investor, sells it and receives cash, and then is obligated to buy it back at some point in the future. If the price falls after the short sale, the investor will have sold high and can buy low to close the short position and lock in a profit. However, if the price of the security increases after the short sale, the investor will experience a loss buying it at a higher price than the sale price.

Most fund portfolios hold fairly conventional securities, such as long positions in equities and bonds. Morningstar may generate a colored pie chart for these portfolios. Other portfolios use other investment strategies or securities, such as short positions or derivatives, in an attempt to reduce transaction costs, enhance returns, or reduce risk. Some of these securities and strategies behave like conventional securities, while other have unique return and risk characteristics. Portfolios that incorporate investment strategies resulting in short positions or portfolio with relatively exotic derivative positions often report data to Morningstar that does not meet the parameters of the calculation underlying a pie chart's generation. Because of the nature of how these securities are reported to Morningstar, we may not always get complete portfolio information to report asset allocation. Morningstar, at its discretion, may determine if unidentified characteristics of fund holdings are material. Asset allocation and other breakdowns may be rescaled accordingly so that percentages total to 100 percent. (Morningstar used discretion to determine if unidentified characteristics of fund holdings are material, pie charts and other breakdowns may rescale identified characteristics to 100% for more intuitive presentation.)

Note that all other portfolio statistics presented in this report are based on the long (or long rescaled) holdings of the fund only.

Average Effective Duration
Duration is a time measure of a bond's interest-rate sensitivity. Average effective duration is a weighted average of the duration of the fixed-income securities within a portfolio.

Average Effective Maturity
Average Effective Maturity is a weighted average of the maturities of all bonds in a portfolio.

Average Weighted Coupon
A coupon is the fixed annual percentage paid out on a bond. The average weighted coupon is the asset-weighted coupon of each bond in the portfolio.

Average Weighted Price
Average Weighted Price is the asset-weighted price of bonds held in a portfolio, expressed as a percentage of par (face) value. This number reveals if the portfolio favors bonds selling at prices above or below par value (premium or discount securities respectively.)

Best Fit Index
Alpha, beta, and R-squared statistics are presented for a broad market index and a "best fit" index. The Best Fit Index identified in this report was determined by Morningstar by calculating R-squared for the fund against approximately 100 indexes tracked by Morningstar. The index representing the highest R-squared is identified as the best fit index. The best fit index may not be the fund's benchmark, nor does it necessarily contain the types of securities that may be held by the fund or portfolio.

Beta
Beta is a measure of a security or portfolio's sensitivity to market movements (proxied using an index.) A beta of greater than 1 indicates more volatility than the market, and a beta of less than 1 indicates less volatility than the market.

Credit Quality Breakdown
Credit Quality breakdowns are shown for corporate-bond holdings in the fund's portfolio and depict the quality of bonds in the underlying portfolio. It shows the percentage of fixed-income securities that fall within each credit-quality rating as assigned by a Nationally Recognized Statistical Rating Organization (NRSRO). Bonds not rated by an NRSRO are included in the Other/Not-Classified category.

Deferred Load %
The back-end sales charge or deferred load is imposed when an investor redeems shares of a fund. The percentage of the load charged generally declines the longer the fund's shares are held by the investor. This charge, coupled with 12b-1 fees, commonly serves as an alternative to a traditional front-end load.

Expense Ratio %
The expense ratio is the annual fee that all funds charge their shareholders. It expresses the percentage of assets deducted each fiscal year for fund expenses, including 12b-1 fees, management fees, administrative fees, operating costs, and all other asset-based costs incurred by the fund. Portfolio transaction fees, or brokerage costs, as well as front-end or deferred sales charges are not included in the expense ratio. The expense ratio, which is deducted from the fund's average net assets, is accrued on a daily basis. The gross expense ratio, in contrast to the net expense ratio, does not reflect any fee waivers in effect during the time period.

Front-end Load %
The initial sales charge or front-end load is a deduction made from each investment in the fund and is generally based on the amount of the investment.

Geometric Average Market Capitalization
Geometric Average Market Capitalization is a measure of the size of the companies in which a portfolio invests.

Growth of 10,000
For funds, this graph compares the growth of an investment of 10,000 (in the base currency of the fund) with that of an index and/or with that of the average for all funds in its Morningstar Category. The total returns are not adjusted to reflect sales charges or the effects of taxation but are adjusted to reflect actual ongoing fund expenses, and they assume reinvestment of dividends and capital gains. If adjusted, effects of sales charges and taxation would reduce the performance quoted. If pre-inception data is included in the analysis, it will be graphed.

The index in the Growth of 10,000 graph is an unmanaged portfolio of specified securities and cannot be invested in directly. 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.

Management Fees %
The management fee includes the management and administrative fees listed in the Management Fees section of a fund's prospectus. Typically, these fees represent the costs shareholders paid for management and administrative services over the fund's prior fiscal year.

Maximum Redemption Fee %
The Maximum Redemption Fee is the maximum amount a fund may charge if redeemed in a specific time period after the fund's purchase (for example, 30, 180, or 365 days).

Mean
Mean is the annualized geometric return for the period shown.

Morningstar Analyst Rating™
Effective October 31, 2019, Morningstar updated its Morningstar Analyst Rating™ methodology. For any Morningstar Analyst Rating published on or prior to October 31, 2019, the following disclosure applies:

The Morningstar Analyst Rating™ is not a credit or risk rating. It is a subjective evaluation performed by Morningstar's manager research group, which consists of various Morningstar, Inc. subsidiaries ("Manager Research Group"). In the United States, that subsidiary is Morningstar Research Services LLC, which is registered with and governed by the U.S. Securities and Exchange Commission. The Manager Research Group evaluates funds based on five key pillars, which are process, performance, people, parent, and price. The Manager Research Group uses this five pillar evaluation to determine how they believe funds are likely to perform relative to a benchmark, or in the case of exchange-traded funds and index mutual funds, a relevant peer group, over the long term on a risk-adjusted basis. They consider quantitative and qualitative factors in their research, and the weight of each pillar may vary. The Analyst Rating scale is Gold, Silver, Bronze, Neutral, and Negative. A Morningstar Analyst Rating of Gold, Silver, or Bronze reflects the Manager Research Group's conviction in a fund's prospects for outperformance. Analyst Ratings ultimately reflect the Manager Research Group's overall assessment, are overseen by an Analyst Rating Committee, and are continuously monitored and reevaluated at east every 14 months. For more detailed information about Morningstar's Analyst Rating, including its methodology, please go to global.morningstar.com/managerdisclosures/.

The Morningstar Analyst Rating (i) should not be used as the sole basis in evaluating a fund, (ii) involves unknown risks and uncertainties which may cause the Manager Research Group's expectations not to occur or to differ significantly from what they expected, and (iii) should not be considered an offer or solicitation to buy or sell the fund.

For any Morningstar Analyst Rating published after October 31, 2019, the following disclosure applies:

The Morningstar Analyst Rating™ is not a credit or risk rating. It is a subjective evaluation performed by Morningstar's manager research group, which consists of various Morningstar, Inc. subsidiaries ("Manager Research Group"). In the United States, that subsidiary is Morningstar Research Services LLC, which is registered with and governed by the U.S. Securities and Exchange Commission. The Manager Research Group evaluates funds based on five key pillars, which are process, performance, people, parent, and price. The Manager Research Group uses this five-pillar evaluation to determine how they believe funds are likely to perform relative to a benchmark over the long term on a risk adjusted basis. They consider quantitative and qualitative factors in their research. For actively managed strategies, people and process each receive a 45% weighting in their analysis, while parent receives a 10% weighting. For passive strategies, process receives an 80% weighting, while people and parent each receive a 10% weighting. For both active and passive strategies, performance has no explicit weight as it is incorporated into the analysis of people and process; price at the share-class level (where applicable) is directly subtracted from an expected gross alpha estimate derived from the analysis of the other pillars. The impact of the weighted pillar scores for people, process and parent on the final Analyst Rating is further modified by a measure of the dispersion of historical alphas among relevant peers. For certain peer groups where standard benchmarking is not applicable, primarily peer groups of funds using alternative investment strategies, the modification by alpha dispersion is not used.

For active funds, a Morningstar Analyst Rating of Gold, Silver, or Bronze reflects the Manager Research Group's expectation that an active fund will be able to deliver positive alpha net of fees relative to the standard benchmark index assigned to the Morningstar category. The level of the rating relates to the level of expected positive net alpha relative to Morningstar category peers for active funds. For passive funds, a Morningstar Analyst Rating of Gold, Silver, or Bronze reflects the Manager Research Group's expectation that a fund will be able to deliver a higher alpha net of fees than the lesser of the relevant Morningstar category median or 0. The level of the rating relates to the level of expected net alpha relative to Morningstar category peers for passive funds. For certain peer groups where standard benchmarking is not applicable, primarily peer groups of funds using alternative investment strategies, a Morningstar Analyst Rating of Gold, Silver, or Bronze reflects the Manager Research Group's expectation that a fund will deliver a weighted pillar score above a predetermined threshold within its peer group. Analyst Ratings ultimately reflect the Manager Research Group's overall assessment, are overseen by an Analyst Rating Committee, and are continuously monitored and reevaluated at least every 14 months.

For more detailed information about Morningstar's Analyst Rating, including its methodology, please go to https://shareholders.morningstar.com/investor-relations/governance/Compliance--Disclosure/default.aspx

The Morningstar Analyst Rating (i) should not be used as the sole basis in evaluating a fund, (ii) involves unknown risks and uncertainties which may cause the Manager Research Group's expectations not to occur or to differ significantly from what they expected, and (iii) should not be considered an offer or solicitation to buy or sell the fund.

Morningstar Quantitative Rating™
Morningstar's quantitative fund ratings consist of: (i) Morningstar Quantitative Rating (overall score), (ii) Quantitative Parent pillar, (iii) Quantitative People pillar, and (iv) Quantitative Process pillar (collectively the"Quantitative Fund Ratings").The Quantitative Fund Ratings are calculated monthly and derived from the analyst-driven ratings of a fund's peers as determined by statistical algorithms. Morningstar, Inc. calculates Quantitative Fund Ratings for funds when an analyst rating does not exist as part of its qualitative coverage.

- ***Morningstar Quantitative Rating:*** Intended to be comparable to Morningstar's Analyst Ratings for open-end funds and ETFs, which is the summary expression of Morningstar's forward-looking analysis of a fund. The Morningstar Analyst Rating is based on the analyst's conviction in the fund's ability to outperform its peer group and/or relevant benchmark on a risk-adjusted basis over a full market cycle of at least 5 years. Ratings are assigned on a five-tier scale with three positive ratings of Gold, Silver, and Bronze, a Neutral rating, and a Negative rating. Morningstar calculates the Morningstar Quantitative Rating using a statistical model derived from the Morningstar Analyst Rating our fund analysts assign to open-end funds and ETFs. Please go to https://shareholders.morningstar.com/investor-relations/governance/Compliance--Disclosure/default.aspx for information about Morningstar Analyst Rating Morningstar's fund analysts assign to funds.

- ***Quantitative Parent pillar:*** Intended to be comparable to Morningstar's Parent pillar scores, which provides Morningstar's analyst opinion on the stewardship quality of a firm. Morningstar calculates the Quantitative Parent pillar using an algorithm designed to predict the Parent Pillar score our fund analysts would assign to the fund. The quantitative pillar rating is expressed in both a rating and a numerical value as High (5), Above Average (4), Average (3), Below Average (2), Low (1).

- ***Quantitative People pillar:*** Morningstar's People pillar scores, which provides Morningstar's analyst opinion on the fund manager's talent, tenure, and resources. Morningstar calculates the Quantitative People pillar using an algorithm designed to predict the People pillar score our fund analysts would assign to the fund. The quantitative pillar rating is expressed in both a rating and a numerical value as High (5), Above Average (4), Average (3), Below Average (2), Low (1).

- ***Quantitative Process Pillar:*** Intended to be comparable to Morningstar's Process pillar scores, which provides Morningstar's analyst opinion on the fund's strategy and whether the management has a competitive advantage enabling it to execute the process and consistently over time. Morningstar calculates the Quantitative Process pillar using an algorithm designed to predict the Process pillar score our fund analysts would assign to the fund. The quantitative pillar rating is expressed in both a rating and a numerical value as High (5), Above Average (4), Average (3), Below Average (2), and Low (1).

Morningstar Quantitative Ratings **have not been made available** to the issuer of the security prior to publication.

Risk Warning

The quantitative fund ratings are not statements of fact. Morningstar does not guarantee the completeness or accuracy of the assumptions or models used in determining the quantitative fund ratings. In addition, there is the risk that the return target will not be met due to such things as unforeseen changes in changes in management, technology, economic development, interest rate development, operating and/or material costs, competitive pressure, supervisory law, exchange rate, and tax rate. For investments in foreign markets there are further risks, generally based on exchange rate changes or changes in political and social conditions. A change in the fundamental factors underlying the quantitative fund ratings can mean that the recommendation is subsequently no longer accurate.

For more information about Morningstar's quantitative methodology, please visit https://shareholders.morningstar.com/investor-relations/governance/Compliance--Disclosure/default.aspx

Morningstar Category

Morningstar Category is assigned by placing funds into peer groups based on their underlying holdings. The underlying securities in each portfolio are the primary factor in our analysis as the investment objective and investment strategy stated in a fund's prospectus may not be sufficiently detailed for our proprietary classification methodology. Funds are placed in a category based on their portfolio statistics and compositions over the past three years. Analysis of performance and other indicative facts are also considered. If the fund is new and has no portfolio history, Morningstar estimates where it will fall before giving it a permanent category assignment. Categories may be changed based on recent changes to the portfolio.

Morningstar Rank

Morningstar Rank is the total return percentile rank within each Morningstar Category. The highest (or most favorable) percentile rank is zero and the lowest (or least favorable) percentile rank is 100. Historical percentile ranks are based on a snapshot of a fund at the time of calculation.

Morningstar Rating™

The Morningstar Rating™for funds, or "star rating", is calculated for funds and separate accounts with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The Morningstar Rating does not include any adjustment for sales loads. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. For more information about the Morningstar Rating for funds, including its methodology, please go to global.morningstar.com/managerdisclosures

The Morningstar Return rates a fund's performance relative to other managed products in its Morningstar Category. It is an assessment of a product's excess return over a risk-free rate (the return of the 90-day Treasury Bill) in comparison with the products in its Morningstar category. In each Morningstar category, the top 10% of products earn a High Morningstar Return (High), the next 22.5% Above Average (+Avg), the middle 35% Average (Avg), the next 22.5% Below Average (-Ave), and the bottom 10% Low (Low). Morningstar Return is measured for up to three time periods (three, five, and 10 years). These separate measures are then weighted and averaged to produce an overall measure for the product. Products with less than three years of performance history are not rated.

Morningstar Risk

Morningstar Risk evaluates a fund's downside volatility relative to that of other products in its Morningstar Category. It is an assessment of the variations in monthly returns, with an emphasis on downside variations, in comparison with the products in its Morningstar category. In each Morningstar category, the 10% of products with the lowest measured risk are described as Low Risk (Low), the next 22.5% Below Average (-Avg), the middle 35% Average (Avg), the next 22.5% Above Average (+Avg), and the top 10% High (High). Morningstar Risk is measured for up to three time periods (three, five, and 10 years). These separate measures are then weighted and averaged to produce an overall measure for the product. Products with less than three years of performance history are not rated.

Morningstar Style Box™

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

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

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 (for example, 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. 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 an NRSRO nor does it issue a credit rating on the fund. 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 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, 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 used. 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-U.S. taxable and non-U.S. domiciled fixed-income funds, static duration breakpoints are used: (i) Limited: less than or equal to 3.5 years; (ii) Moderate: more than 3.5 years but less than or equal to 6 years; (iii) Extensive: more than 6 years.

Interest-rate sensitivity for non-U.S. domiciled funds (excluding funds in convertible categories) may be measured with modified duration when effective duration is not available.

P/B Ratio TTM
The Price/Book Ratio (or P/B Ratio) for a fund is the weighted average of the P/B Ratio of the stocks in its portfolio. Book value is the total assets of a company, less total liabilities. The P/B ratio of a company is calculated by dividing the market price of its outstanding stock by the company's book value, and then adjusting for the number of shares outstanding. Stocks with negative book values are excluded from this calculation. It shows approximately how much an investor is paying for a company's assets based on historical valuations.

P/C Ratio TTM
The Price/Cash Flow Ratio (or P/C Ratio) for a fund is the weighted average of the P/C Ratio of the stocks in its portfolio. The P/C Ratio of a stock represents the amount an investor is willing to pay for a dollar generated from a company's operations. It shows the ability of a company to generate cash and acts as a gauge of liquidity and solvency.

P/E Ratio TTM
The Price/Earnings Ratio (or P/E Ratio) for a fund is the weighted average of the P/E Ratios of the stocks in its portfolio. The P/E Ratio of a stock is the stock's current price divided by the company's trailing 12-month earnings per share. A high P/E Ratio usually indicates the market will pay more to obtain the company's earnings because it believes in the company's abilities to increase their earnings. A low P/E Ratio indicates the market has less confidence that the company's earnings will increase, however value investors may believe such stocks have an overlooked or undervalued potential for appreciation.

Percentile Rank in Category
Percentile Rank is a standardized way of ranking items within a peer group, in this case, funds within the same Morningstar Category. The observation with the largest numerical value is ranked zero the observation with the smallest numerical value is ranked 100. The remaining observations are placed equal distance from one another on the rating scale. Note that lower percentile ranks are generally more favorable for returns (high returns), while higher percentile ranks are generally more favorable for risk measures (low risk).

Performance Quartile
Performance Quartile reflects a fund's Morningstar Rank.

Potential Capital Gains Exposure
Potential Capital Gains Exposure is an estimate of the percent of a fund's assets that represent gains. It measures how much the fund's assets have appreciated, and it can be an indicator of possible future capital gains distributions. A positive potential capital gains exposure value means that the fund's holdings have generally increased in value while a negative value means that the fund has reported losses on its book.

Quarterly Returns
Quarterly Return is calculated applying the same methodology as Total Return except it represents return through each quarter-end.

R-Squared
R-squared is the percentage of a security or portfolio's return movements that are explained by movements in its benchmark index, showing the degree of correlation between the security or portfolio and the benchmark. This figure is helpful in assessing how likely it is that beta and alpha are statistically significant. A value of 1 indicates perfect correlation between the security or portfolio and its benchmark. The lower the R-squared value, the lower the correlation.

Regional Exposure
The regional exposure is a display of the portfolio's assets invested in the regions shown on the report.

Sector Weightings
Super Sectors represent Morningstar's broadest classification of equity sectors by assigning the 11 equity sectors into three classifications. The Cyclical Super Sector includes industries significantly impacted by economic shifts, and the stocks included in these sectors generally have betas greater than 1. The Defensive Super Sector generally includes industries that are relatively immune to economic cycles, and the stocks in these industries generally have betas less than 1. The Sensitive Super Sector includes industries that ebb and flow with the overall economy, but not severely so. Stocks in the Sensitive Super Sector generally have betas that are close to 1.

Share Change
Shares Change represents the number of shares of a stock bought or sold by a fund since the previously reported portfolio of the fund.

Sharpe Ratio
Sharpe Ratio uses standard deviation and excess return (a measure of a security or portfolio's return in excess of the U.S. Treasury three-month Treasury Bill) to determine the reward per unit of risk.

Standard Deviation
Standard deviation is a statistical measure of the volatility of the security or portfolio's returns. The larger the standard deviation, the greater the volatility of return.

Standardized Returns
Standardized Return applies the methodology described in the Standardized Returns page of this report. Standardized Return is calculated through the most recent calendar-quarter end for one-year, five-year, 10-year, and/or since-inception periods, and it demonstrates the impact of sales charges (if applicable) and ongoing fund expenses. Standardized Return reflects the return an investor may have experience if the security was purchased at the beginning of the period and sold at the end, incurring transaction charges.

Total Return
Total Return, or "Non Load-Adjusted Return", reflects performance without adjusting for sales charges (if applicable) or the effects of taxation, but it is adjusted to reflect all actual ongoing security expenses and assumes reinvestment of dividends and capital gains. It is the return an investor would have experienced if the fund was held throughout the period. If adjusted for sales charges and the effects of taxation, the performance quoted would be significantly reduced.

Total Return +/- indicates how a fund has performed relative to its peers (as measure by its Standard Index and/or Morningstar Category Index) over the time periods shown.

Trailing Returns
Standardized Return applies the methodology described in the Standardized Returns page of this report. Standardized Return is calculated through the most recent calendar-quarter end for one-year, five-year, 10-year, and/or since-inception periods, and it demonstrates the impact of sales charges (if applicable) and ongoing fund expenses. Standardized Return reflects the return an investor may have experienced if the fund was purchased at the beginning of the period and sold at the end, incurring transaction charges.

Load-Adjusted Monthly Return is calculated applying the same methodology as Standardized Return, except that it represents return through month-end. As with Standardized Return, it reflects the impact of sales charges and ongoing fund expenses, but not taxation. If adjusted for the effects of taxation, the performance quoted would be significantly different.

Trailing Return +/- indicates how a fund has performed relative to its peers (as measure by its Standard Index and/or Morningstar Category Index) over the time periods shown.

Investment Risks

International/Emerging Market Equities: Investing in international securities involves special additional risks. These risks include, but are not limited to, currency risk, political risk, and risk associated with varying accounting standards. Investing in emerging markets may accentuate these risks.

Sector Strategies: Portfolios 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 Strategies: Portfolios that invest a significant percentage of assets in a single issuer involve additional risks, including share price fluctuations, because of the increased concentration of investments.

Small Cap Equities: Portfolios 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 Equities: Portfolios that invest in companies with market capitalization below $10 billion involve additional risks. The securities of these companies may be more volatile and less liquid than the securities of larger companies.

High-Yield Bonds: Portfolios 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 Bonds: 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.

Bonds: Bonds are subject to interest rate risk. As the prevailing level of bond interest rates rise, the value of bonds already held in a portfolio declines. Portfolios that hold bonds are subject to declines and increases in value due to general changes in interest rates.

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

Hedge Funds: The investor should note that hedge fund investing involves specialized risks that are dependent upon the type of strategies undertaken by the manager. This can include distressed or event-driven strategies, long/short strategies, using arbitrage (exploiting price inefficiencies), international investing, and use of leverage, options and/or derivatives. Although the goal of hedge fund managers may be to reduce volatility and produce positive absolute return under a variety of market conditions, hedge funds may involve a high degree of risk and are suitable only for investors of substantial financial means who could bear the entire loss of their investment.

Bank Loan/Senior Debt: Bank loans and senior loans are impacted by the risks associated with fixed income in general, including interest rate risk and default risk. They are often non-investment grade; therefore, the risk of default is high. These securities are also relatively illiquid. Managed products that invest in bank loans/senior debt are often highly leveraged, producing a high risk of return volatility.

Exchange Traded Notes (ETNs): ETNs are unsecured debt obligations. Any repayment of notes is subject to the issuer's ability to repay its obligations. ETNs do not typically pay interest.

Leveraged ETFs: Leveraged investments are designed to meet multiples of the return performance of the index they track and seek to meet their fund objectives on a daily basis (or other time period stated within the prospectus objective). The leverage/gearing ratio is the amount of excess return that a leveraged investment is designed to achieve in comparison to its index performance (i.e. 200%, 300%, -200%, or -300% or 2X, 3X, -2X, -3X). Compounding has the ability to affect the performance of the fund to be either greater or less than the index performance multiplied by the multiple stated within the funds objective over a stated time period.

Short Positions: When a short position moves in an unfavorable way, the losses are theoretically unlimited. The broker may demand more collateral and a manager might have to close out a short position at an inopportune time to limit further losses.

Long-Short: Due to the strategies used by long-short funds, which may include but are not limited to leverage, short selling, short-term trading, and investing in derivatives, these funds may have greater risk, volatility, and expenses than those focusing on traditional investment strategies.

Liquidity Risk: Closed-end fund, ETF, and HOLDR trading may be halted due to market conditions, impacting an investor's ability to sell a fund.

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

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

Target-Date Funds: Target-date funds typically invest in other mutual funds and are designed for investors who are planning to retire during the target date year. The fund's target date is the approximate date when investors expect to begin withdrawing their money. A target-date fund's investment objective/strategy typically becomes more conservative over time, primarily by reducing its allocation to equity mutual funds and increasing its allocations in fixed-income mutual funds. An investor's principal value in a target-date fund is not guaranteed at any time, including at the fund's target date.

High double- and triple-digit returns: High double- and triple-digit returns were the result of extremely favorable market conditions, which may not continue to be the case. High returns for short time periods must not be a major factor when making investment decisions.

Benchmark Disclosure

BBgBarc US Agg Bond TR USD
This index is composed of the BarCap Government/Credit Index, the Mortgage-Backed Securities Index, and the Asset-Backed Securities Index. The returns we publish for the index are total returns, which includes the daily reinvestment of dividends. The constituents displayed for this index are from the following proxy: iShares Core US Aggregate Bond ETF.

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

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

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

This disclosure applies to all MSCI indices: Certain information included herein is derived by Morningstar in part from MSCI's Index Constituents (the "Index Data"). However, MSCI has not reviewed any information contained herein and does not endorse or express any opinion such information or analysis. MSCI does not make any express or implied warranties, representations or guarantees concerning the Index Data or any information or data derived therefrom, and in no event will MSCI have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) relating to any use of this information.

S&P 500 TR USD
A market capitalization-weighted index composed of the 500 most widely held stocks whose assets and/or revenues are based in the US; it's often used as a proxy for the U.S. stock market. TR (Total Return) indexes include daily reinvestment of dividends. The constituents displayed for this index are from the following proxy: SPDR® S&P 500 ETF Trust.

USTREAS T-Bill Auction Ave 3 Mon
Three-month T-bills are government-backed, short-term investments considered to be risk-free and as good as cash because the maturity is only three months. Morningstar collects yields on the T-bill on a weekly basis from the Wall Street Journal.

John Hancock Investment Management

All data is as of September 30, 2020 Q3 2020

John Hancock Multimanager Lifestyle Conservative Portfolio

A: JALRX **C:** JCLCX **I:** JTOIX **R2:** JQLCX **R4:** JSLCX **R5:** JTLRX **R6:** JULCX

Objective

A balance between a high level of current income and growth of capital

Use for

Broadly diversified, risk-targeted portfolio

Morningstar category

Allocation- 15% to 30% Equity

Strategy

Multimanager approach

Tapping a broad range of industry talent in and outside of John Hancock for each asset class and investment style

Diversification potential

Investing beyond traditional asset classes and investment styles, including exposure to nontraditional and alternative strategies

Actively managed

Employing a dynamic process that offers the potential to benefit from global investment opportunities as they arise

Managed by

Manulife Investment Management

Established asset manager with global resources and expertise extending across equity, fixed-income, and alternative investments as well as asset allocation strategies

Nathan W. Thooft, CFA
On the fund since 2013.
Investing since 2000

Robert E. Sykes, CFA
On the fund since 2018.
Investing since 2001

Average annual total returns[1,2]

%

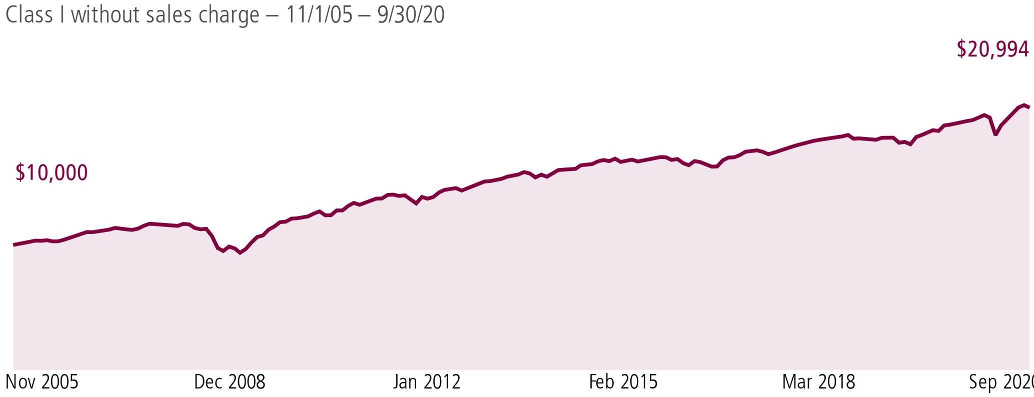
	QTD	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	LIFE OF FUND	LIFE OF FUND DATE
Class I without sales charge	2.94	3.85	6.09	4.38	5.08	4.27	4.34	10/17/05
Class A without sales charge	2.93	3.69	5.84	4.09	4.77	4.44	4.70	10/17/05
Class A with sales charge	-1.70	-0.95	1.12	2.50	3.82	3.96	4.38	10/17/05
Blended Benchmark	2.83	5.14	7.56	5.93	6.20	5.60	5.86	—
Bloomberg Barclays U.S. Aggregate Bond Index	0.62	6.79	6.98	5.24	4.18	3.64	4.54	—
S&P 500 Index	8.93	5.57	15.15	12.28	14.15	13.74	9.47	—
Allocation- 15% to 30% equity category	2.72	1.18	3.47	3.26	4.17	3.86	3.93	—

EXPENSE RATIOS[3]	GROSS	NET (WHAT YOU PAY)	CONTRACTUAL THROUGH
Class I	0.95%	0.94%	4/30/2021
Class A	1.25%	1.24%	4/30/2021

The past performance shown here reflects reinvested distributions and the beneficial effect of any expense reductions, and does not guarantee future results. The sales charge for Class A shares, reflects the maximum sales charge of 4.5%. For Class I shares, there is no sales charge. Returns for periods shorter than one year are cumulative, and results for other share classes will vary. Shares will fluctuate in value and, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance cited. For the most recent month-end performance, visit jhinvestments.com. The fund may have recently experienced negative short-term performance due to market volatility associated with the COVID-19 pandemic.

Growth of a hypothetical $10,000 investment[4]

Class I without sales charge – 11/1/05 – 9/30/20



Calendar year returns[4]

Class I without sales charge

%

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Multimanager Lifestyle Conservative Portfolio	9.28	1.95	9.28	3.98	2.66	-1.78	5.73	7.44	-3.39	11.92
Blended Benchmark	9.97	5.19	8.51	4.97	5.75	-0.52	6.54	7.83	-1.82	13.47
Allocation- 15% to 30% equity category	9.62	1.78	8.34	3.95	3.38	-2.09	5.67	6.48	-3.08	10.89

1 The S&P 500 Index tracks the performance of 500 of the largest publicly traded companies in the United States. The Bloomberg Barclays U.S. Aggregate Bond Index tracks the performance of U.S. investment-grade bonds in government, asset-backed, and corporate debt markets. These indexes are the portfolio's primary benchmarks. The Russell 3000 Index tracks the performance of 3,000 publicly traded large-, mid-, and small-cap companies in the United States. The MSCI All Country World Index (ACWI) ex-U.S. Index tracks the performance of publicly traded large- and mid-cap stocks of companies in 22 developed markets and 24 emerging markets. The Intercontinental Exchange (ICE) Bank of America (BofA) U.S. High Yield Index tracks the performance of globally issued, U.S. dollar-denominated high-yield bonds. A custom blended benchmark reflects the portfolio's asset allocation under normal conditions. This custom blended benchmark comprises 14% Russell 3000 Index, 6% MSCI ACWI ex-U.S. Index, 64% Bloomberg Barclays U.S. Aggregate Bond Index, and 16% ICE BofA U.S. High Yield Index. It is not possible to invest directly in an index. **2** 10/17/05 is the inception date for the oldest class of shares, Class C shares. Class I shares were first offered on 5/1/15; returns prior to this date are those of Class C shares and have not been adjusted for expenses; otherwise, returns would vary. **3** "Net (what you pay)" represents the effect of a contractual fee waiver and/or expense reimbursement and is subject to change. **4** Performance data shown excludes fees and expenses. The performance data would be lower if such fees and expenses were included. Past perf… e results.

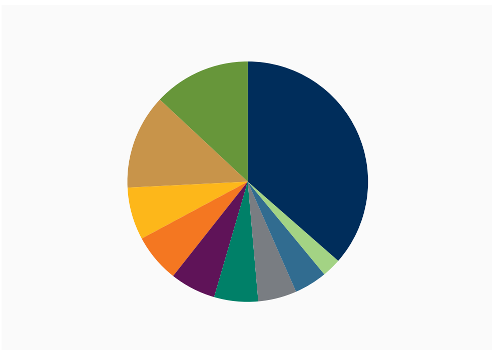
Morningstar ratings™[11]

Allocation- 15% to 30% Equity

	OVERALL	3 YEAR	5 YEAR	10 YEAR
Class I	★★★★	★★★	★★★★	☆☆☆☆
Class A	★★★	★★★	★★★	★★★
Number of funds	172	172	155	95

Overall rating is based on 3-, 5-, and 10-year Morningstar Risk-Adjusted Returns and accounts for variation in a fund's monthly performance. Other share classes may be rated differently. Hollow stars indicate Morningstar's extended performance rating.

Asset mix[12]



	%
Intermediate-term bond	36.45
Multi-sector bond	13.04
Other	12.75
U.S. large-cap equity	7.06
International equity	6.51
Inflation-protected bond	6.13
High-yield bond	5.91
Emerging-markets debt	5.19
Bank loan	4.40
Short-term bond	2.56

What you should know before investing

The portfolio's performance depends on the advisor's skill in determining asset class allocations, the mix of underlying funds, and the performance of those underlying funds. The portfolio is subject to the same risks as the underlying funds and exchange-traded funds in which it invests: Stocks and bonds can decline due to adverse issuer, market, regulatory, or economic developments; foreign investing, especially in emerging markets, has additional risks, such as currency and market volatility and political and social instability; the securities of small companies are subject to higher volatility than those of larger, more established companies; and high-yield bonds are subject to additional risks, such as increased risk of default. Liquidity—the extent to which a security may be sold or a derivative position closed without negatively affecting its market value, if at all—may be impaired by reduced trading volume, heightened volatility, rising interest rates, and other market conditions. Please see the portfolio's prospectus for additional risks.

Request a prospectus or summary prospectus from your financial professional, by visiting jhinvestments.com, or by calling us at 800-225-5291. The prospectus includes investment objectives, risks, fees, expenses, and other information that you should consider carefully before investing.

Key facts

Portfolio composition[5] (%)	
Fixed income	76.91
Equity	17.69
Alternative and specialty	5.40
Total net assets	$2.38 b
Number of underlying funds	39
Number of unique managers	16
Benchmark	Bloomberg Barclays U.S. Aggregate Bond Index
Standard deviation[6] (%)	
Fund	5.23
Benchmark	3.13
Sharpe ratio[7]	0.74
Beta[8]	0.64
R-squared[9] (%)	14.65
Upside capture ratio[10] (%)	108.57
Downside capture ratio[10] (%)	83.30

Based on Class I shares for the five-year period.

10 largest holdings[13]

		%
1.	Core Bond Fund (Wells Capital)	18.56
2.	Bond Fund (MIM)	18.03
3.	Strategic Income Opportunities Fund (MIM)	10.10
4.	Inflation-Protected Bond Index Fund (Fidelity)	6.15
5.	Emerging Markets Debt Fund (MIM)	5.21
6.	High Yield Fund (MIM)	5.09
7.	Floating Rate Income Fund (Bain Capital Credit)	4.42
8.	Short Duration Credit Opportunities Fund (Stone Harbor)	2.99
9.	Capital Appreciation Value Fund (T. Rowe Price)	2.89
10.	International Strategic Equity Allocation Fund (MIM)	2.79

5 Fund characteristics will vary over time. **6** Standard deviation is a statistical measure of the historic volatility of a portfolio. It measures the fluctuation of a fund's periodic returns from the mean or average. The larger the deviation, the larger the standard deviation and the higher the risk. **7** Sharpe ratio is a measure of excess return per unit of risk, as defined by standard deviation. A higher Sharpe ratio suggests better risk-adjusted performance. **8** Beta measures the sensitivity of the fund to its benchmark. The beta of the market (as represented by the benchmark) is 1.00. Accordingly, a fund with a 1.10 beta is expected to have 10% more volatility than the market. **9** R-squared is a measurement that indicates how closely a fund's performance correlates with the performance of its benchmark index. R-squared can range from 0.00 to 1.00, with 1.00 indicating perfect correlation to the index. **10** Upside capture ratio measures a manager's performance in up markets relative to the market itself. Downside capture ratio measures a manager's performance in down markets relative to the market itself. **11** For each managed product, including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts, with at least a 3-year history, Morningstar calculates a Morningstar Rating™ based on a Morningstar Risk-Adjusted Return that accounts for variation in a fund's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. Exchange-traded funds and open-end mutual funds are considered a single population for comparative purposes. The top 10.0% of funds in each category, the next 22.5%, 35.0%, 22.5%, and bottom 10.0% receive 5, 4, 3, 2, or 1 star(s), respectively. The overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its 3-, 5-, and 10-year (if applicable) Morningstar Rating metrics. The rating formula most heavily weights the 3-year rating, using the following calculation: 100% 3-year rating for 36 to 59 months of total returns, 60% 5-year rating/40% 3-year rating for 60 to 119 months of total returns, and 50% 10-year rating/30% 5-year rating/20% 3-year rating for 120 or more months of total returns. Star ratings do not reflect the effect of any applicable sales load. **Morningstar's extended performance** rating is calculated by adjusting the historical total returns of the oldest share class to reflect the fee structure of a younger share class, and then compounding the combined record of actual and adjusted performance into the 3-, 5-, and 10-year time periods necessary to produce Morningstar Risk-Adjusted Returns and a Morningstar Rating. Extended performance ratings do not affect actual Morningstar ratings; the overall ratings for multi-share class funds are based on actual performance only or extended performance only. Once a share class turns 3 years old, the overall Morningstar Rating will be based on actual ratings only. Adjusted historical performance is only an approximation of actual returns, and Morningstar's calculation methodology may differ from those used by other entities. Past performance does not guarantee future results. **12** Excludes any negative exposures that may result from the use of futures or forward contracts. **13** Listed holdings reflect the largest portions of the fund's total and may change at any time. They are not recommendations to buy or sell any security. Data is expressed as a percentage of net assets and excludes cash and cash equivalents. Fund characteristics will vary over time.

John Hancock Investment Management

Prospectus Supplement

JOHN HANCOCK BOND TRUST
JOHN HANCOCK CALIFORNIA TAX-FREE INCOME FUND
JOHN HANCOCK CAPITAL SERIES
JOHN HANCOCK FUNDS II
JOHN HANCOCK FUNDS III
JOHN HANCOCK INVESTMENT TRUST
JOHN HANCOCK INVESTMENT TRUST II
JOHN HANCOCK MUNICIPAL SECURITIES TRUST
JOHN HANCOCK SOVEREIGN BOND FUND
JOHN HANCOCK STRATEGIC SERIES

Supplement dated January 1, 2021 to the current Prospectus (the Prospectus), as may be supplemented

Effective January 1, 2021, the following similar information under “Valuation of securities” in the “Transaction policies” section is amended and restated as follows:

Portfolio securities are valued by various methods that are generally described below. Portfolio securities also may be fair valued by the fund’s Pricing Committee in certain instances pursuant to procedures established by the Trustees. Equity securities are generally valued at the last sale price or, for certain markets, the official closing price as of the close of the relevant exchange. Securities not traded on a particular day are valued using last available bid prices. A security that is listed or traded on more than one exchange is typically valued at the price on the exchange where the security was acquired or most likely will be sold. In certain instances, the Pricing Committee may determine to value equity securities using prices obtained from another exchange or market if trading on the exchange or market on which prices are typically obtained did not open for trading as scheduled, or if trading closed earlier than scheduled, and trading occurred as normal on another exchange or market. Equity securities traded principally in foreign markets are typically valued using the last sale price or official closing price in the relevant exchange or market, as adjusted by an independent pricing vendor to reflect fair value. On any day a foreign market is closed and the NYSE is open, any foreign securities will typically be valued using the last price or official closing price obtained from the relevant exchange on the prior business day adjusted based on information provided by an independent pricing vendor to reflect fair value. Debt obligations are typically valued based on evaluated prices provided by an independent pricing vendor. The value of securities denominated in foreign currencies is converted into U.S. dollars at the exchange rate supplied by an independent pricing vendor. Forward foreign currency contracts are valued at the prevailing forward rates which are based on foreign currency exchange spot rates and forward points supplied by an independent pricing vendor. Exchange-traded options are valued at the mid-price of the last quoted bid and ask prices. Futures contracts whose settlement prices are determined as of the close of the NYSE are typically valued based on the settlement price while other futures contracts are typically valued at the last traded price on the exchange on which they trade. Foreign equity index futures that trade in the electronic trading market subsequent to the close of regular trading may be valued at the last traded price in the electronic trading market as of the close of the NYSE, or may be fair valued based on fair value adjustment factors provided by an independent pricing vendor in order to adjust for events that may occur between the close of foreign exchanges or markets and the close of the NYSE. Swaps and unlisted options are generally valued using evaluated prices obtained from an independent pricing vendor. Shares of other open-end investment companies that are not exchange-traded funds (underlying funds) are valued based on the NAVs of such underlying funds.

Pricing vendors may use matrix pricing or valuation models that utilize certain inputs and assumptions to derive values, including transaction data, broker-dealer quotations, credit quality information, general market conditions, news, and other factors and assumptions. The fund may receive different prices when it sells odd-lot positions than it would receive for sales of institutional round lot positions. Pricing vendors generally value securities assuming orderly transactions of institutional round lot sizes, but a fund may hold or transact in such securities in smaller, odd lot sizes.

The Pricing Committee engages in oversight activities with respect to pricing vendors, which includes, among other things, monitoring significant or unusual price fluctuations above predetermined tolerance levels from the prior day, back-testing of pricing vendor prices against actual trades, conducting periodic due diligence meetings and reviews, and periodically reviewing the inputs, assumptions and methodologies used by these vendors. Nevertheless, market quotations, official closing prices, or information furnished by a pricing vendor could be inaccurate, which could lead to a security being valued incorrectly.

If market quotations, official closing prices, or information furnished by a pricing vendor are not readily available or are otherwise deemed unreliable or not representative of the fair value of such security because of market- or issuer-specific events, a security will be valued at its fair value as determined in good faith by the Trustees. The Trustees are assisted in their responsibility to fair value securities by the fund’s Pricing Committee, and the actual calculation of a security’s fair value may be made by the Pricing Committee acting pursuant to the procedures established by the Trustees. In certain instances, therefore, the Pricing Committee may determine that a reported valuation does not reflect fair value, based on additional information available or other factors, and may accordingly determine in good faith the fair value of the assets, which may differ from the reported valuation.

Fair value pricing of securities is intended to help ensure that a fund’s NAV reflects the fair market value of the fund’s portfolio securities as of the close of regular trading on the NYSE (as opposed to a value that no longer reflects market value as of such close), thus limiting the opportunity for aggressive traders or market timers to purchase shares of the fund at deflated prices reflecting stale security valuations and promptly sell such shares at a gain, thereby diluting the interests of long-term shareholders. However, a security's valuation may differ depending on the method used for determining value, and no assurance can be given that fair value pricing of securities will successfully eliminate all potential opportunities for such trading gains.

The use of fair value pricing has the effect of valuing a security based upon the price the fund might reasonably expect to receive if it sold that security in an orderly transaction between market participants, but does not guarantee that the security can be sold at the fair value price. Further, because of the inherent uncertainty and subjective nature of fair valuation, a fair valuation price may differ significantly from the value that would have been used had a readily available market price for the investment existed and these differences could be material.

Regarding the fund's investment in an underlying fund that is not an ETF, which (as noted above) is valued at such underlying fund's NAV, the prospectus for such underlying fund explains the circumstances and effects of fair value pricing for that underlying fund.

You should read this Supplement in conjunction with the Prospectus and retain it for your future reference.

MF0PNS_1/1/21

A company of Manulife Investment Management

John Hancock Investment Management

Prospectus Supplement

JOHN HANCOCK BOND TRUST
JOHN HANCOCK CALIFORNIA TAX-FREE INCOME FUND
JOHN HANCOCK CAPITAL SERIES
JOHN HANCOCK CURRENT INTEREST
JOHN HANCOCK FUNDS II
JOHN HANCOCK FUNDS III
JOHN HANCOCK INVESTMENT TRUST
JOHN HANCOCK INVESTMENT TRUST II
JOHN HANCOCK MUNICIPAL SECURITIES TRUST
JOHN HANCOCK SOVEREIGN BOND FUND
JOHN HANCOCK STRATEGIC SERIES

Supplement dated December 1, 2020 to the current Prospectus, as may be supplemented

APPENDIX 1 – INTERMEDIARY SALES CHARGE WAIVERS to each fund's prospectus, with respect to Edward D. Jones & Co., L.P., is revised and restated as follows. No other changes apply to Appendix 1, and, accordingly, the disclosures provided for other financial intermediaries listed on Appendix 1 remain unchanged.

Edward D. Jones & Co., L.P. (Edward Jones)

Effective on or after December 1, 2020, the following information supersedes prior information with respect to transactions and positions held in fund shares through an Edward Jones system. Shareholders purchasing fund shares through an Edward Jones platform or account are eligible only for the following load waivers (front-end sales charge waivers and contingent deferred, or back-end sales charge waivers) and discounts, which may differ from those disclosed elsewhere in this fund's prospectus or statement of information (SAI). In all instances, it is the shareholder's responsibility to inform Edward Jones at the time of purchase of any relationship, holdings of fund family or other facts qualifying the purchaser for discounts or waivers. Edward Jones can ask for documentation of such circumstance. Shareholders should contact Edward Jones if they have questions regarding their eligibility for these discounts and waivers.

Front-end Sales Charge Waivers on Class A Shares available at Edward Jones

Sales charges are waived for the following shareholders and in the following situations:

- Associates of Edward Jones and its affiliates and their family members who are in the same pricing group (as determined by Edward Jones under its policies and procedures) as the associate. This waiver will continue for the remainder of the associate's life if the associate retires from Edward Jones in good-standing and remains in good standing pursuant to Edward Jones' policies and procedures
- Shares purchased in an Edward Jones fee-based program
- Shares purchased through reinvestment of capital gains distributions and dividend reinvestment
- Shares purchased from the proceeds of redeemed shares of the same fund family so long as the following conditions. are met: 1) the proceeds are from the sale of shares within 60 days of the purchase, and 2) the sale and purchase are made in the same share class and the same account or the purchase is made in an individual retirement account with proceeds from liquidations in a non-retirement account
- Shares exchanged into Class A shares from another share class so long as the exchange is into the same fund and was initiated at the discretion of Edward Jones. Edward Jones is responsible for any remaining CDSC due to the fund company, if applicable. Any future purchases are subject to the applicable sales charge as disclosed in the prospectus
- Exchanges from Class C shares to Class A shares of the same fund, generally, in the 84th month following the anniversary of the purchase date or earlier at the discretion of Edward Jones

CDSC Waivers on Class A and Class C Shares available at Edward Jones

If the shareholder purchases shares that are subject to a CDSC and those shares are redeemed before the CDSC is expired, the shareholder is responsible to pay the CDSC except in the following conditions:

- Shares sold upon the death or disability of the shareholder
- Shares sold as part of a systematic withdrawal plan (limited to up to 10% per year of the account value)
- Return of excess contributions from an Individual Retirement Account (IRA)
- Shares sold as part of a required minimum distribution for IRA and retirement accounts if the redemption is taken in or after the year the shareholder reaches qualified age based on applicable IRS regulations
- Shares sold to pay Edward Jones fees or costs in such cases where the transaction is initiated by Edward Jones.
- Shares exchanged at Edward Jones' discretion in an Edward Jones fee-based program. In such circumstances, Edward Jones is responsible for any remaining CDSC due to the fund company, if applicable
- Shares acquired through a right of reinstatement
- Shares redeemed at the discretion of Edward Jones for Minimum Balances, as described below

Front-end Load Discounts Available at Edward Jones; Breakpoints, Rights of Accumulation & Letter of Intent

- Breakpoint pricing, otherwise known as volume pricing, at dollar thresholds, as described in this prospectus
- Rights of Accumulation (ROA). The applicable sales charge on a purchase of Class A shares is determined by taking into account all share classes (except any assets held in group retirement plans) of the fund family held by the shareholder or in an account grouped by Edward Jones with other accounts for the purpose of providing certain pricing considerations ("pricing groups"). If grouping assets as a shareholder, this includes all share classes held on the Edward Jones platform and/or held on another platform. The inclusion of eligible fund family assets in the ROA calculation is dependent on the shareholder notifying Edward Jones of such assets at the time of calculation. The employer maintaining a SEP IRA plan and/or SIMPLE IRA plan may elect to establish or change ROA for the IRA accounts associated with the plan to a plan-level grouping as opposed to including all share classes at a shareholder or pricing group level. ROA is determined by calculating the higher of cost minus redemptions or market value (current shares x NAV)
- Letter of Intent (LOI). Through a LOI, shareholders can receive the sales charge and breakpoint discounts for purchases shareholders intend to make over a 13-month period from the date Edward Jones receives the LOI. The LOI is determined by calculating the higher of cost or market value of qualifying holdings at LOI initiation in combination with the value that the shareholder intends to buy over a 13-month period to calculate the front-end sales charge and any breakpoint discounts. Each purchase the shareholder makes during that 13-month period will receive the sales charge and breakpoint discount that applies to the total amount. The inclusion of eligible fund family assets in the LOI calculation is dependent on the shareholder notifying Edward Jones of such assets at the time of calculation. Purchases made before the LOI is received by Edward Jones are not adjusted under the LOI and will not reduce the sales charge previously paid. Sales charges will be adjusted if LOI is not met. If the employer maintaining a SEP IRA plan and/or SIMPLE IRA plan has elected to establish or change ROA for the IRA accounts associated with the plan to a plan-level grouping, LOIs will also be at the plan-level and may only be established by the employer

Other Important Information Regarding Transactions Through Edward Jones

Minimum Purchase Amounts

- Initial purchase minimum: $250
- Subsequent purchase minimum: none

Minimum Balances

- Edward Jones has the right to redeem at its discretion fund holdings with a balance of $250 or less. The following are examples of accounts that are not included in this policy:
- A fee-based account held on an Edward Jones platform
- A 529 account held on an Edward Jones platform
- An account with an active systematic investment plan or LOI

Exchanging Share Classes

- At any time it deems necessary, Edward Jones has the authority to exchange at NAV a shareholder's holdings in a fund to Class A shares of the same fund

You should read this Supplement in conjunction with the Prospectus and retain it for future reference.

MF0PNS_12/1/20

A company of Manulife Investment Management

John Hancock Investment Management

Prospectus Supplement

JOHN HANCOCK BOND TRUST
JOHN HANCOCK CALIFORNIA TAX-FREE INCOME FUND
JOHN HANCOCK CAPITAL SERIES
JOHN HANCOCK CURRENT INTEREST
JOHN HANCOCK FUNDS II
JOHN HANCOCK FUNDS III
JOHN HANCOCK INVESTMENT TRUST
JOHN HANCOCK INVESTMENT TRUST II
JOHN HANCOCK MUNICIPAL SECURITIES TRUST
JOHN HANCOCK SOVEREIGN BOND FUND
JOHN HANCOCK STRATEGIC SERIES

Supplement dated September 17, 2020 to the current prospectus (the prospectus), as may be supplemented

Effective November 1, 2020, the subsection entitled "Class C shares" under the section entitled "CHOOSING AN ELIGIBLE SHARE CLASS" is amended and restated as follows:

> The maximum amount you may invest in Class C shares with any single purchase is $999,999.99. John Hancock Signature Services, Inc. (Signature Services), the transfer agent for the fund, may accept a purchase request for Class C shares for $1,000,000 or more when the purchase is pursuant to the reinstatement privilege (see "Sales charge reductions and waivers"). Class C shares automatically convert to Class A shares after eight years, provided that the fund or the financial intermediary through which a shareholder purchased or holds Class C shares has records verifying that the Class C shares have been held for at least eight years. Group retirement plan recordkeeping platforms of certain intermediaries that hold Class C shares with the fund in an omnibus account do not track participant level share lot aging and, as such, these Class C shares would not satisfy the conditions for the automatic Class C to Class A conversion.

In addition, also effective November 1, 2020, the following bullet is added or replaces, as applicable, the last bullet regarding automatic conversion of Class C shares in the subsection entitled "Class C shares" under the section entitled "CLASS COST STRUCTURE":

- Automatic conversion to Class A shares after eight years, thus reducing future annual expenses (certain exclusions may apply)

You should read this Supplement in conjunction with the prospectus and retain it for future reference.

MTPNS_09/17/2020

A company of Manulife Investment Management

John Hancock Investment Management

Prospectus Supplement

JOHN HANCOCK BOND TRUST
JOHN HANCOCK CALIFORNIA TAX-FREE INCOME FUND
JOHN HANCOCK CAPITAL SERIES
JOHN HANCOCK FUNDS II
JOHN HANCOCK FUNDS III
JOHN HANCOCK INVESTMENT TRUST
JOHN HANCOCK INVESTMENT TRUST II
JOHN HANCOCK MUNICIPAL SECURITIES TRUST
JOHN HANCOCK SOVEREIGN BOND FUND
JOHN HANCOCK STRATEGIC SERIES

Supplement dated August 10, 2020 to the current Prospectus, as may be supplemented

APPENDIX 1 – INTERMEDIARY SALES CHARGE WAIVERS to each fund's prospectus is amended to include the following:

Robert W. Baird & Co. (Baird)

Effective June 15, 2020, shareholders purchasing fund shares through a Baird platform or account will only be eligible for the following sales charge waivers (front-end sales charge waivers and contingent deferred sales charge (CDSC) waivers) and discounts, which may differ from those disclosed elsewhere in this prospectus or the SAI.

Front-End Sales Charge Waivers on Class A shares Available at Baird
- Shares purchased through reinvestment of capital gains distributions and dividend reinvestment when purchasing shares of the same fund
- Shares purchased by employees and registered representatives of Baird or its affiliates and their family members as designated by Baird
- Shares purchased from the proceeds of redemptions within the same fund family, provided (1) the repurchase occurs within 90 days following the redemption, (2) the redemption and purchase occur in the same account, and (3) redeemed shares were subject to a front-end or deferred sales charge (known as rights of reinstatement)
- Class C shares will be converted at net asset value to Class A shares of the same fund if the shares are no longer subject to CDSC and the conversion is in line with the policies and procedures of Baird
- Employer-sponsored retirement plans or charitable accounts in a transactional brokerage account at Baird, including 401(k) plans, 457 plans, employer-sponsored 403(b) plans, profit sharing and money purchase pension plans and defined benefit plans. For purposes of this provision, employer-sponsored retirement plans do not include SEP IRAs, Simple IRAs or SAR-SEPs

CDSC Waivers on Class A and Class C shares Available at Baird
- Shares sold due to death or disability of the shareholder
- Shares sold as part of a systematic withdrawal plan as described in the fund's prospectus
- Shares bought due to returns of excess contributions from an IRA Account
- Shares sold as part of a required minimum distribution for IRA and retirement accounts due to the shareholder reaching the qualified age based on applicable IRS regulations as described in the fund's prospectus
- Shares sold to pay Baird fees but only if the transaction is initiated by Baird
- Shares acquired through a right of reinstatement

Front-End Sales Charge Discounts Available at Baird: Breakpoints and/or Rights of Accumulations
- Breakpoints as described in this prospectus
- Rights of accumulations which entitle shareholders to breakpoint discounts will be automatically calculated based on the aggregated holdings of fund family assets held by accounts within the purchaser's household at Baird. Eligible fund family assets not held at Baird may be included in the rights of accumulations calculation only if the shareholder notifies his or her financial advisor about such assets
- Letters of Intent (LOI) allow for breakpoint discounts based on anticipated purchases within the fund family through Baird, over a 13-month period of time

Stifel, Nicolaus & Company, Incorporated ("Stifel")

Effective July 1, 2020, shareholders purchasing fund shares through a Stifel platform or account or who own shares for which Stifel or an affiliate is the broker-dealer of record are eligible for the following additional sales charge waiver.

Front-end Sales Load Waiver on Class A Shares
- Class C shares that have been held for more than seven (7) years converted to Class A shares of the same fund pursuant to Stifel's policies and procedures.

All other sales charge waivers and reductions described elsewhere in the fund's prospectus or SAI still apply.

You should read this Supplement in conjunction with the Prospectus and retain it for future reference.

MT0PNS_08/10/20

A company of Manulife Investment Management

John Hancock Investment Management

Prospectus Supplement

JOHN HANCOCK CAPITAL SERIES
JOHN HANCOCK FUNDS II
JOHN HANCOCK INVESTMENT TRUST
JOHN HANCOCK STRATEGIC SERIES

Supplement dated July 31, 2020 to the current Prospectus (the Prospectus), as may be supplemented

Effective after the close of business on August 31, 2020, Class R1 and R3 will be closed to new investors. Plans already offering or in the process of offering these share classes prior to August 31, 2020, may continue to offer these investment options to new participants.

You should read this supplement in conjunction with the Prospectus and retain it for your future reference.

MTPNS_07/31/20

A company of Manulife Investment Management

John Hancock Investment Management

Prospectus Supplement

John Hancock Bond Trust
John Hancock California Tax-Free Income Fund
John Hancock Capital Series
John Hancock Current Interest
John Hancock Funds II
John Hancock Funds III
John Hancock Investment Trust
John Hancock Investment Trust II
John Hancock Municipal Securities Trust
John Hancock Sovereign Bond Fund
John Hancock Strategic Series (collectively, the "Trusts")

Supplement dated June 25, 2020 to the current Prospectus (the "Prospectus"), as may be supplemented

On June 25, 2020, the Board of Trustees of the Trusts approved the redesignations (the "Redesignations") of the following share classes offered by the series of the Trusts:

(i) Class I2 shares as Class I shares;
(ii) Class ADV shares as Class A shares;
(iii) Class B shares as Class A shares;
(iv) Class R1 shares as Class R2 shares; and
(v) Class R3 shares as Class R2 shares.

As a result of the Redesignations, the existing Class I2, ADV, B, R1, and R3 shares will be terminated, and shareholders currently in these classes will become shareholders of the respective classes identified above, in each case with the same or lower net total expenses. The Redesignations of Class I2, ADV, and R3 shares as Class I, A, and R2 shares, respectively, are expected to occur on or about the close of business on October 9, 2020; the Redesignation of Class B shares as Class A shares is expected to occur on or about the close of business on October 14, 2020; and the Redesignation of Class R1 shares as Class R2 shares is expected to occur on or about the close of business on October 23, 2020 (collectively, the "Effective Date").

When business opens on the next business day following the Effective Date, the Redesignations will have occurred, and the newly redesignated share classes will be available to new accounts as well as new purchases by existing shareholders who meet the eligibility requirements as outlined in the fund's prospectus. As of the Effective Date, all references to the terminated share classes are removed from the Prospectus. There is no action required by shareholders to effect the Redesignations, and there will be no disruption to accounts as a result of the Redesignations.

You should read this supplement in conjunction with the Prospectus and retain it for your future reference.

MF0PNS_1 6/25/20

John Hancock Investment Management

Prospectus Supplement

JOHN HANCOCK BOND TRUST
JOHN HANCOCK CALIFORNIA TAX-FREE INCOME FUND
JOHN HANCOCK CAPITAL SERIES
JOHN HANCOCK CURRENT INTEREST
JOHN HANCOCK FUNDS II
JOHN HANCOCK FUNDS III
JOHN HANCOCK INVESTMENT TRUST
JOHN HANCOCK INVESTMENT TRUST II
JOHN HANCOCK MUNICIPAL SECURITIES TRUST
JOHN HANCOCK SOVEREIGN BOND FUND
JOHN HANCOCK STRATEGIC SERIES

Supplement dated June 25, 2020 to the current Prospectus, as may be supplemented (the Prospectus)

Effective immediately, the following paragraph under the subsection entitled "Exchanges and conversions" under the section entitled "TRANSACTION POLICIES" is amended and restated as follows as applicable to all Classes A, C, I, and R6:

Provided the fund's eligibility requirements are met, and to the extent the referenced share class is offered by the fund, an investor in the fund pursuant to a fee-based, wrap, or other investment platform program of certain firms, as determined by the fund, may be afforded an opportunity to make a conversion of (i) Class A shares and/or Class C shares (not subject to a CDSC) also owned by the investor in the same fund to Class I shares or Class R6 shares of that fund; or (ii) Class I shares also owned by the investor to Class R6 shares of the same fund. Investors that no longer participate in a fee-based, wrap, or other investment platform program of certain firms may be afforded an opportunity to make a conversion to Class A shares of the same fund. Class C shares may be converted to Class A at the request of the applicable financial intermediary after the expiration of the CDSC period, provided that the financial intermediary through which a shareholder purchased or holds Class C shares has records verifying that the Class C share CDSC period has expired and the position is held in an omnibus or dealer-controlled account. The fund may in its sole discretion permit a conversion of one share class to another share class of the same fund in certain circumstances other than those described above.

You should read this supplement in conjunction with the Prospectus and retain it for future reference.

MF0PNS_2 6/25/20

A company of Manulife Investment Management

John Hancock Investment Management

Prospectus Supplement

JOHN HANCOCK BOND TRUST
JOHN HANCOCK CALIFORNIA TAX-FREE INCOME FUND
JOHN HANCOCK CAPITAL SERIES
JOHN HANCOCK CURRENT INTEREST
JOHN HANCOCK FUNDS II
JOHN HANCOCK FUNDS III
JOHN HANCOCK INVESTMENT TRUST
JOHN HANCOCK INVESTMENT TRUST II
JOHN HANCOCK MUNICIPAL SECURITIES TRUST
JOHN HANCOCK SOVEREIGN BOND FUND
JOHN HANCOCK STRATEGIC SERIES

Supplement dated May 21, 2020 to the current prospectuses of each series of the investment companies listed above, as applicable, as may be supplemented (collectively, the Prospectus)

Effective June 1, 2020, the mailing addresses for John Hancock Signature Services, Inc. will change to the following:

Regular mail	**Express delivery**
John Hancock Signature Services, Inc. P.O. Box 219909 Kansas City, MO 64121-9909	John Hancock Signature Services, Inc. 430 W 7th Street Suite 219909 Kansas City, MO 64105-1407

Accordingly, all references to P.O. Box 55913, Boston, MA 02205-5913 and 2000 Crown Colony Drive, Suite 55913, Quincy, MA 02169-0953 in the Prospectus will be replaced with the new addresses.

You should read this Supplement in conjunction with the Prospectus and retain it for future reference.

MT0PNS 5/21/20

A company of Manulife Investment Management

John Hancock
Multimanager Lifestyle Portfolios

Prospectus 5/1/20

	Class A	Class B	Class C	Class I	Class R1	Class R2	Class R3	Class R4	Class R5	Class R6
Multimanager Lifestyle Aggressive Portfolio	JALAX	JBLAX	JCLAX	JTAIX	JPLAX	JQLAX	JRLAX	JSLAX	JTLAX	JULAX
Multimanager Lifestyle Growth Portfolio	JALGX	JBLGX	JCLGX	JTGIX	JPLGX	JQLGX	JRLGX	JSLGX	JTLGX	JULGX
Multimanager Lifestyle Balanced Portfolio	JALBX	JBLBX	JCLBX	JTBIX	JPLBX	JQLBX	JRLBX	JSLBX	JTSBX	JULBX
Multimanager Lifestyle Moderate Portfolio	JALMX	JBLMX	JCLMX	JTMIX	JPLMX	JQLMX	JRLMX	JSLMX	JTLMX	JULMX
Multimanager Lifestyle Conservative Portfolio	JALRX	JBLCX	JCLCX	JTOIX	JPLCX	JQLCX	JRLCX	JSLCX	JTLRX	JULCX

John Hancock Investment Management

Beginning on January 1, 2021, as permitted by regulations adopted by the Securities and Exchange Commission, paper copies of the fund's shareholder reports will no longer be sent by mail, unless you specifically request paper copies of the reports from the fund or from your financial intermediary. Instead, the reports will be made available on a website, and you will be notified by mail each time a report is posted and provided with a website link to access the report.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and do not need to take any action. You may elect to receive shareholder reports and other communications electronically by calling John Hancock Investment Management at 800-225-5291 (Class A, Class B and Class C) or 888-972-8696 (Class I, Class R1, Class R2, Class R3, Class R4, Class R5 and Class R6) or by contacting your financial intermediary.

You may elect to receive all reports in paper free of charge at any time. You can inform the fund or your financial intermediary that you wish to continue receiving paper copies of your shareholder reports by following the instructions listed above. Your election to receive reports in paper will apply to all funds held with John Hancock Investment Management or your financial intermediary.

As with all mutual funds, the Securities and Exchange Commission has not approved or disapproved these securities or passed upon the adequacy of this prospectus. Any representation to the contrary is a criminal offense.

Table of contents

Fund summary

The summary section is a concise look at the investment objective, fees and expenses, principal investment strategies, principal risks, past performance, and investment management.

Fund details

More about topics covered in the summary section, including descriptions of the investment strategies and various risk factors that investors should understand before investing.

Your account

How to place an order to buy, sell, or exchange shares, as well as information about the business policies and any distributions that may be paid.

Fund summary

John Hancock Multimanager Lifestyle Aggressive Portfolio

INVESTMENT OBJECTIVE

To seek long-term growth of capital. Current income is not a consideration.

FEES AND EXPENSES

This table describes the fees and expenses you may pay if you buy and hold shares of the fund. You may qualify for sales charge discounts on Class A shares if you and your family invest, or agree to invest in the future, at least $50,000 in the John Hancock family of funds. Intermediaries may have different policies and procedures regarding the availability of front-end sales charge waivers or contingent deferred sales charge (CDSC) waivers (See Appendix 1 - Intermediary sales charge waivers, which includes information about specific sales charge waivers applicable to the intermediaries identified therein). Although the fund does not impose any sales charges on Class I shares, you may pay commissions to your broker on your purchases and sales of Class I shares, which are not reflected in the table and example below. More information about these and other discounts is available from your financial representative and on pages 66 to 68 of the prospectus under "Sales charge reductions and waivers" or pages 101 to 104 of the fund's Statement of Additional Information under "Sales Charges on Class A, Class B, and Class C Shares."

Shareholder fees (%) (fees paid directly from your investment)	A	B	C	I	R1	R2	R3	R4	R5	R6
Maximum front-end sales charge (load) on purchases, as a % of purchase price	4.50	None	None	None	None	None	None	None	None	None
Maximum deferred sales charge (load) as a % of purchase or sale price, whichever is less	1.00 (on certain purchases, including those of $250,000 or more)	5.00	1.00	None	None	None	None	None	None	None
Small account fee (for fund account balances under $1,000) ($)	20	None	20	None	None	None	None	None	None	None

Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)	A	B	C	I	R1	R2	R3	R4	R5	R6
Management fee	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18
Distribution and service (Rule 12b-1) fees	0.30	1.00	1.00	0.00	0.50	0.25	0.50	0.25	0.00	0.00
Other expenses										
Service plan fee	0.00	0.00	0.00	0.00	0.25[1]	0.25[1]	0.15	0.10	0.05[1]	0.00
Additional other expenses	0.16	0.16	0.16	0.16	0.05	0.05	0.05	0.05	0.05	0.05
Total other expenses	0.16	0.16	0.16	0.16	0.30	0.30	0.20	0.15	0.10	0.05
Acquired fund fees and expenses[2]	0.81	0.81	0.81	0.81	0.81	0.81	0.81	0.81	0.81	0.81
Total annual fund operating expenses[3]	**1.45**	**2.15**	**2.15**	**1.15**	**1.79**	**1.54**	**1.69**	**1.39**	**1.09**	**1.04**
Contractual expense reimbursement	–0.01[4]	0.00	0.00	–0.01[4]	0.00	0.00	0.00	–0.10[5]	0.00	0.00
Total annual fund operating expenses after expense reimbursements	**1.44**	**2.15**	**2.15**	**1.14**	**1.79**	**1.54**	**1.69**	**1.29**	**1.09**	**1.04**

1 "Service plan fee" has been restated to reflect maximum allowable fees.

2 "Acquired fund fees and expenses" are based on indirect net expenses associated with the fund's investments in underlying investment companies.

3 The "Total annual fund operating expenses" shown may not correlate to the fund's ratios of expenses to average daily net assets shown in the "Financial highlights" section of the fund's prospectus, which does not include "Acquired fund fees and expenses."

4 The advisor contractually agrees to waive and/or reimburse all class-specific expenses for Class A and Class I shares to the extent they exceed 0.41% and 0.11%, respectively, of average annual net assets (on an annualized basis) attributable to the class. This agreement expires on April 30, 2021, unless renewed by mutual agreement of the fund and the advisor based upon a determination that this is appropriate under the circumstances at that time.

5 The distributor contractually agrees to limit its Rule 12b-1 fees for Class R4 shares to 0.15%. This agreement expires on April 30, 2021, unless renewed by mutual agreement of the fund and the distributor based upon a determination that this is appropriate under the circumstances at that time.

EXPENSE EXAMPLE

This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then, except as shown below, assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

Expenses ($)	A	B		C		I	R1	R2	R3	R4	R5	R6
Shares		Sold	Not Sold	Sold	Not Sold							
1 year	590	718	218	318	218	116	182	157	172	131	111	106
3 years	887	973	673	673	673	364	563	486	533	430	347	331
5 years	1,206	1,354	1,154	1,154	1,154	632	970	839	918	751	601	574
10 years	2,106	2,305	2,305	2,483	2,483	1,397	2,105	1,834	1,998	1,660	1,329	1,271

PORTFOLIO TURNOVER

The fund, which operates as a fund of funds and invests in underlying funds, does not pay transaction costs, such as commissions, when it buys and sells shares of underlying funds (or "turns over" its portfolio). An underlying fund does pay transaction costs when it turns over its portfolio, and a higher portfolio turnover rate may indicate higher transaction costs. A higher portfolio turnover rate may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the performance of the underlying funds and of the fund. During its most recent fiscal year, the fund's portfolio turnover rate was 29% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES

The fund operates as a fund of funds and, except as otherwise described below, normally invests approximately 100% of its assets in underlying funds that invest primarily in equity securities.

Variations in the target percentage allocation between underlying funds that invest primarily in equity securities and underlying funds that invest primarily in fixed-income securities are permitted up to 10%. Thus, based on its target percentage allocation of approximately 100% of assets in equity underlying funds, the fund may have an equity/fixed-income underlying fund allocation of 90%/10%. Although variations beyond the 10% range are generally not permitted, the manager may determine, in light of market or economic conditions, that the normal percentage limitations should be exceeded to protect the fund or to achieve its goal.

The fund may invest in various actively managed underlying funds that, as a group, hold a wide range of equity-type securities. The fund may also invest in various passively managed underlying funds. Equity-type securities include small-, mid-, and large-capitalization stocks; domestic and foreign securities (including emerging-market securities); and sector holdings. Each of these underlying funds has its own investment strategy that, for example, may focus on growth stocks or value stocks or may employ a strategy combining growth and income stocks and/or may invest in derivatives, such as options on securities and futures contracts. The fund may also invest in various underlying funds that invest in alternative and specialty asset classes.

The fund may invest in affiliated and nonaffiliated investment companies. In addition to investing in exchange-traded funds (ETFs), the fund may also invest in U.S. government securities and derivatives, such as credit default swaps and options on equity index futures, interest-rate swaps, and foreign currency forward contracts, in each case for the purposes of reducing risk, obtaining efficient market exposure, and/or enhancing investment returns. The fund may also directly invest in exchange-traded notes (ETNs). The fund is also authorized to use various other investment strategies such as investing directly in fixed-income and equity securities, closed-end funds, and partnerships, and short-selling securities.

PRINCIPAL RISKS

An investment in the fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Many factors affect performance, and fund shares will fluctuate in price, meaning you could lose money. The fund's investment strategy may not produce the intended results.

During periods of heightened market volatility or reduced liquidity, governments, their agencies, or other regulatory bodies, both within the United States and abroad, may take steps to intervene. These actions, which could include legislative, regulatory, or economic initiatives, might have unforeseeable consequences and could adversely affect the fund's performance or otherwise constrain the fund's ability to achieve its investment objective.

Because this fund has a greater exposure to underlying funds that invest primarily in equity securities than John Hancock Multimanager Lifestyle Portfolios with greater target allocations to underlying funds that invest primarily in fixed-income securities, equity security risks are more prevalent in this fund than in other Multimanager Lifestyle Portfolios. In addition to equity securities risk, the fund's other main risks are listed below in alphabetical order, not in order of importance. *Before investing, be sure to read the additional descriptions of these risks beginning on page 32 of the prospectus.*

Principal risks of investing in the fund of funds

Commodity risk. Commodity prices may be volatile due to fluctuating demand, supply disruption, speculation, and other factors. Certain commodity investments may have no active trading market at times.

Credit and counterparty risk. The issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter derivatives contract, or a borrower of fund securities may not make timely payments or otherwise honor its obligations. U.S. government securities are subject to varying degrees of credit risk depending upon the nature of their support. A downgrade or default affecting any of the fund's securities could affect the fund's performance.

Cybersecurity and operational risk. Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund's securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

Economic and market events risk. Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

Equity securities risk. The price of equity securities may decline due to changes in a company's financial condition or overall market conditions. Growth company securities may fluctuate more in price than other securities because of the greater emphasis on earnings expectations. Securities the manager believes are undervalued may never realize their full potential value, and in certain markets value stocks may underperform the market as a whole.

Exchange-traded funds risk. An ETF generally reflects the risks of the underlying securities of the index it is designed to track. However, at times, an ETF's portfolio composition and performance may not match that of such index. A fund bears ETF fees and expenses indirectly.

Exchange-traded notes risk. An ETN generally reflects the risks associated with the assets composing the underlying market benchmark or strategy it is designed to track. ETNs also are subject to issuer and fixed-income risks.

Fixed-income securities risk. A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security's credit quality may adversely affect fund performance.

Fund of funds risk. The fund's ability to achieve its investment objective will depend largely, in part, on: (i) the underlying funds' performance, expenses and ability to meet their investment objectives; and (ii) properly rebalancing assets among underlying funds and different asset classes. The fund is also subject to risks related to: (i) layering of fees of the underlying funds; and (ii) conflicts of interest associated with the subadvisor's ability to allocate fund assets without limit to other funds it advises and/or other funds advised by affiliated subadvisors. There is no assurance that either the fund or the underlying funds will achieve their investment objectives. A fund bears underlying fund fees and expenses indirectly.

Hedging, derivatives, and other strategic transactions risk. Hedging, derivatives, and other strategic transactions may increase a fund's volatility and could produce disproportionate losses, potentially more than the fund's principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Derivatives and other strategic transactions that a fund may utilize include: credit default swaps, foreign currency forward contracts, futures contracts, interest-rate swaps, and options. Foreign currency forward contracts, futures contracts, options, and swaps generally are subject to counterparty risk. In addition, swaps may be subject to interest-rate and settlement risk, and the risk of default of the underlying reference obligation. Derivatives associated with foreign currency transactions are subject to currency risk.

Investment company securities risk. Underlying fund fees and expenses associated with investments in other investment companies are borne by fund shareholders.

Liquidity risk. The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand may adversely impact the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect performance. Redemption risk is heightened during periods of declining or illiquid markets.

Short sales risk. In a short sale, a fund pays interest on the borrowed security. The fund will lose money if the security price increases between the short sale and the replacement date.

Principal risks of investing in the underlying funds

Commodity risk. Commodity prices may be volatile due to fluctuating demand, supply disruption, speculation, and other factors. Certain commodity investments may have no active trading market at times.

Credit and counterparty risk. The issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter derivatives contract, or a borrower of fund securities may not make timely payments or otherwise honor its obligations. U.S. government securities are subject to varying degrees of credit risk depending upon the nature of their support. A downgrade or default affecting any of the fund's securities could affect the fund's performance.

Cybersecurity and operational risk. Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund's securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

Economic and market events risk. Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

Equity securities risk. The price of equity securities may decline due to changes in a company's financial condition or overall market conditions. Growth company securities may fluctuate more in price than other securities because of the greater emphasis on earnings expectations. Securities the manager believes are undervalued may never realize their full potential value, and in certain markets value stocks may underperform the market as a whole.

Exchange-traded funds risk. An ETF generally reflects the risks of the underlying securities of the index it is designed to track. However, at times, an ETF's portfolio composition and performance may not match that of such index. A fund bears ETF fees and expenses indirectly.

Fixed-income securities risk. A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security's credit quality may adversely affect fund performance.

Foreign securities risk. Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. The risks of investing in foreign securities are magnified in emerging markets. Any depositary receipts are subject to most of the risks associated with investing in foreign securities directly because the value of a depositary receipt is dependent upon the market price of the underlying foreign equity security. Depositary receipts are also subject to liquidity risk.

Hedging, derivatives, and other strategic transactions risk. Hedging, derivatives, and other strategic transactions may increase a fund's volatility and could produce disproportionate losses, potentially more than the fund's principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Derivatives and other strategic transactions that a fund may utilize include: credit default swaps, foreign currency forward contracts, futures contracts, interest-rate swaps, and options. Foreign currency forward contracts, futures contracts, options, and swaps generally are subject to counterparty risk. In addition, swaps may be subject to interest-rate and settlement risk, and the risk of default of the underlying reference obligation. Derivatives associated with foreign currency transactions are subject to currency risk.

Initial public offerings risk. IPO share prices are frequently volatile and may significantly impact fund performance.

Large company risk. Larger companies may grow more slowly than smaller companies or be slower to respond to business developments. Large-capitalization securities may underperform the market as a whole.

Liquidity risk. The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand may adversely impact the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect performance. Redemption risk is heightened during periods of declining or illiquid markets.

Lower-rated and high-yield fixed-income securities risk. Lower-rated and high-yield fixed-income securities (junk bonds) are subject to greater credit quality risk, risk of default, and price volatility than higher-rated fixed-income securities, may be considered speculative, and can be difficult to resell.

Mortgage-backed and asset-backed securities risk. Mortgage-backed and asset-backed securities are subject to different combinations of prepayment, extension, interest-rate, and other market risks. Factors that impact the value of these securities include interest rate changes, the reliability of available information, credit quality or enhancement, and market perception.

Non-diversified risk. Adverse events affecting a particular issuer or group of issuers may magnify losses for non-diversified funds, which may invest a large portion of assets in any one issuer or a small number of issuers.

Preferred and convertible securities risk. Preferred stock dividends are payable only if declared by the issuer's board. Preferred stock may be subject to redemption provisions. The market values of convertible securities tend to fall as interest rates rise and rise as interest rates fall. Convertible preferred stock's value can depend heavily upon the underlying common stock's value.

Sector risk. When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

Small and mid-sized company risk. Small and mid-sized companies are generally less established and may be more volatile than larger companies. Small and/or mid-capitalization securities may underperform the market as a whole.

PAST PERFORMANCE

The following information illustrates the variability of the fund's returns and provides some indication of the risks of investing in the fund by showing changes in the fund's performance from year to year and by showing how the fund's average annual returns compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. The fund's custom blended benchmark comprises 70% Russell 3000 Index/30% MSCI ACWI ex-USA Index and shows how the fund's performance compares against the returns of similar investments. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-225-5291 (Class A, Class B, and Class C), Monday to Thursday, 8:00 A.M.—7:00 P.M., and Friday, 8:00 A.M.—6:00 P.M., Eastern time, or 888-972-8696 (Class I and Class R Suite) between 8:30 A.M. and 5:00 P.M., Eastern time, on most business days.

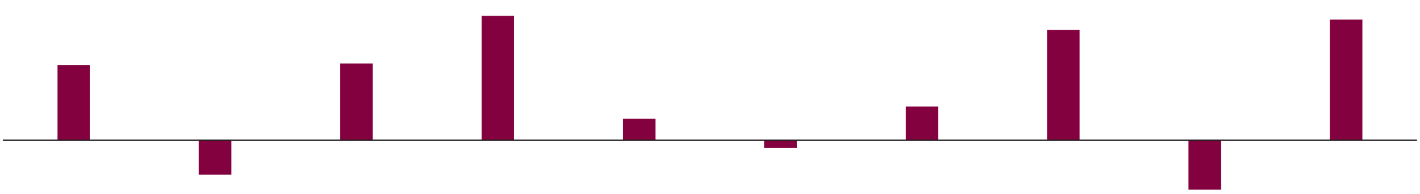
A note on performance

Class C, Class R6, Class R2, and Class I shares commenced operations on October 17, 2005, September 1, 2011, March 1, 2012, and May 1, 2015, respectively; returns shown prior to a class's commencement date are those of Class C shares, except that they do not include sales charges and would be lower if they did. Returns for Class I, Class R2, and Class R6 shares would have been substantially similar to returns of Class C shares because each share class is invested in the same portfolio of securities and returns would differ only to the extent that expenses of the classes are different. To the extent expenses of a class would have been higher than expenses of Class C shares for the periods, shown, performance would have been lower.

Please note that after-tax returns (shown for Class A shares only) reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan. After-tax returns for other share classes would vary. The returns for Class A shares have been adjusted to reflect the reduction in the maximum sales charge from 5.00% to 4.50%, effective August 1, 2019.

Calendar year total returns (%)—Class A (sales charges are not reflected in the bar chart and returns would have been lower if they were)

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
15.50	–7.09	15.83	25.70	4.39	–1.54	6.92	22.79	–10.19	24.92



Year-to-date total return. The fund's total return for the three months ended March 31, 2020, was –22.38%.

Best quarter: Q3 '10, 13.25%

Worst quarter: Q3 '11, –18.05%

Average annual total returns (%)—as of 12/31/19	1 year	5 year	10 year
Class A (before tax)	19.28	6.73	8.49
after tax on distributions	15.87	4.25	6.99
after tax on distributions, with sale	13.89	4.89	6.64
Class B	19.05	6.68	8.33
Class C	23.03	6.96	8.21
Class I	25.38	7.98	8.73
Class R1	24.59	7.34	8.56
Class R2	24.76	7.60	8.73
Class R3	24.65	7.43	8.67
Class R4	25.16	7.87	9.06
Class R5	25.36	8.08	9.33
Class R6	25.41	8.17	9.24
S&P 500 Index (reflects no deduction for fees, expenses, or taxes)	31.49	11.70	13.56
MSCI EAFE Index (reflects no deduction for fees, expenses, or taxes)	22.01	5.67	5.50
Russell 3000 Index/MSCI ACWI ex–USA Index (reflects no deduction for fees, expenses, or taxes)	28.13	9.55	10.88

INVESTMENT MANAGEMENT

Investment advisor John Hancock Investment Management LLC
Subadvisor Manulife Investment Management (US) LLC

PORTFOLIO MANAGEMENT

Robert Sykes, CFA
Managing Director and Portfolio Manager, Asset Allocation Team
Managed fund since 2018

Nathan Thooft, CFA
Senior Managing Director, Senior Portfolio Manager and Global Head of Asset Allocation
Managed fund since 2013

PURCHASE AND SALE OF FUND SHARES

The minimum initial investment requirement for Class A and Class C shares is $1,000 ($250 for group investments), except that there is no minimum for certain group retirement plans, certain fee-based or wrap accounts, or certain other eligible investment product platforms. The minimum initial investment requirement for Class I shares is $250,000, except that the fund may waive the minimum for any category of investors at the fund's sole discretion. There are no minimum initial investment requirements for Class R1, Class R2, Class R3, Class R4, or Class R5 shares. The minimum initial investment requirement for Class R6 shares is $1 million, except that there is no minimum for: qualified and nonqualified plan investors; certain eligible qualifying investment product platforms; Trustees, employees of the advisor or its affiliates, employees of the subadvisor, members of the fund's portfolio management team and the spouses and children (under age 21) of the aforementioned. There are no subsequent minimum investment requirements for any of these share classes. Purchases of Class B shares are closed to new and existing investors except by exchange from Class B shares of another John Hancock fund or through dividend and/or capital gains reinvestment.

Class A, Class B, Class C, Class I and Class R6 shares may be redeemed on any business day by mail: John Hancock Signature Services, Inc., P.O. Box 55913, Boston, Massachusetts 02205-5913; or for most account types through our website: jhinvestments.com; or by telephone: 800-225-5291 (Class A, Class B, and Class C); 888-972-8696 (Class I and Class R6). Class R1, Class R2, Class R3, Class R4, and Class R5 shares may be redeemed on any business day by contacting your retirement plan administrator or recordkeeper.

TAXES

The fund's distributions are taxable, and will be taxed as ordinary income and/or capital gains, unless you are investing through a tax-deferred arrangement, such as a 401(k) plan or individual retirement account. Withdrawals from such tax-deferred arrangements may be subject to tax at a later date.

PAYMENTS TO BROKER-DEALERS AND OTHER FINANCIAL INTERMEDIARIES

If you purchase the fund through a broker-dealer or other financial intermediary (such as a bank, registered investment advisor, financial planner, or retirement plan administrator), the fund and its related companies may pay the broker-dealer or other intermediary for the sale of fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the fund over another investment. These payments are not applicable to Class R6 shares. Ask your salesperson or visit your financial intermediary's website for more information.

Fund summary

John Hancock Multimanager Lifestyle Growth Portfolio

INVESTMENT OBJECTIVE

To seek long-term growth of capital. Current income is also a consideration.

FEES AND EXPENSES

This table describes the fees and expenses you may pay if you buy and hold shares of the fund. You may qualify for sales charge discounts on Class A shares if you and your family invest, or agree to invest in the future, at least $50,000 in the John Hancock family of funds. Intermediaries may have different policies and procedures regarding the availability of front-end sales charge waivers or contingent deferred sales charge (CDSC) waivers (See Appendix 1 - Intermediary sales charge waivers, which includes information about specific sales charge waivers applicable to the intermediaries identified therein). Although the fund does not impose any sales charges on Class I shares, you may pay commissions to your broker on your purchases and sales of Class I shares, which are not reflected in the table and example below. More information about these and other discounts is available from your financial representative and on pages 66 to 68 of the prospectus under "Sales charge reductions and waivers" or pages 101 to 104 of the fund's Statement of Additional Information under "Sales Charges on Class A, Class B, and Class C Shares."

Shareholder fees (%) (fees paid directly from your investment)	A	B	C	I	R1	R2	R3	R4	R5	R6
Maximum front-end sales charge (load) on purchases, as a % of purchase price	4.50	None	None	None	None	None	None	None	None	None
Maximum deferred sales charge (load) as a % of purchase or sale price, whichever is less	1.00 (on certain purchases, including those of $250,000 or more)	5.00	1.00	None	None	None	None	None	None	None
Small account fee (for fund account balances under $1,000) ($)	20	None	20	None	None	None	None	None	None	None

Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)	A	B	C	I	R1	R2	R3	R4	R5	R6
Management fee	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18
Distribution and service (Rule 12b-1) fees	0.30	1.00	1.00	0.00	0.50	0.25	0.50	0.25	0.00	0.00
Other expenses										
Service plan fee	0.00	0.00	0.00	0.00	0.25[1]	0.25[1]	0.15[1]	0.10[1]	0.05	0.00
Additional other expenses	0.14	0.14	0.14	0.14[2]	0.04	0.04	0.04	0.04	0.04	0.04
Total other expenses	0.14	0.14	0.14	0.14	0.29	0.29	0.19	0.14	0.09	0.04
Acquired fund fees and expenses[3]	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Total annual fund operating expenses[4]	**1.37**	**2.07**	**2.07**	**1.07**	**1.72**	**1.47**	**1.62**	**1.32**	**1.02**	**0.97**
Contractual expense reimbursement	–0.01[5]	0.00	0.00	–0.01[5]	0.00	0.00	0.00	–0.10[6]	0.00	0.00
Total annual fund operating expenses after expense reimbursements	**1.36**	**2.07**	**2.07**	**1.06**	**1.72**	**1.47**	**1.62**	**1.22**	**1.02**	**0.97**

1 "Service plan fee" has been restated to reflect maximum allowable fees.
2 "Other expenses" have been restated from fiscal year amounts to reflect current fees and expenses.
3 "Acquired fund fees and expenses" are based on indirect net expenses associated with the fund's investments in underlying investment companies.
4 The "Total annual fund operating expenses" shown may not correlate to the fund's ratios of expenses to average daily net assets shown in the "Financial highlights" section of the fund's prospectus, which does not include "Acquired fund fees and expenses."
5 The advisor contractually agrees to waive and/or reimburse all class-specific expenses for Class A and Class I shares to the extent they exceed 0.41% and 0.11%, respectively, of average annual net assets (on an annualized basis) attributable to the class. This agreement expires on April 30, 2021, unless renewed by mutual agreement of the fund and the advisor based upon a determination that this is appropriate under the circumstances at that time.
6 The distributor contractually agrees to limit its Rule 12b-1 fees for Class R4 shares to 0.15%. This agreement expires on April 30, 2021, unless renewed by mutual agreement of the fund and the distributor based upon a determination that this is appropriate under the circumstances at that time.

EXPENSE EXAMPLE

This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then, except as shown below, assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

Expenses ($)	A	B		C		I	R1	R2	R3	R4	R5	R6
Shares		Sold	Not Sold	Sold	Not Sold							
1 year	582	710	210	310	210	108	175	150	165	124	104	99
3 years	863	949	649	649	649	339	542	465	511	408	325	309
5 years	1,165	1,314	1,114	1,114	1,114	589	933	803	881	714	563	536
10 years	2,021	2,221	2,221	2,400	2,400	1,305	2,030	1,757	1,922	1,582	1,248	1,190

PORTFOLIO TURNOVER

The fund, which operates as a fund of funds and invests in underlying funds, does not pay transaction costs, such as commissions, when it buys and sells shares of underlying funds (or "turns over" its portfolio). An underlying fund does pay transaction costs when it turns over its portfolio, and a higher portfolio turnover rate may indicate higher transaction costs. A higher portfolio turnover rate may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the performance of the underlying funds and of the fund. During its most recent fiscal year, the fund's portfolio turnover rate was 29% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES

The fund operates as a fund of funds and, except as otherwise described below, normally invests approximately 20% of its assets in underlying funds that invest primarily in fixed-income securities and approximately 80% of its assets in underlying funds that invest primarily in equity securities.

Variations in the target percentage allocation between underlying funds that invest primarily in equity securities and underlying funds that invest primarily in fixed-income securities are permitted up to 10% in either direction. Thus, based on its target percentage allocation of approximately 80% of its assets in equity underlying funds and 20% of its assets in fixed-income underlying funds, the fund may have an equity/fixed-income underlying funds allocation ranging between 90%/10% and 70%/30%. Although variations beyond the 10% range are generally not permitted, the manager may determine, in light of market or economic conditions, that the normal percentage limitations should be exceeded to protect the fund or achieve its goal.

The fund may invest in various actively managed underlying funds that, as a group, hold a wide range of equity-type securities. The fund may also invest in various passively managed underlying funds. Equity-type securities include small-, mid-, and large-capitalization stocks; domestic and foreign securities (including emerging-market securities); and sector holdings. Each of these underlying funds has its own investment strategy that, for example, may focus on growth stocks or value stocks or may employ a strategy combining growth and income stocks and/or may invest in derivatives, such as options on securities and futures contracts. Certain of the underlying funds in which the fund invests focus their investment strategy on fixed-income securities, which may include investment-grade and below-investment-grade debt securities with maturities that range from short to longer term. The fixed-income underlying funds collectively hold various types of debt instruments, such as corporate bonds and mortgage-backed, government-issued, domestic, and international securities. The fund may also invest in various underlying funds that invest in alternative and specialty asset classes.

The fund may invest in affiliated and nonaffiliated investment companies. In addition to investing in exchange-traded funds (ETFs), the fund may also invest in U.S. government securities and derivatives, such as credit default swaps and options on equity index futures, interest-rate swaps, and foreign currency forward contracts, in each case for the purposes of reducing risk, obtaining efficient market exposure, and/or enhancing investment returns. The fund may also directly invest in exchange-traded notes (ETNs). The fund is also authorized to use various other investment strategies such as investing directly in fixed-income and equity securities, closed-end funds, and partnerships, and short-selling securities.

PRINCIPAL RISKS

An investment in the fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Many factors affect performance, and fund shares will fluctuate in price, meaning you could lose money. The fund's investment strategy may not produce the intended results.

During periods of heightened market volatility or reduced liquidity, governments, their agencies, or other regulatory bodies, both within the United States and abroad, may take steps to intervene. These actions, which could include legislative, regulatory, or economic initiatives, might have unforeseeable consequences and could adversely affect the fund's performance or otherwise constrain the fund's ability to achieve its investment objective.

Because this fund has a greater exposure to underlying funds that invest primarily in equity securities than John Hancock Multimanager Lifestyle Portfolios with greater target allocations to underlying funds that invest primarily in fixed-income securities, equity security risks are more prevalent in this fund than in other Multimanager Lifestyle Portfolios. In addition to equity securities risk, the fund's other main risks are listed below in alphabetical order, not in order of importance. *Before investing, be sure to read the additional descriptions of these risks beginning on page 32 of the prospectus.*

Principal risks of investing in the fund of funds

Commodity risk. Commodity prices may be volatile due to fluctuating demand, supply disruption, speculation, and other factors. Certain commodity investments may have no active trading market at times.

Credit and counterparty risk. The issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter derivatives contract, or a borrower of fund securities may not make timely payments or otherwise honor its obligations. U.S. government securities are subject to varying degrees of credit risk depending upon the nature of their support. A downgrade or default affecting any of the fund's securities could affect the fund's performance.

Cybersecurity and operational risk. Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund's securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

Economic and market events risk. Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

Equity securities risk. The price of equity securities may decline due to changes in a company's financial condition or overall market conditions. Growth company securities may fluctuate more in price than other securities because of the greater emphasis on earnings expectations. Securities the manager believes are undervalued may never realize their full potential value, and in certain markets value stocks may underperform the market as a whole.

Exchange-traded funds risk. An ETF generally reflects the risks of the underlying securities of the index it is designed to track. However, at times, an ETF's portfolio composition and performance may not match that of such index. A fund bears ETF fees and expenses indirectly.

Exchange-traded notes risk. An ETN generally reflects the risks associated with the assets composing the underlying market benchmark or strategy it is designed to track. ETNs also are subject to issuer and fixed-income risks.

Fixed-income securities risk. A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security's credit quality may adversely affect fund performance.

Fund of funds risk. The fund's ability to achieve its investment objective will depend largely, in part, on: (i) the underlying funds' performance, expenses and ability to meet their investment objectives; and (ii) properly rebalancing assets among underlying funds and different asset classes. The fund is also subject to risks related to: (i) layering of fees of the underlying funds; and (ii) conflicts of interest associated with the subadvisor's ability to allocate fund assets without limit to other funds it advises and/or other funds advised by affiliated subadvisors. There is no assurance that either the fund or the underlying funds will achieve their investment objectives. A fund bears underlying fund fees and expenses indirectly.

Hedging, derivatives, and other strategic transactions risk. Hedging, derivatives, and other strategic transactions may increase a fund's volatility and could produce disproportionate losses, potentially more than the fund's principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Derivatives and other strategic transactions that a fund may utilize include: credit default swaps, foreign currency forward contracts, futures contracts, interest-rate swaps, and options. Foreign currency forward contracts, futures contracts, options, and swaps generally are subject to counterparty risk. In addition, swaps may be subject to interest-rate and settlement risk, and the risk of default of the underlying reference obligation. Derivatives associated with foreign currency transactions are subject to currency risk.

Investment company securities risk. Underlying fund fees and expenses associated with investments in other investment companies are borne by fund shareholders.

Liquidity risk. The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand may adversely impact the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect performance. Redemption risk is heightened during periods of declining or illiquid markets.

Short sales risk. In a short sale, a fund pays interest on the borrowed security. The fund will lose money if the security price increases between the short sale and the replacement date.

Principal risks of investing in the underlying funds

Commodity risk. Commodity prices may be volatile due to fluctuating demand, supply disruption, speculation, and other factors. Certain commodity investments may have no active trading market at times.

Credit and counterparty risk. The issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter derivatives contract, or a borrower of fund securities may not make timely payments or otherwise honor its obligations. U.S. government securities are subject to varying degrees of credit risk depending upon the nature of their support. A downgrade or default affecting any of the fund's securities could affect the fund's performance.

Cybersecurity and operational risk. Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund's securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

Economic and market events risk. Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

Equity securities risk. The price of equity securities may decline due to changes in a company's financial condition or overall market conditions. Growth company securities may fluctuate more in price than other securities because of the greater emphasis on earnings expectations. Securities the manager believes are undervalued may never realize their full potential value, and in certain markets value stocks may underperform the market as a whole.

Exchange-traded funds risk. An ETF generally reflects the risks of the underlying securities of the index it is designed to track. However, at times, an ETF's portfolio composition and performance may not match that of such index. A fund bears ETF fees and expenses indirectly.

Fixed-income securities risk. A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security's credit quality may adversely affect fund performance.

Foreign securities risk. Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. The risks of investing in foreign securities are magnified in emerging markets. Any depositary receipts are subject to most of the risks associated with investing in foreign securities directly because the value of a depositary receipt is dependent upon the market price of the underlying foreign equity security. Depositary receipts are also subject to liquidity risk.

Hedging, derivatives, and other strategic transactions risk. Hedging, derivatives, and other strategic transactions may increase a fund's volatility and could produce disproportionate losses, potentially more than the fund's principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Derivatives and other strategic transactions that a fund may utilize include: credit default swaps, foreign currency forward contracts, futures contracts, interest-rate swaps, and options. Foreign currency forward contracts, futures contracts, options, and swaps generally are subject to counterparty risk. In addition, swaps may be subject to interest-rate and settlement risk, and the risk of default of the underlying reference obligation. Derivatives associated with foreign currency transactions are subject to currency risk.

Initial public offerings risk. IPO share prices are frequently volatile and may significantly impact fund performance.

Large company risk. Larger companies may grow more slowly than smaller companies or be slower to respond to business developments. Large-capitalization securities may underperform the market as a whole.

Liquidity risk. The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand may adversely impact the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect performance. Redemption risk is heightened during periods of declining or illiquid markets.

Lower-rated and high-yield fixed-income securities risk. Lower-rated and high-yield fixed-income securities (junk bonds) are subject to greater credit quality risk, risk of default, and price volatility than higher-rated fixed-income securities, may be considered speculative, and can be difficult to resell.

Mortgage-backed and asset-backed securities risk. Mortgage-backed and asset-backed securities are subject to different combinations of prepayment, extension, interest-rate, and other market risks. Factors that impact the value of these securities include interest rate changes, the reliability of available information, credit quality or enhancement, and market perception.

Non-diversified risk. Adverse events affecting a particular issuer or group of issuers may magnify losses for non-diversified funds, which may invest a large portion of assets in any one issuer or a small number of issuers.

Preferred and convertible securities risk. Preferred stock dividends are payable only if declared by the issuer's board. Preferred stock may be subject to redemption provisions. The market values of convertible securities tend to fall as interest rates rise and rise as interest rates fall. Convertible preferred stock's value can depend heavily upon the underlying common stock's value.

Sector risk. When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

Small and mid-sized company risk. Small and mid-sized companies are generally less established and may be more volatile than larger companies. Small and/or mid-capitalization securities may underperform the market as a whole.

PAST PERFORMANCE

The following information illustrates the variability of the fund's returns and provides some indication of the risks of investing in the fund by showing changes in the fund's performance from year to year and by showing how the fund's average annual returns compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. The fund's custom blended benchmark comprises 56% Russell 3000 Index/24% MSCI ACWI ex-USA Index/4% ICE Bank of America U.S. High Yield Master II Index/16% Bloomberg Barclays U.S. Aggregate Bond Index and shows how the fund's performance compares against the returns of similar investments. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-225-5291 (Class A, Class B, and Class C), Monday to Thursday, 8:00 A.M.—7:00 P.M., and Friday, 8:00 A.M.—6:00 P.M., Eastern time, or 888-972-8696 (Class I and Class R Suite) between 8:30 A.M. and 5:00 P.M., Eastern time, on most business days.

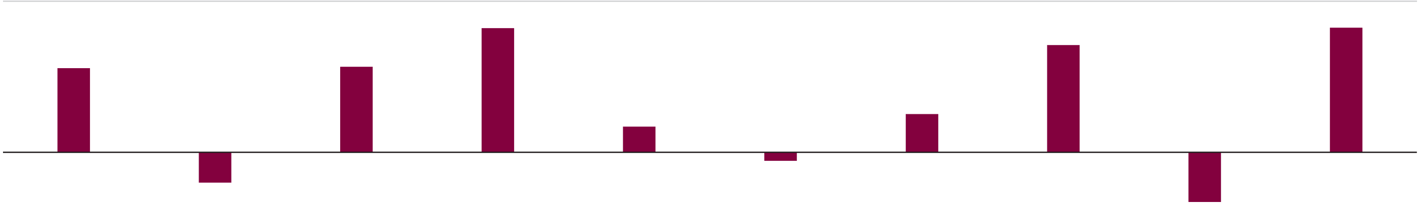
A note on performance

Class C, Class R6, Class R2, and Class I shares commenced operations on October 17, 2005, September 1, 2011, March 1, 2012, and May 1, 2015, respectively; returns shown prior to a class's commencement date are those of Class C shares, except that they do not include sales charges and would be lower if they did. Returns for Class I, Class R2, and Class R6 shares would have been substantially similar to returns of Class C shares because each share class is invested in the same portfolio of securities and returns would differ only to the extent that expenses of the classes are different. To the extent expenses of a class would have been higher than expenses of Class C shares for the periods, shown, performance would have been lower.

Please note that after-tax returns (shown for Class A shares only) reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan. After-tax returns for other share classes would vary. The returns for Class A shares have been adjusted to reflect the reduction in the maximum sales charge from 5.00% to 4.50%, effective August 1, 2019.

Calendar year total returns (%)—Class A (sales charges are not reflected in the bar chart and returns would have been lower if they were)

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
14.77	–5.30	15.01	21.81	4.48	–1.45	6.69	18.84	–8.70	21.89



Year-to-date total return. The fund's total return for the three months ended March 31, 2020, was –18.96%.

Best quarter: Q1 '12, 11.29%

Worst quarter: Q3 '11, –15.68%

Average annual total returns (%)—as of 12/31/19	**1 year**	**5 year**	**10 year**
Class A (before tax)	16.44	5.84	7.77
after tax on distributions	13.36	3.45	6.19
after tax on distributions, with sale	11.75	4.12	5.92
Class B	16.01	5.78	7.63
Class C	20.05	6.07	7.50
Class I	22.21	7.08	8.01
Class R1	21.48	6.45	7.88
Class R2	21.72	6.70	8.00
Class R3	21.58	6.56	7.99
Class R4	22.03	6.97	8.39
Class R5	22.28	7.18	8.63
Class R6	22.39	7.25	8.52
S&P 500 Index (reflects no deduction for fees, expenses, or taxes)	31.49	11.70	13.56
Bloomberg Barclays U.S. Aggregate Bond Index (reflects no deduction for fees, expenses, or taxes)	8.72	3.05	3.75
Russell 3000 Index/MSCI ACWI ex–USA Index/Bloomberg Barclays U.S. Aggregate Bond Index/ICE Bank of America U.S. High Yield Master II Index (reflects no deduction for fees, expenses, or taxes)	24.43	8.47	9.72

INVESTMENT MANAGEMENT

Investment advisor John Hancock Investment Management LLC
Subadvisor Manulife Investment Management (US) LLC

PORTFOLIO MANAGEMENT

Robert Sykes, CFA
Managing Director and Portfolio Manager, Asset Allocation Team
Managed fund since 2018

Nathan Thooft, CFA
Senior Managing Director, Senior Portfolio Manager and Global Head of Asset Allocation
Managed fund since 2013

PURCHASE AND SALE OF FUND SHARES

The minimum initial investment requirement for Class A and Class C shares is $1,000 ($250 for group investments), except that there is no minimum for certain group retirement plans, certain fee-based or wrap accounts, or certain other eligible investment product platforms. The minimum initial investment requirement for Class I shares is $250,000, except that the fund may waive the minimum for any category of investors at the fund's sole discretion. There are no minimum initial investment requirements for Class R1, Class R2, Class R3, Class R4, or Class R5 shares. The minimum initial investment requirement for Class R6 shares is $1 million, except that there is no minimum for: qualified and nonqualified plan investors; certain eligible qualifying investment product platforms; Trustees, employees of the advisor or its affiliates, employees of the subadvisor, members of the fund's portfolio management team and the spouses and children (under age 21) of the aforementioned. There are no subsequent minimum investment requirements for any of these share classes. Purchases of Class B shares are closed to new and existing investors except by exchange from Class B shares of another John Hancock fund or through dividend and/or capital gains reinvestment.

Class A, Class B, Class C, Class I and Class R6 shares may be redeemed on any business day by mail: John Hancock Signature Services, Inc., P.O. Box 55913, Boston, Massachusetts 02205-5913; or for most account types through our website: jhinvestments.com; or by telephone: 800-225-5291 (Class A, Class B, and Class C); 888-972-8696 (Class I and Class R6). Class R1, Class R2, Class R3, Class R4, and Class R5 shares may be redeemed on any business day by contacting your retirement plan administrator or recordkeeper.

TAXES

The fund's distributions are taxable, and will be taxed as ordinary income and/or capital gains, unless you are investing through a tax-deferred arrangement, such as a 401(k) plan or individual retirement account. Withdrawals from such tax-deferred arrangements may be subject to tax at a later date.

PAYMENTS TO BROKER-DEALERS AND OTHER FINANCIAL INTERMEDIARIES

If you purchase the fund through a broker-dealer or other financial intermediary (such as a bank, registered investment advisor, financial planner, or retirement plan administrator), the fund and its related companies may pay the broker-dealer or other intermediary for the sale of fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the fund over another investment. These payments are not applicable to Class R6 shares. Ask your salesperson or visit your financial intermediary's website for more information.

Fund summary

John Hancock Multimanager Lifestyle Balanced Portfolio

INVESTMENT OBJECTIVE

To seek a balance between a high level of current income and growth of capital, with a greater emphasis on growth of capital.

FEES AND EXPENSES

This table describes the fees and expenses you may pay if you buy and hold shares of the fund. You may qualify for sales charge discounts on Class A shares if you and your family invest, or agree to invest in the future, at least $50,000 in the John Hancock family of funds. Intermediaries may have different policies and procedures regarding the availability of front-end sales charge waivers or contingent deferred sales charge (CDSC) waivers (See Appendix 1 - Intermediary sales charge waivers, which includes information about specific sales charge waivers applicable to the intermediaries identified therein). Although the fund does not impose any sales charges on Class I shares, you may pay commissions to your broker on your purchases and sales of Class I shares, which are not reflected in the table and example below. More information about these and other discounts is available from your financial representative and on pages 66 to 68 of the prospectus under "Sales charge reductions and waivers" or pages 101 to 104 of the fund's Statement of Additional Information under "Sales Charges on Class A, Class B, and Class C Shares."

Shareholder fees (%) (fees paid directly from your investment)	A	B	C	I	R1	R2	R3	R4	R5	R6
Maximum front-end sales charge (load) on purchases, as a % of purchase price	4.50	None	None	None	None	None	None	None	None	None
Maximum deferred sales charge (load) as a % of purchase or sale price, whichever is less	1.00 (on certain purchases, including those of $250,000 or more)	5.00	1.00	None	None	None	None	None	None	None
Small account fee (for fund account balances under $1,000) ($)	20	None	20	None	None	None	None	None	None	None

Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)	A	B	C	I	R1	R2	R3	R4	R5	R6
Management fee	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18
Distribution and service (Rule 12b-1) fees	0.30	1.00	1.00	0.00	0.50	0.25	0.50	0.25	0.00	0.00
Other expenses										
Service plan fee	0.00	0.00	0.00	0.00	0.25[1]	0.25	0.15[1]	0.10	0.05[1]	0.00
Additional other expenses	0.14	0.14	0.14	0.14[2]	0.04	0.04	0.04	0.04	0.04	0.04
Total other expenses	0.14	0.14	0.14	0.14	0.29	0.29	0.19	0.14	0.09	0.04
Acquired fund fees and expenses[3]	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71	0.71
Total annual fund operating expenses[4]	**1.33**	**2.03**	**2.03**	**1.03**	**1.68**	**1.43**	**1.58**	**1.28**	**0.98**	**0.93**
Contractual expense reimbursement	–0.01[5]	0.00	0.00	–0.01[5]	0.00	0.00	0.00	–0.10[6]	0.00	0.00
Total annual fund operating expenses after expense reimbursements	**1.32**	**2.03**	**2.03**	**1.02**	**1.68**	**1.43**	**1.58**	**1.18**	**0.98**	**0.93**

1 "Service plan fee" has been restated to reflect maximum allowable fees.
2 "Other expenses" have been restated from fiscal year amounts to reflect current fees and expenses.
3 "Acquired fund fees and expenses" are based on indirect net expenses associated with the fund's investments in underlying investment companies.
4 The "Total annual fund operating expenses" shown may not correlate to the fund's ratios of expenses to average daily net assets shown in the "Financial highlights" section of the fund's prospectus, which does not include "Acquired fund fees and expenses."
5 The advisor contractually agrees to waive and/or reimburse all class-specific expenses for Class A and Class I shares to the extent they exceed 0.41% and 0.11%, respectively, of average annual net assets (on an annualized basis) attributable to the class. This agreement expires on April 30, 2021, unless renewed by mutual agreement of the fund and the advisor based upon a determination that this is appropriate under the circumstances at that time.
6 The distributor contractually agrees to limit its Rule 12b-1 fees for Class R4 shares to 0.15%. This agreement expires on April 30, 2021, unless renewed by mutual agreement of the fund and the distributor based upon a determination that this is appropriate under the circumstances at that time.

EXPENSE EXAMPLE

This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then, except as shown below, assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

Expenses ($)	A	B		C		I	R1	R2	R3	R4	R5	R6
Shares		Sold	Not Sold	Sold	Not Sold							
1 year	578	706	206	306	206	104	171	146	161	120	100	95
3 years	852	937	637	637	637	327	530	452	499	396	312	296
5 years	1,145	1,293	1,093	1,093	1,093	568	913	782	860	693	542	515
10 years	1,979	2,179	2,179	2,358	2,358	1,259	1,987	1,713	1,878	1,536	1,201	1,143

PORTFOLIO TURNOVER

The fund, which operates as a fund of funds and invests in underlying funds, does not pay transaction costs, such as commissions, when it buys and sells shares of underlying funds (or "turns over" its portfolio). An underlying fund does pay transaction costs when it turns over its portfolio, and a higher portfolio turnover rate may indicate higher transaction costs. A higher portfolio turnover rate may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the performance of the underlying funds and of the fund. During its most recent fiscal year, the fund's portfolio turnover rate was 33% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES

The fund operates as a fund of funds and, except as otherwise described below, normally invests approximately 40% of its assets in underlying funds that invest primarily in fixed-income securities and approximately 60% of its assets in underlying funds that invest primarily in equity securities.

Variations in the target percentage allocation between underlying funds that invest primarily in equity securities and underlying funds that invest primarily in fixed-income securities are permitted up to 10% in either direction. Thus, based on its target percentage allocation of approximately 60% of its assets in equity underlying funds and 40% of its assets in fixed-income underlying funds, the fund may have an equity/fixed-income underlying funds allocation ranging between 70%/30% and 50%/50%. Although variations beyond the 10% range are generally not permitted, the manager may determine, in light of market or economic conditions, that the normal percentage limitations should be exceeded to protect the fund or achieve its goal.

The fund may invest in various actively managed underlying funds that, as a group, hold a wide range of equity-type securities. The fund may also invest in various passively managed underlying funds. Equity-type securities include small-, mid-, and large-capitalization stocks; domestic and foreign securities (including emerging-market securities); and sector holdings. Each of these underlying funds has its own investment strategy that, for example, may focus on growth stocks or value stocks or may employ a strategy combining growth and income stocks and/or may invest in derivatives, such as options on securities and futures contracts. Certain of the underlying funds in which the fund invests focus their investment strategy on fixed-income securities, which may include investment-grade and below-investment-grade debt securities with maturities that range from short to longer term. The fixed-income underlying funds collectively hold various types of debt instruments, such as corporate bonds and mortgage-backed, government-issued, domestic, and international securities. The fund may also invest in various underlying funds that invest in alternative and specialty asset classes.

The fund may invest in affiliated and nonaffiliated investment companies. In addition to investing in exchange-traded funds (ETFs), the fund may also invest in U.S. government securities and derivatives, such as credit default swaps and options on equity index futures, interest-rate swaps, and foreign currency forward contracts, in each case for the purposes of reducing risk, obtaining efficient market exposure, and/or enhancing investment returns. The fund may also directly invest in exchange-traded notes (ETNs). The fund is also authorized to use various other investment strategies such as investing directly in fixed-income and equity securities, closed-end funds, and partnerships, and short-selling securities.

PRINCIPAL RISKS

An investment in the fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Many factors affect performance, and fund shares will fluctuate in price, meaning you could lose money. The fund's investment strategy may not produce the intended results.

During periods of heightened market volatility or reduced liquidity, governments, their agencies, or other regulatory bodies, both within the United States and abroad, may take steps to intervene. These actions, which could include legislative, regulatory, or economic initiatives, might have unforeseeable consequences and could adversely affect the fund's performance or otherwise constrain the fund's ability to achieve its investment objective.

Because this fund has a greater exposure to underlying funds that invest primarily in equity securities than John Hancock Multimanager Lifestyle Portfolios with greater target allocations to underlying funds that invest primarily in fixed-income securities, equity security risks are more prevalent in this fund than in other Multimanager Lifestyle Portfolios. In addition to equity securities risk, the fund's other main risks are listed below in alphabetical order, not in order of importance. *Before investing, be sure to read the additional descriptions of these risks beginning on page 32 of the prospectus.*

Principal risks of investing in the fund of funds

Commodity risk. Commodity prices may be volatile due to fluctuating demand, supply disruption, speculation, and other factors. Certain commodity investments may have no active trading market at times.

Credit and counterparty risk. The issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter derivatives contract, or a borrower of fund securities may not make timely payments or otherwise honor its obligations. U.S. government securities are subject to varying degrees of credit risk depending upon the nature of their support. A downgrade or default affecting any of the fund's securities could affect the fund's performance.

Cybersecurity and operational risk. Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund's securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

Economic and market events risk. Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

Equity securities risk. The price of equity securities may decline due to changes in a company's financial condition or overall market conditions. Growth company securities may fluctuate more in price than other securities because of the greater emphasis on earnings expectations. Securities the manager believes are undervalued may never realize their full potential value, and in certain markets value stocks may underperform the market as a whole.

Exchange-traded funds risk. An ETF generally reflects the risks of the underlying securities of the index it is designed to track. However, at times, an ETF's portfolio composition and performance may not match that of such index. A fund bears ETF fees and expenses indirectly.

Exchange-traded notes risk. An ETN generally reflects the risks associated with the assets composing the underlying market benchmark or strategy it is designed to track. ETNs also are subject to issuer and fixed-income risks.

Fixed-income securities risk. A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security's credit quality may adversely affect fund performance.

Fund of funds risk. The fund's ability to achieve its investment objective will depend largely, in part, on: (i) the underlying funds' performance, expenses and ability to meet their investment objectives; and (ii) properly rebalancing assets among underlying funds and different asset classes. The fund is also subject to risks related to: (i) layering of fees of the underlying funds; and (ii) conflicts of interest associated with the subadvisor's ability to allocate fund assets without limit to other funds it advises and/or other funds advised by affiliated subadvisors. There is no assurance that either the fund or the underlying funds will achieve their investment objectives. A fund bears underlying fund fees and expenses indirectly.

Hedging, derivatives, and other strategic transactions risk. Hedging, derivatives, and other strategic transactions may increase a fund's volatility and could produce disproportionate losses, potentially more than the fund's principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Derivatives and other strategic transactions that a fund may utilize include: credit default swaps, foreign currency forward contracts, futures contracts, interest-rate swaps, and options. Foreign currency forward contracts, futures contracts, options, and swaps generally are subject to counterparty risk. In addition, swaps may be subject to interest-rate and settlement risk, and the risk of default of the underlying reference obligation. Derivatives associated with foreign currency transactions are subject to currency risk.

Investment company securities risk. Underlying fund fees and expenses associated with investments in other investment companies are borne by fund shareholders.

Liquidity risk. The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand may adversely impact the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect performance. Redemption risk is heightened during periods of declining or illiquid markets.

Short sales risk. In a short sale, a fund pays interest on the borrowed security. The fund will lose money if the security price increases between the short sale and the replacement date.

Principal risks of investing in the underlying funds

Commodity risk. Commodity prices may be volatile due to fluctuating demand, supply disruption, speculation, and other factors. Certain commodity investments may have no active trading market at times.

Credit and counterparty risk. The issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter derivatives contract, or a borrower of fund securities may not make timely payments or otherwise honor its obligations. U.S. government securities are subject to varying degrees of credit risk depending upon the nature of their support. A downgrade or default affecting any of the fund's securities could affect the fund's performance.

Cybersecurity and operational risk. Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund's securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

Economic and market events risk. Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

Equity securities risk. The price of equity securities may decline due to changes in a company's financial condition or overall market conditions. Growth company securities may fluctuate more in price than other securities because of the greater emphasis on earnings expectations. Securities the manager believes are undervalued may never realize their full potential value, and in certain markets value stocks may underperform the market as a whole.

Exchange-traded funds risk. An ETF generally reflects the risks of the underlying securities of the index it is designed to track. However, at times, an ETF's portfolio composition and performance may not match that of such index. A fund bears ETF fees and expenses indirectly.

Fixed-income securities risk. A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security's credit quality may adversely affect fund performance.

Foreign securities risk. Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. The risks of investing in foreign securities are magnified in emerging markets. Any depositary receipts are subject to most of the risks associated with investing in foreign securities directly because the value of a depositary receipt is dependent upon the market price of the underlying foreign equity security. Depositary receipts are also subject to liquidity risk.

Hedging, derivatives, and other strategic transactions risk. Hedging, derivatives, and other strategic transactions may increase a fund's volatility and could produce disproportionate losses, potentially more than the fund's principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Derivatives and other strategic transactions that a fund may utilize include: credit default swaps, foreign currency forward contracts, futures contracts, interest-rate swaps, and options. Foreign currency forward contracts, futures contracts, options, and swaps generally are subject to counterparty risk. In addition, swaps may be subject to interest-rate and settlement risk, and the risk of default of the underlying reference obligation. Derivatives associated with foreign currency transactions are subject to currency risk.

Initial public offerings risk. IPO share prices are frequently volatile and may significantly impact fund performance.

Large company risk. Larger companies may grow more slowly than smaller companies or be slower to respond to business developments. Large-capitalization securities may underperform the market as a whole.

Liquidity risk. The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand may adversely impact the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect performance. Redemption risk is heightened during periods of declining or illiquid markets.

Lower-rated and high-yield fixed-income securities risk. Lower-rated and high-yield fixed-income securities (junk bonds) are subject to greater credit quality risk, risk of default, and price volatility than higher-rated fixed-income securities, may be considered speculative, and can be difficult to resell.

Mortgage-backed and asset-backed securities risk. Mortgage-backed and asset-backed securities are subject to different combinations of prepayment, extension, interest-rate, and other market risks. Factors that impact the value of these securities include interest rate changes, the reliability of available information, credit quality or enhancement, and market perception.

Non-diversified risk. Adverse events affecting a particular issuer or group of issuers may magnify losses for non-diversified funds, which may invest a large portion of assets in any one issuer or a small number of issuers.

Preferred and convertible securities risk. Preferred stock dividends are payable only if declared by the issuer's board. Preferred stock may be subject to redemption provisions. The market values of convertible securities tend to fall as interest rates rise and rise as interest rates fall. Convertible preferred stock's value can depend heavily upon the underlying common stock's value.

Sector risk. When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

Small and mid-sized company risk. Small and mid-sized companies are generally less established and may be more volatile than larger companies. Small and/or mid-capitalization securities may underperform the market as a whole.

PAST PERFORMANCE

The following information illustrates the variability of the fund's returns and provides some indication of the risks of investing in the fund by showing changes in the fund's performance from year to year and by showing how the fund's average annual returns compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. The fund's custom blended benchmark comprises 42% Russell 3000 Index/18% MSCI ACWI ex-USA Index/32% Bloomberg Barclays U.S. Aggregate Bond Index/8% ICE Bank of America U.S. High Yield Master II Index and shows how the fund's performance compares against the returns of similar investments. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-225-5291 (Class A, Class B, and Class C), Monday to Thursday, 8:00 A.M.—7:00 P.M., and Friday, 8:00 A.M.—6:00 P.M., Eastern time, or 888-972-8696 (Class I and Class R Suite) between 8:30 A.M. and 5:00 P.M., Eastern time, on most business days.

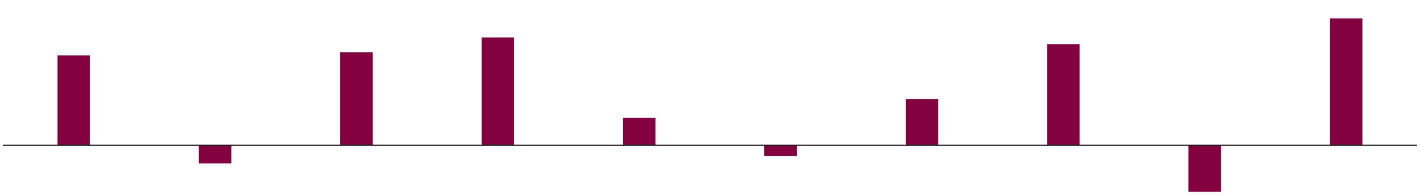
A note on performance

Class C, Class R6, Class R2, and Class I shares commenced operations on October 17, 2005, September 1, 2011, March 1, 2012, and May 1, 2015, respectively; returns shown prior to a class's commencement date are those of Class C shares, except that they do not include sales charges and would be lower if they did. Returns for Class I, Class R2, and Class R6 shares would have been substantially similar to returns of Class C shares because each share class is invested in the same portfolio of securities and returns would differ only to the extent that expenses of the classes are different. To the extent expenses of a class would have been higher than expenses of Class C shares for the periods, shown, performance would have been lower.

Please note that after-tax returns (shown for Class A shares only) reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan. After-tax returns for other share classes would vary. The returns for Class A shares have been adjusted to reflect the reduction in the maximum sales charge from 5.00% to 4.50%, effective August 1, 2019.

Calendar year total returns (%)—Class A (sales charges are not reflected in the bar chart and returns would have been lower if they were)

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
13.13	–2.62	13.59	15.76	4.00	–1.54	6.73	14.79	–6.79	18.57



Year-to-date total return. The fund's total return for the three months ended March 31, 2020, was –15.27%.

Best quarter: Q3 '10, 9.40%

Worst quarter: Q3 '11, –12.06%

Average annual total returns (%)—as of 12/31/19	1 year	5 year	10 year
Class A (before tax)	13.20	4.95	6.73
after tax on distributions	10.72	2.83	5.16
after tax on distributions, with sale	9.18	3.37	4.94
Class B	12.79	4.87	6.60
Class C	16.76	5.18	6.47
Class I	18.97	6.17	6.97
Class R1	18.20	5.56	6.84
Class R2	18.42	5.80	6.97
Class R3	18.36	5.67	6.97
Class R4	18.79	6.08	7.37
Class R5	18.99	6.30	7.59
Class R6	19.09	6.36	7.47
S&P 500 Index (reflects no deduction for fees, expenses, or taxes)	31.49	11.70	13.56
Bloomberg Barclays U.S. Aggregate Bond Index (reflects no deduction for fees, expenses, or taxes)	8.72	3.05	3.75
Russell 3000 Index/MSCI ACWI ex–USA Index/Bloomberg Barclays U.S. Aggregate Bond Index/ICE Bank of America U.S. High Yield Master II Index (reflects no deduction for fees, expenses, or taxes)	20.75	7.34	8.51

INVESTMENT MANAGEMENT

Investment advisor John Hancock Investment Management LLC
Subadvisor Manulife Investment Management (US) LLC

PORTFOLIO MANAGEMENT

Robert Sykes, CFA
Managing Director and Portfolio Manager, Asset Allocation Team
Managed fund since 2018

Nathan Thooft, CFA
Senior Managing Director, Senior Portfolio Manager and Global Head of Asset Allocation
Managed fund since 2013

PURCHASE AND SALE OF FUND SHARES

The minimum initial investment requirement for Class A and Class C shares is $1,000 ($250 for group investments), except that there is no minimum for certain group retirement plans, certain fee-based or wrap accounts, or certain other eligible investment product platforms. The minimum initial investment requirement for Class I shares is $250,000, except that the fund may waive the minimum for any category of investors at the fund's sole discretion. There are no minimum initial investment requirements for Class R1, Class R2, Class R3, Class R4, or Class R5 shares. The minimum initial investment requirement for Class R6 shares is $1 million, except that there is no minimum for: qualified and nonqualified plan investors; certain eligible qualifying investment product platforms; Trustees, employees of the advisor or its affiliates, employees of the subadvisor, members of the fund's portfolio management team and the spouses and children (under age 21) of the aforementioned. There are no subsequent minimum investment requirements for any of these share classes. Purchases of Class B shares are closed to new and existing investors except by exchange from Class B shares of another John Hancock fund or through dividend and/or capital gains reinvestment.

Class A, Class B, Class C, Class I and Class R6 shares may be redeemed on any business day by mail: John Hancock Signature Services, Inc., P.O. Box 55913, Boston, Massachusetts 02205-5913; or for most account types through our website: jhinvestments.com; or by telephone: 800-225-5291 (Class A, Class B, and Class C); 888-972-8696 (Class I and Class R6). Class R1, Class R2, Class R3, Class R4, and Class R5 shares may be redeemed on any business day by contacting your retirement plan administrator or recordkeeper.

TAXES

The fund's distributions are taxable, and will be taxed as ordinary income and/or capital gains, unless you are investing through a tax-deferred arrangement, such as a 401(k) plan or individual retirement account. Withdrawals from such tax-deferred arrangements may be subject to tax at a later date.

PAYMENTS TO BROKER-DEALERS AND OTHER FINANCIAL INTERMEDIARIES

If you purchase the fund through a broker-dealer or other financial intermediary (such as a bank, registered investment advisor, financial planner, or retirement plan administrator), the fund and its related companies may pay the broker-dealer or other intermediary for the sale of fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the fund over another investment. These payments are not applicable to Class R6 shares. Ask your salesperson or visit your financial intermediary's website for more information.

Fund summary

John Hancock Multimanager Lifestyle Moderate Portfolio

INVESTMENT OBJECTIVE

To seek a balance between a high level of current income and growth of capital, with a greater emphasis on income.

FEES AND EXPENSES

This table describes the fees and expenses you may pay if you buy and hold shares of the fund. You may qualify for sales charge discounts on Class A shares if you and your family invest, or agree to invest in the future, at least $50,000 in the John Hancock family of funds. Intermediaries may have different policies and procedures regarding the availability of front-end sales charge waivers or contingent deferred sales charge (CDSC) waivers (See Appendix 1 - Intermediary sales charge waivers, which includes information about specific sales charge waivers applicable to the intermediaries identified therein). Although the fund does not impose any sales charges on Class I shares, you may pay commissions to your broker on your purchases and sales of Class I shares, which are not reflected in the table and example below. More information about these and other discounts is available from your financial representative and on pages 66 to 68 of the prospectus under "Sales charge reductions and waivers" or pages 101 to 104 of the fund's Statement of Additional Information under "Sales Charges on Class A, Class B, and Class C Shares."

Shareholder fees (%) (fees paid directly from your investment)	**A**	**B**	**C**	**I**	**R1**	**R2**	**R3**	**R4**	**R5**	**R6**
Maximum front-end sales charge (load) on purchases, as a % of purchase price	4.50	None	None	None	None	None	None	None	None	None
Maximum deferred sales charge (load) as a % of purchase or sale price, whichever is less	1.00 (on certain purchases, including those of $250,000 or more)	5.00	1.00	None	None	None	None	None	None	None
Small account fee (for fund account balances under $1,000) ($)	20	None	20	None	None	None	None	None	None	None

Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)	**A**	**B**	**C**	**I**	**R1**	**R2**	**R3**	**R4**	**R5**	**R6**
Management fee	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18
Distribution and service (Rule 12b-1) fees	0.30	1.00	1.00	0.00	0.50	0.25	0.50	0.25	0.00	0.00
Other expenses										
Service plan fee	0.00	0.00	0.00	0.00	0.25[1]	0.25[1]	0.15[1]	0.10	0.05	0.00
Additional other expenses	0.15	0.15	0.15	0.15	0.05	0.05	0.05	0.05	0.05	0.05
Total other expenses	0.15	0.15	0.15	0.15	0.30	0.30	0.20	0.15	0.10	0.05
Acquired fund fees and expenses[2]	0.65	0.65	0.65	0.65	0.65	0.65	0.65	0.65	0.65	0.65
Total annual fund operating expenses[3]	**1.28**	**1.98**	**1.98**	**0.98**	**1.63**	**1.38**	**1.53**	**1.23**	**0.93**	**0.88**
Contractual expense reimbursement	–0.01[4]	0.00	0.00	–0.01[4]	0.00	0.00	0.00	–0.10[5]	0.00	0.00
Total annual fund operating expenses after expense reimbursements	**1.27**	**1.98**	**1.98**	**0.97**	**1.63**	**1.38**	**1.53**	**1.13**	**0.93**	**0.88**

1 "Service plan fee" has been restated to reflect maximum allowable fees.

2 "Acquired fund fees and expenses" are based on indirect net expenses associated with the fund's investments in underlying investment companies.

3 The "Total annual fund operating expenses" shown may not correlate to the fund's ratios of expenses to average daily net assets shown in the "Financial highlights" section of the fund's prospectus, which does not include "Acquired fund fees and expenses."

4 The advisor contractually agrees to waive and/or reimburse all class-specific expenses for Class A and Class I shares to the extent they exceed 0.41% and 0.11%, respectively, of average annual net assets (on an annualized basis) attributable to the class. This agreement expires on April 30, 2021, unless renewed by mutual agreement of the fund and the advisor based upon a determination that this is appropriate under the circumstances at that time.

5 The distributor contractually agrees to limit its Rule 12b-1 fees for Class R4 shares to 0.15%. This agreement expires on April 30, 2021, unless renewed by mutual agreement of the fund and the distributor based upon a determination that this is appropriate under the circumstances at that time.

EXPENSE EXAMPLE

This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then, except as shown below, assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

Expenses ($)	A	B		C		I	R1	R2	R3	R4	R5	R6
Shares		Sold	Not Sold	Sold	Not Sold							
1 year	574	701	201	301	201	99	166	140	156	115	95	90
3 years	837	921	621	621	621	311	514	437	483	380	296	281
5 years	1,120	1,268	1,068	1,068	1,068	541	887	755	834	666	515	488
10 years	1,925	2,126	2,126	2,306	2,306	1,200	1,933	1,657	1,824	1,480	1,143	1,084

PORTFOLIO TURNOVER

The fund, which operates as a fund of funds and invests in underlying funds, does not pay transaction costs, such as commissions, when it buys and sells shares of underlying funds (or "turns over" its portfolio). An underlying fund does pay transaction costs when it turns over its portfolio, and a higher portfolio turnover rate may indicate higher transaction costs. A higher portfolio turnover rate may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the performance of the underlying funds and of the fund. During its most recent fiscal year, the fund's portfolio turnover rate was 37% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES

The fund operates as a fund of funds and, except as otherwise described below, normally invests approximately 60% of its assets in underlying funds that invest primarily in fixed-income securities and approximately 40% in underlying funds that invest primarily in equity securities.

Variations in the target percentage allocation between underlying funds that invest primarily in equity securities and underlying funds that invest primarily in fixed-income securities are permitted up to 10% in either direction. Thus, based on its target percentage allocation of approximately 40% of assets in equity underlying funds and 60% in fixed-income underlying funds, the fund may have an equity/fixed-income underlying fund allocation ranging between 50%/50% and 30%/70%. Although variations beyond the 10% range are generally not permitted, the manager may determine, in light of market or economic conditions, that the normal percentage limitations should be exceeded to protect the fund or to achieve its goal.

The fund may invest in various actively managed underlying funds that, as a group, hold a wide range of equity-type securities. The fund may also invest in various passively managed underlying funds. Equity-type securities include small-, mid-, and large-capitalization stocks; domestic and foreign securities (including emerging-market securities); and sector holdings. Each of these underlying funds has its own investment strategy that, for example, may focus on growth stocks or value stocks or may employ a strategy combining growth and income stocks and/or may invest in derivatives, such as options on securities and futures contracts. Certain of the underlying funds in which the fund invests focus their investment strategy on fixed-income securities, which may include investment-grade and below-investment-grade debt securities with maturities that range from short to longer term. The fixed-income underlying funds collectively hold various types of debt instruments, such as corporate bonds and mortgage-backed, government-issued, domestic, and international securities. The fund may also invest in various underlying funds that invest in alternative and specialty asset classes.

The fund may invest in affiliated and nonaffiliated investment companies. In addition to investing in exchange-traded funds (ETFs), the fund may also invest in U.S. government securities and derivatives, such as credit default swaps and options on equity index futures, interest-rate swaps, and foreign currency forward contracts, in each case for the purposes of reducing risk, obtaining efficient market exposure, and/or enhancing investment returns. The fund may also directly invest in exchange-traded notes (ETNs). The fund is also authorized to use various other investment strategies such as investing directly in fixed-income and equity securities, closed-end funds, and partnerships, and short-selling securities.

PRINCIPAL RISKS

An investment in the fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Many factors affect performance, and fund shares will fluctuate in price, meaning you could lose money. The fund's investment strategy may not produce the intended results.

During periods of heightened market volatility or reduced liquidity, governments, their agencies, or other regulatory bodies, both within the United States and abroad, may take steps to intervene. These actions, which could include legislative, regulatory, or economic initiatives, might have unforeseeable consequences and could adversely affect the fund's performance or otherwise constrain the fund's ability to achieve its investment objective.

Because this fund has a greater exposure to underlying funds that invest primarily in fixed-income securities than John Hancock Multimanager Lifestyle Portfolios with greater target allocations to underlying funds that invest primarily in equity securities, fixed-income security risks are more prevalent in this fund than in other Multimanager Lifestyle Portfolios. In addition to fixed-income securities risk, the fund's other main risks are listed below in alphabetical order, not in order of importance. *Before investing, be sure to read the additional descriptions of these risks beginning on page 32 of the prospectus.*

Principal risks of investing in the fund of funds

Commodity risk. Commodity prices may be volatile due to fluctuating demand, supply disruption, speculation, and other factors. Certain commodity investments may have no active trading market at times.

Credit and counterparty risk. The issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter derivatives contract, or a borrower of fund securities may not make timely payments or otherwise honor its obligations. U.S. government securities are subject to varying degrees of credit risk depending upon the nature of their support. A downgrade or default affecting any of the fund's securities could affect the fund's performance.

Cybersecurity and operational risk. Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund's securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

Economic and market events risk. Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

Equity securities risk. The price of equity securities may decline due to changes in a company's financial condition or overall market conditions. Growth company securities may fluctuate more in price than other securities because of the greater emphasis on earnings expectations. Securities the manager believes are undervalued may never realize their full potential value, and in certain markets value stocks may underperform the market as a whole.

Exchange-traded funds risk. An ETF generally reflects the risks of the underlying securities of the index it is designed to track. However, at times, an ETF's portfolio composition and performance may not match that of such index. A fund bears ETF fees and expenses indirectly.

Exchange-traded notes risk. An ETN generally reflects the risks associated with the assets composing the underlying market benchmark or strategy it is designed to track. ETNs also are subject to issuer and fixed-income risks.

Fixed-income securities risk. A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security's credit quality may adversely affect fund performance.

Fund of funds risk. The fund's ability to achieve its investment objective will depend largely, in part, on: (i) the underlying funds' performance, expenses and ability to meet their investment objectives; and (ii) properly rebalancing assets among underlying funds and different asset classes. The fund is also subject to risks related to: (i) layering of fees of the underlying funds; and (ii) conflicts of interest associated with the subadvisor's ability to allocate fund assets without limit to other funds it advises and/or other funds advised by affiliated subadvisors. There is no assurance that either the fund or the underlying funds will achieve their investment objectives. A fund bears underlying fund fees and expenses indirectly.

Hedging, derivatives, and other strategic transactions risk. Hedging, derivatives, and other strategic transactions may increase a fund's volatility and could produce disproportionate losses, potentially more than the fund's principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Derivatives and other strategic transactions that a fund may utilize include: credit default swaps, foreign currency forward contracts, futures contracts, interest-rate swaps, and options. Foreign currency forward contracts, futures contracts, options, and swaps generally are subject to counterparty risk. In addition, swaps may be subject to interest-rate and settlement risk, and the risk of default of the underlying reference obligation. Derivatives associated with foreign currency transactions are subject to currency risk.

Investment company securities risk. Underlying fund fees and expenses associated with investments in other investment companies are borne by fund shareholders.

Liquidity risk. The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand may adversely impact the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect performance. Redemption risk is heightened during periods of declining or illiquid markets.

Short sales risk. In a short sale, a fund pays interest on the borrowed security. The fund will lose money if the security price increases between the short sale and the replacement date.

Principal risks of investing in the underlying funds

Commodity risk. Commodity prices may be volatile due to fluctuating demand, supply disruption, speculation, and other factors. Certain commodity investments may have no active trading market at times.

Credit and counterparty risk. The issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter derivatives contract, or a borrower of fund securities may not make timely payments or otherwise honor its obligations. U.S. government securities are subject to varying degrees of credit risk depending upon the nature of their support. A downgrade or default affecting any of the fund's securities could affect the fund's performance.

Cybersecurity and operational risk. Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund's securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

Economic and market events risk. Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

Equity securities risk. The price of equity securities may decline due to changes in a company's financial condition or overall market conditions. Growth company securities may fluctuate more in price than other securities because of the greater emphasis on earnings expectations. Securities the manager believes are undervalued may never realize their full potential value, and in certain markets value stocks may underperform the market as a whole.

Exchange-traded funds risk. An ETF generally reflects the risks of the underlying securities of the index it is designed to track. However, at times, an ETF's portfolio composition and performance may not match that of such index. A fund bears ETF fees and expenses indirectly.

Fixed-income securities risk. A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security's credit quality may adversely affect fund performance.

Foreign securities risk. Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. The risks of investing in foreign securities are magnified in emerging markets. Any depositary receipts are subject to most of the risks associated with investing in foreign securities directly because the value of a depositary receipt is dependent upon the market price of the underlying foreign equity security. Depositary receipts are also subject to liquidity risk.

Hedging, derivatives, and other strategic transactions risk. Hedging, derivatives, and other strategic transactions may increase a fund's volatility and could produce disproportionate losses, potentially more than the fund's principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Derivatives and other strategic transactions that a fund may utilize include: credit default swaps, foreign currency forward contracts, futures contracts, interest-rate swaps, and options. Foreign currency forward contracts, futures contracts, options, and swaps generally are subject to counterparty risk. In addition, swaps may be subject to interest-rate and settlement risk, and the risk of default of the underlying reference obligation. Derivatives associated with foreign currency transactions are subject to currency risk.

Initial public offerings risk. IPO share prices are frequently volatile and may significantly impact fund performance.

Large company risk. Larger companies may grow more slowly than smaller companies or be slower to respond to business developments. Large-capitalization securities may underperform the market as a whole.

Liquidity risk. The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand may adversely impact the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect performance. Redemption risk is heightened during periods of declining or illiquid markets.

Lower-rated and high-yield fixed-income securities risk. Lower-rated and high-yield fixed-income securities (junk bonds) are subject to greater credit quality risk, risk of default, and price volatility than higher-rated fixed-income securities, may be considered speculative, and can be difficult to resell.

Mortgage-backed and asset-backed securities risk. Mortgage-backed and asset-backed securities are subject to different combinations of prepayment, extension, interest-rate, and other market risks. Factors that impact the value of these securities include interest rate changes, the reliability of available information, credit quality or enhancement, and market perception.

Non-diversified risk. Adverse events affecting a particular issuer or group of issuers may magnify losses for non-diversified funds, which may invest a large portion of assets in any one issuer or a small number of issuers.

Preferred and convertible securities risk. Preferred stock dividends are payable only if declared by the issuer's board. Preferred stock may be subject to redemption provisions. The market values of convertible securities tend to fall as interest rates rise and rise as interest rates fall. Convertible preferred stock's value can depend heavily upon the underlying common stock's value.

Sector risk. When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

Small and mid-sized company risk. Small and mid-sized companies are generally less established and may be more volatile than larger companies. Small and/or mid-capitalization securities may underperform the market as a whole.

PAST PERFORMANCE

The following information illustrates the variability of the fund's returns and provides some indication of the risks of investing in the fund by showing changes in the fund's performance from year to year and by showing how the fund's average annual returns compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. The fund's custom blended benchmark comprises 28% Russell 3000 Index/12% MSCI ACWI ex-USA Index/48% Bloomberg Barclays U.S. Aggregate Bond Index/12% ICE Bank of America U.S. High Yield Master II Index and shows how the fund's performance compares against the returns of similar investments. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-225-5291 (Class A, Class B, and Class C), Monday to Thursday, 8:00 A.M.—7:00 P.M., and Friday, 8:00 A.M.—6:00 P.M., Eastern time, or 888-972-8696 (Class I and Class R Suite) between 8:30 A.M. and 5:00 P.M., Eastern time, on most business days.

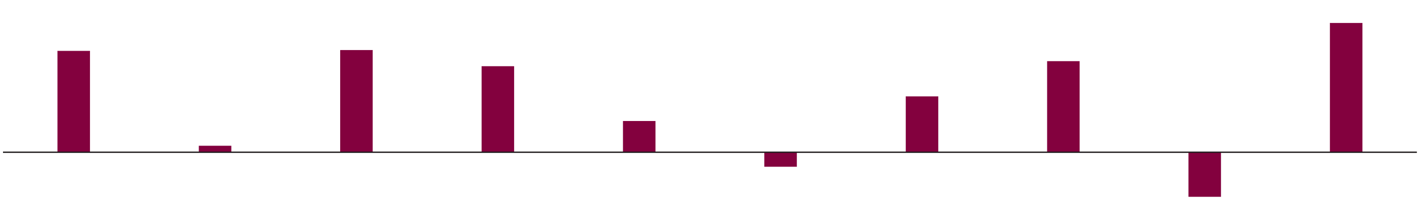
A note on performance

Class C, Class R6, Class R2, and Class I shares commenced operations on October 17, 2005, September 1, 2011, March 1, 2012, and May 1, 2015, respectively; returns shown prior to a class's commencement date are those of Class C shares, except that they do not include sales charges and would be lower if they did. Returns for Class I, Class R2, and Class R6 shares would have been substantially similar to returns of Class C shares because each share class is invested in the same portfolio of securities and returns would differ only to the extent that expenses of the classes are different. To the extent expenses of a class would have been higher than expenses of Class C shares for the periods, shown, performance would have been lower.

Please note that after-tax returns (shown for Class A shares only) reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan. After-tax returns for other share classes would vary. The returns for Class A shares have been adjusted to reflect the reduction in the maximum sales charge from 5.00% to 4.50%, effective August 1, 2019.

Calendar year total returns (%)—Class A (sales charges are not reflected in the bar chart and returns would have been lower if they were)

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
11.85	0.73	11.94	10.05	3.63	–1.67	6.52	10.64	–5.19	15.12



Year-to-date total return. The fund's total return for the three months ended March 31, 2020, was –11.40%.

Best quarter: Q3 '10, 7.70%

Worst quarter: Q3 '11, –7.69%

Average annual total returns (%)—as of 12/31/19	1 year	5 year	10 year
Class A (before tax)	9.93	3.86	5.68
after tax on distributions	8.05	2.06	4.13
after tax on distributions, with sale	6.66	2.49	3.99
Class B	9.33	3.74	5.54
Class C	13.31	4.06	5.41
Class I	15.54	5.06	5.91
Class R1	14.76	4.46	5.76
Class R2	15.10	4.71	5.92
Class R3	14.89	4.55	5.86
Class R4	15.33	4.95	6.25
Class R5	15.53	5.17	6.50
Class R6	15.65	5.24	6.41
Bloomberg Barclays U.S. Aggregate Bond Index (reflects no deduction for fees, expenses, or taxes)	8.72	3.05	3.75
S&P 500 Index (reflects no deduction for fees, expenses, or taxes)	31.49	11.70	13.56
Russell 3000 Index/MSCI ACWI ex–USA Index/Bloomberg Barclays U.S. Aggregate Bond Index/ICE Bank of America U.S. High Yield Master II Index (reflects no deduction for fees, expenses, or taxes)	17.10	6.17	7.23

INVESTMENT MANAGEMENT

Investment advisor John Hancock Investment Management LLC
Subadvisor Manulife Investment Management (US) LLC

PORTFOLIO MANAGEMENT

Robert Sykes, CFA
Managing Director and Portfolio Manager, Asset Allocation Team
Managed fund since 2018

Nathan Thooft, CFA
Senior Managing Director, Senior Portfolio Manager and Global Head of Asset Allocation
Managed fund since 2013

PURCHASE AND SALE OF FUND SHARES

The minimum initial investment requirement for Class A and Class C shares is $1,000 ($250 for group investments), except that there is no minimum for certain group retirement plans, certain fee-based or wrap accounts, or certain other eligible investment product platforms. The minimum initial investment requirement for Class I shares is $250,000, except that the fund may waive the minimum for any category of investors at the fund's sole discretion. There are no minimum initial investment requirements for Class R1, Class R2, Class R3, Class R4, or Class R5 shares. The minimum initial investment requirement for Class R6 shares is $1 million, except that there is no minimum for: qualified and nonqualified plan investors; certain eligible qualifying investment product platforms; Trustees, employees of the advisor or its affiliates, employees of the subadvisor, members of the fund's portfolio management team and the spouses and children (under age 21) of the aforementioned. There are no subsequent minimum investment requirements for any of these share classes. Purchases of Class B shares are closed to new and existing investors except by exchange from Class B shares of another John Hancock fund or through dividend and/or capital gains reinvestment.

Class A, Class B, Class C, Class I and Class R6 shares may be redeemed on any business day by mail: John Hancock Signature Services, Inc., P.O. Box 55913, Boston, Massachusetts 02205-5913; or for most account types through our website: jhinvestments.com; or by telephone: 800-225-5291 (Class A, Class B, and Class C); 888-972-8696 (Class I and Class R6). Class R1, Class R2, Class R3, Class R4, and Class R5 shares may be redeemed on any business day by contacting your retirement plan administrator or recordkeeper.

TAXES

The fund's distributions are taxable, and will be taxed as ordinary income and/or capital gains, unless you are investing through a tax-deferred arrangement, such as a 401(k) plan or individual retirement account. Withdrawals from such tax-deferred arrangements may be subject to tax at a later date.

PAYMENTS TO BROKER-DEALERS AND OTHER FINANCIAL INTERMEDIARIES

If you purchase the fund through a broker-dealer or other financial intermediary (such as a bank, registered investment advisor, financial planner, or retirement plan administrator), the fund and its related companies may pay the broker-dealer or other intermediary for the sale of fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the fund over another investment. These payments are not applicable to Class R6 shares. Ask your salesperson or visit your financial intermediary's website for more information.

John Hancock Multimanager Lifestyle Conservative Portfolio

INVESTMENT OBJECTIVE

To seek a high level of current income with some consideration given to growth of capital.

FEES AND EXPENSES

This table describes the fees and expenses you may pay if you buy and hold shares of the fund. You may qualify for sales charge discounts on Class A shares if you and your family invest, or agree to invest in the future, at least $50,000 in the John Hancock family of funds. Intermediaries may have different policies and procedures regarding the availability of front-end sales charge waivers or contingent deferred sales charge (CDSC) waivers (See Appendix 1 - Intermediary sales charge waivers, which includes information about specific sales charge waivers applicable to the intermediaries identified therein). Although the fund does not impose any sales charges on Class I shares, you may pay commissions to your broker on your purchases and sales of Class I shares, which are not reflected in the table and example below. More information about these and other discounts is available from your financial representative and on pages 66 to 68 of the prospectus under "Sales charge reductions and waivers" or pages 101 to 104 of the fund's Statement of Additional Information under "Sales Charges on Class A, Class B, and Class C Shares."

Shareholder fees (%) (fees paid directly from your investment)	A	B	C	I	R1	R2	R3	R4	R5	R6
Maximum front-end sales charge (load) on purchases, as a % of purchase price	4.50	None	None	None	None	None	None	None	None	None
Maximum deferred sales charge (load) as a % of purchase or sale price, whichever is less	1.00 (on certain purchases, including those of $250,000 or more)	5.00	1.00	None	None	None	None	None	None	None
Small account fee (for fund account balances under $1,000) ($)	20	None	20	None	None	None	None	None	None	None

Annual fund operating expenses (%) (expenses that you pay each year as a percentage of the value of your investment)	A	B	C	I	R1	R2	R3	R4	R5	R6
Management fee	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
Distribution and service (Rule 12b-1) fees	0.30	1.00	1.00	0.00	0.50	0.25	0.50	0.25	0.00	0.00
Other expenses										
Service plan fee	0.00	0.00	0.00	0.00	0.25[1]	0.25	0.15[1]	0.10	0.05	0.00
Additional other expenses	0.15	0.15	0.15	0.15[2]	0.05	0.05	0.05	0.05	0.05	0.05
Total other expenses	0.15	0.15	0.15	0.15	0.30	0.30	0.20	0.15	0.10	0.05
Acquired fund fees and expenses[3]	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60
Total annual fund operating expenses[4]	**1.25**	**1.95**	**1.95**	**0.95**	**1.60**	**1.35**	**1.50**	**1.20**	**0.90**	**0.85**
Contractual expense reimbursement	–0.01[5]	0.00	0.00	–0.01[5]	0.00	0.00	0.00	–0.10[6]	0.00	0.00
Total annual fund operating expenses after expense reimbursements	**1.24**	**1.95**	**1.95**	**0.94**	**1.60**	**1.35**	**1.50**	**1.10**	**0.90**	**0.85**

1 "Service plan fee" has been restated to reflect maximum allowable fees.
2 "Other expenses" have been restated from fiscal year amounts to reflect current fees and expenses.
3 "Acquired fund fees and expenses" are based on indirect net expenses associated with the fund's investments in underlying investment companies.
4 The "Total annual fund operating expenses" shown may not correlate to the fund's ratios of expenses to average daily net assets shown in the "Financial highlights" section of the fund's prospectus, which does not include "Acquired fund fees and expenses."
5 The advisor contractually agrees to waive and/or reimburse all class-specific expenses for Class A and Class I shares to the extent they exceed 0.41% and 0.11%, respectively, of average annual net assets (on an annualized basis) attributable to the class. This agreement expires on April 30, 2021, unless renewed by mutual agreement of the fund and the advisor based upon a determination that this is appropriate under the circumstances at that time.
6 The distributor contractually agrees to limit its Rule 12b-1 fees for Class R4 shares to 0.15%. This agreement expires on April 30, 2021, unless renewed by mutual agreement of the fund and the distributor based upon a determination that this is appropriate under the circumstances at that time.

EXPENSE EXAMPLE

This example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. Please see below a hypothetical example showing the expenses of a $10,000 investment for the time periods indicated and then, except as shown below, assuming you sell all of your shares at the end of those periods. The example assumes a 5% average annual return and that fund expenses will not change over the periods. Although your actual costs may be higher or lower, based on these assumptions, your costs would be:

Expenses ($)	A	B		C		I	R1	R2	R3	R4	R5	R6
Shares		Sold	Not Sold	Sold	Not Sold							
1 year	571	698	198	298	198	96	163	137	153	112	92	87
3 years	828	912	612	612	612	302	505	428	474	371	287	271
5 years	1,104	1,252	1,052	1,052	1,052	525	871	739	818	650	498	471
10 years	1,892	2,094	2,094	2,275	2,275	1,165	1,900	1,624	1,791	1,446	1,108	1,049

PORTFOLIO TURNOVER

The fund, which operates as a fund of funds and invests in underlying funds, does not pay transaction costs, such as commissions, when it buys and sells shares of underlying funds (or "turns over" its portfolio). An underlying fund does pay transaction costs when it turns over its portfolio, and a higher portfolio turnover rate may indicate higher transaction costs. A higher portfolio turnover rate may result in higher taxes when fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the performance of the underlying funds and of the fund. During its most recent fiscal year, the fund's portfolio turnover rate was 47% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES

The fund operates as a fund of funds and, except as otherwise described below, normally invests approximately 80% of its assets in underlying funds that invest primarily in fixed-income securities and approximately 20% in underlying funds that invest primarily in equity securities.

Variations in the target percentage allocation between underlying funds that invest primarily in equity securities and underlying funds that invest primarily in fixed-income securities are permitted up to 10% in either direction. Thus, based on its target percentage allocation of approximately 20% of assets in equity underlying funds and 80% in fixed-income underlying funds, the fund may have an equity/fixed-income underlying fund allocation ranging between 10%/90% and 30%/70%. Although variations beyond the 10% range are generally not permitted, the manager may determine, in light of market or economic conditions, that the normal percentage limitations should be exceeded to protect the fund or to achieve its goal.

The fund may invest in various actively managed underlying funds that, as a group, hold a wide range of equity-type securities. The fund may also invest in various passively managed underlying funds. Equity-type securities include small-, mid-, and large-capitalization stocks; domestic and foreign securities (including emerging-market securities); and sector holdings. Each of these underlying funds has its own investment strategy that, for example, may focus on growth stocks or value stocks or may employ a strategy combining growth and income stocks and/or may invest in derivatives, such as options on securities and futures contracts. Certain of the underlying funds in which the fund invests focus their investment strategy on fixed-income securities, which may include investment-grade and below-investment-grade debt securities with maturities that range from short to longer term. The fixed-income underlying funds collectively hold various types of debt instruments, such as corporate bonds and mortgage-backed, government-issued, domestic, and international securities. The fund may also invest in various underlying funds that invest in alternative and specialty asset classes.

The fund may invest in affiliated and nonaffiliated investment companies. In addition to investing in exchange-traded funds (ETFs), the fund may also invest in U.S. government securities and derivatives, such as credit default swaps and options on equity index futures, interest-rate swaps, and foreign currency forward contracts, in each case for the purposes of reducing risk, obtaining efficient market exposure, and/or enhancing investment returns. The fund may also directly invest in exchange-traded notes (ETNs). The fund is also authorized to use various other investment strategies such as investing directly in fixed-income and equity securities, closed-end funds, and partnerships, and short-selling securities.

PRINCIPAL RISKS

An investment in the fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Many factors affect performance, and fund shares will fluctuate in price, meaning you could lose money. The fund's investment strategy may not produce the intended results.

During periods of heightened market volatility or reduced liquidity, governments, their agencies, or other regulatory bodies, both within the United States and abroad, may take steps to intervene. These actions, which could include legislative, regulatory, or economic initiatives, might have unforeseeable consequences and could adversely affect the fund's performance or otherwise constrain the fund's ability to achieve its investment objective.

Because this fund has a greater exposure to underlying funds that invest primarily in fixed-income securities than John Hancock Multimanager Lifestyle Portfolios with greater target allocations to underlying funds that invest primarily in equity securities, fixed-income security risks are more prevalent in this fund than in other Multimanager Lifestyle Portfolios. In addition to fixed-income securities risk, the fund's other main risks are listed below in alphabetical order, not in order of importance. *Before investing, be sure to read the additional descriptions of these risks beginning on page 32 of the prospectus.*

Principal risks of investing in the fund of funds

Commodity risk. Commodity prices may be volatile due to fluctuating demand, supply disruption, speculation, and other factors. Certain commodity investments may have no active trading market at times.

Credit and counterparty risk. The issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter derivatives contract, or a borrower of fund securities may not make timely payments or otherwise honor its obligations. U.S. government securities are subject to varying degrees of credit risk depending upon the nature of their support. A downgrade or default affecting any of the fund's securities could affect the fund's performance.

Cybersecurity and operational risk. Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund's securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

Economic and market events risk. Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

Equity securities risk. The price of equity securities may decline due to changes in a company's financial condition or overall market conditions. Growth company securities may fluctuate more in price than other securities because of the greater emphasis on earnings expectations. Securities the manager believes are undervalued may never realize their full potential value, and in certain markets value stocks may underperform the market as a whole.

Exchange-traded funds risk. An ETF generally reflects the risks of the underlying securities of the index it is designed to track. However, at times, an ETF's portfolio composition and performance may not match that of such index. A fund bears ETF fees and expenses indirectly.

Exchange-traded notes risk. An ETN generally reflects the risks associated with the assets composing the underlying market benchmark or strategy it is designed to track. ETNs also are subject to issuer and fixed-income risks.

Fixed-income securities risk. A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security's credit quality may adversely affect fund performance.

Fund of funds risk. The fund's ability to achieve its investment objective will depend largely, in part, on: (i) the underlying funds' performance, expenses and ability to meet their investment objectives; and (ii) properly rebalancing assets among underlying funds and different asset classes. The fund is also subject to risks related to: (i) layering of fees of the underlying funds; and (ii) conflicts of interest associated with the subadvisor's ability to allocate fund assets without limit to other funds it advises and/or other funds advised by affiliated subadvisors. There is no assurance that either the fund or the underlying funds will achieve their investment objectives. A fund bears underlying fund fees and expenses indirectly.

Hedging, derivatives, and other strategic transactions risk. Hedging, derivatives, and other strategic transactions may increase a fund's volatility and could produce disproportionate losses, potentially more than the fund's principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Derivatives and other strategic transactions that a fund may utilize include: credit default swaps, foreign currency forward contracts, futures contracts, interest-rate swaps, and options. Foreign currency forward contracts, futures contracts, options, and swaps generally are subject to counterparty risk. In addition, swaps may be subject to interest-rate and settlement risk, and the risk of default of the underlying reference obligation. Derivatives associated with foreign currency transactions are subject to currency risk.

Investment company securities risk. Underlying fund fees and expenses associated with investments in other investment companies are borne by fund shareholders.

Liquidity risk. The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand may adversely impact the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect performance. Redemption risk is heightened during periods of declining or illiquid markets.

Short sales risk. In a short sale, a fund pays interest on the borrowed security. The fund will lose money if the security price increases between the short sale and the replacement date.

Principal risks of investing in the underlying funds

Commodity risk. Commodity prices may be volatile due to fluctuating demand, supply disruption, speculation, and other factors. Certain commodity investments may have no active trading market at times.

Credit and counterparty risk. The issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter derivatives contract, or a borrower of fund securities may not make timely payments or otherwise honor its obligations. U.S. government securities are subject to varying degrees of credit risk depending upon the nature of their support. A downgrade or default affecting any of the fund's securities could affect the fund's performance.

Cybersecurity and operational risk. Cybersecurity breaches may allow an unauthorized party to gain access to fund assets, customer data, or proprietary information, or cause a fund or its service providers to suffer data corruption or lose operational functionality. Similar incidents affecting issuers of a fund's securities may negatively impact performance. Operational risk may arise from human error, error by third parties, communication errors, or technology failures, among other causes.

Economic and market events risk. Events in the U.S. and global financial markets, including actions taken by the U.S. Federal Reserve or foreign central banks to stimulate or stabilize economic growth, may at times result in unusually high market volatility, which could negatively impact performance. Reduced liquidity in credit and fixed-income markets could adversely affect issuers worldwide. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

Equity securities risk. The price of equity securities may decline due to changes in a company's financial condition or overall market conditions. Growth company securities may fluctuate more in price than other securities because of the greater emphasis on earnings expectations. Securities the manager believes are undervalued may never realize their full potential value, and in certain markets value stocks may underperform the market as a whole.

Exchange-traded funds risk. An ETF generally reflects the risks of the underlying securities of the index it is designed to track. However, at times, an ETF's portfolio composition and performance may not match that of such index. A fund bears ETF fees and expenses indirectly.

Fixed-income securities risk. A rise in interest rates typically causes bond prices to fall. The longer the average maturity or duration of the bonds held by a fund, the more sensitive it will likely be to interest-rate fluctuations. An issuer may not make all interest payments or repay all or any of the principal borrowed. Changes in a security's credit quality may adversely affect fund performance.

Foreign securities risk. Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. The risks of investing in foreign securities are magnified in emerging markets. Any depositary receipts are subject to most of the risks associated with investing in foreign securities directly because the value of a depositary receipt is dependent upon the market price of the underlying foreign equity security. Depositary receipts are also subject to liquidity risk.

Hedging, derivatives, and other strategic transactions risk. Hedging, derivatives, and other strategic transactions may increase a fund's volatility and could produce disproportionate losses, potentially more than the fund's principal investment. Risks of these transactions are different from and possibly greater than risks of investing directly in securities and other traditional instruments. Under certain market conditions, derivatives could become harder to value or sell and may become subject to liquidity risk (i.e., the inability to enter into closing transactions). Derivatives and other strategic transactions that a fund may utilize include: credit default swaps, foreign currency forward contracts, futures contracts, interest-rate swaps, and options. Foreign currency forward contracts, futures contracts, options, and swaps generally are subject to counterparty risk. In addition, swaps may be subject to interest-rate and settlement risk, and the risk of default of the underlying reference obligation. Derivatives associated with foreign currency transactions are subject to currency risk.

Initial public offerings risk. IPO share prices are frequently volatile and may significantly impact fund performance.

Large company risk. Larger companies may grow more slowly than smaller companies or be slower to respond to business developments. Large-capitalization securities may underperform the market as a whole.

Liquidity risk. The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Liquidity risk may be magnified in rising interest rate environments due to higher than normal redemption rates. Widespread selling of fixed-income securities to satisfy redemptions during periods of reduced demand may adversely impact the price or salability of such securities. Periods of heavy redemption could cause the fund to sell assets at a loss or depressed value, which could negatively affect performance. Redemption risk is heightened during periods of declining or illiquid markets.

Lower-rated and high-yield fixed-income securities risk. Lower-rated and high-yield fixed-income securities (junk bonds) are subject to greater credit quality risk, risk of default, and price volatility than higher-rated fixed-income securities, may be considered speculative, and can be difficult to resell.

Mortgage-backed and asset-backed securities risk. Mortgage-backed and asset-backed securities are subject to different combinations of prepayment, extension, interest-rate, and other market risks. Factors that impact the value of these securities include interest rate changes, the reliability of available information, credit quality or enhancement, and market perception.

Non-diversified risk. Adverse events affecting a particular issuer or group of issuers may magnify losses for non-diversified funds, which may invest a large portion of assets in any one issuer or a small number of issuers.

Preferred and convertible securities risk. Preferred stock dividends are payable only if declared by the issuer's board. Preferred stock may be subject to redemption provisions. The market values of convertible securities tend to fall as interest rates rise and rise as interest rates fall. Convertible preferred stock's value can depend heavily upon the underlying common stock's value.

Sector risk. When a fund focuses its investments in certain sectors of the economy, its performance may be driven largely by sector performance and could fluctuate more widely than if the fund were invested more evenly across sectors.

Small and mid-sized company risk. Small and mid-sized companies are generally less established and may be more volatile than larger companies. Small and/or mid-capitalization securities may underperform the market as a whole.

PAST PERFORMANCE

The following information illustrates the variability of the fund's returns and provides some indication of the risks of investing in the fund by showing changes in the fund's performance from year to year and by showing how the fund's average annual returns compared with a broad-based market index. Past performance (before and after taxes) does not indicate future results. All figures assume dividend reinvestment. The fund's custom blended benchmark comprises 14% Russell 3000 Index/6% MSCI ACWI ex-USA Index/64% Bloomberg Barclays U.S. Aggregate Bond Index/16% ICE Bank of America U.S. High Yield Master II Index and shows how the fund's performance compares against the returns of similar investments. Performance information is updated daily, monthly, and quarterly and may be obtained at our website, jhinvestments.com, or by calling 800-225-5291 (Class A, Class B, and Class C), Monday to Thursday, 8:00 A.M.—7:00 P.M., and Friday, 8:00 A.M.—6:00 P.M., Eastern time, or 888-972-8696 (Class I and Class R Suite) between 8:30 A.M. and 5:00 P.M., Eastern time, on most business days.

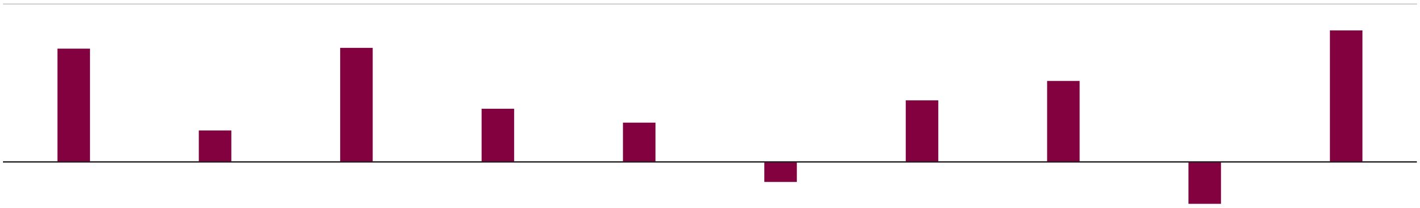
A note on performance

Class C, Class R6, Class R2, and Class I shares commenced operations on October 17, 2005, September 1, 2011, March 1, 2012, and May 1, 2015, respectively; returns shown prior to a class's commencement date are those of Class C shares, except that they do not include sales charges and would be lower if they did. Returns for Class I, Class R2, and Class R6 shares would have been substantially similar to returns of Class C shares because each share class is invested in the same portfolio of securities and returns would differ only to the extent that expenses of the classes are different. To the extent expenses of a class would have been higher than expenses of Class C shares for the periods, shown, performance would have been lower.

Please note that after-tax returns (shown for Class A shares only) reflect the highest individual federal marginal income-tax rate in effect as of the date provided and do not reflect any state or local taxes. Your actual after-tax returns may be different. After-tax returns are not relevant to shares held in an IRA, 401(k), or other tax-advantaged investment plan. After-tax returns for other share classes would vary. The returns for Class A shares have been adjusted to reflect the reduction in the maximum sales charge from 5.00% to 4.50%, effective August 1, 2019.

Calendar year total returns (%)—Class A (sales charges are not reflected in the bar chart and returns would have been lower if they were)

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
9.96	2.75	10.03	4.66	3.44	–1.74	5.40	7.11	–3.67	11.57



Year-to-date total return. The fund's total return for the three months ended March 31, 2020, was –7.10%.

Best quarter: Q3 '10, 5.88%

Worst quarter: Q3 '11, –4.38%

Average annual total returns (%)—as of 12/31/19	1 year	5 year	10 year
Class A (before tax)	6.55	2.62	4.36
after tax on distributions	5.32	1.27	2.95
after tax on distributions, with sale	4.19	1.55	2.90
Class B	5.79	2.50	4.24
Class C	9.80	2.84	4.10
Class I	11.92	3.82	4.60
Class R1	11.20	3.22	4.42
Class R2	11.49	3.48	4.61
Class R3	11.39	3.38	4.57
Class R4	11.76	3.73	4.90
Class R5	11.97	3.94	5.18
Class R6	12.04	4.01	5.09
Bloomberg Barclays U.S. Aggregate Bond Index (reflects no deduction for fees, expenses, or taxes)	8.72	3.05	3.75
S&P 500 Index (reflects no deduction for fees, expenses, or taxes)	31.49	11.70	13.56
Russell 3000 Index/MSCI ACWI ex–USA Index/Bloomberg Barclays U.S. Aggregate Bond Index/ICE Bank of America U.S. High Yield Master II Index (reflects no deduction for fees, expenses, or taxes)	13.47	4.95	5.90

INVESTMENT MANAGEMENT

Investment advisor John Hancock Investment Management LLC
Subadvisor Manulife Investment Management (US) LLC

PORTFOLIO MANAGEMENT

Robert Sykes, CFA
Managing Director and Portfolio Manager, Asset Allocation Team
Managed fund since 2018

Nathan Thooft, CFA
Senior Managing Director, Senior Portfolio Manager and Global Head of Asset Allocation
Managed fund since 2013

PURCHASE AND SALE OF FUND SHARES

The minimum initial investment requirement for Class A and Class C shares is $1,000 ($250 for group investments), except that there is no minimum for certain group retirement plans, certain fee-based or wrap accounts, or certain other eligible investment product platforms. The minimum initial investment requirement for Class I shares is $250,000, except that the fund may waive the minimum for any category of investors at the fund's sole discretion. There are no minimum initial investment requirements for Class R1, Class R2, Class R3, Class R4, or Class R5 shares. The minimum initial investment requirement for Class R6 shares is $1 million, except that there is no minimum for: qualified and nonqualified plan investors; certain eligible qualifying investment product platforms; Trustees, employees of the advisor or its affiliates, employees of the subadvisor, members of the fund's portfolio management team and the spouses and children (under age 21) of the aforementioned. There are no subsequent minimum investment requirements for any of these share classes. Purchases of Class B shares are closed to new and existing investors except by exchange from Class B shares of another John Hancock fund or through dividend and/or capital gains reinvestment.

Class A, Class B, Class C, Class I and Class R6 shares may be redeemed on any business day by mail: John Hancock Signature Services, Inc., P.O. Box 55913, Boston, Massachusetts 02205-5913; or for most account types through our website: jhinvestments.com; or by telephone: 800-225-5291 (Class A, Class B, and Class C); 888-972-8696 (Class I and Class R6). Class R1, Class R2, Class R3, Class R4, and Class R5 shares may be redeemed on any business day by contacting your retirement plan administrator or recordkeeper.

TAXES

The fund's distributions are taxable, and will be taxed as ordinary income and/or capital gains, unless you are investing through a tax-deferred arrangement, such as a 401(k) plan or individual retirement account. Withdrawals from such tax-deferred arrangements may be subject to tax at a later date.

PAYMENTS TO BROKER-DEALERS AND OTHER FINANCIAL INTERMEDIARIES

If you purchase the fund through a broker-dealer or other financial intermediary (such as a bank, registered investment advisor, financial planner, or retirement plan administrator), the fund and its related companies may pay the broker-dealer or other intermediary for the sale of fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the fund over another investment. These payments are not applicable to Class R6 shares. Ask your salesperson or visit your financial intermediary's website for more information.

Fund details

PRINCIPAL INVESTMENT STRATEGIES

Multimanager Lifestyle Aggressive Portfolio: To seek long-term growth of capital. Current income is not a consideration.

Multimanager Lifestyle Growth Portfolio: To seek long-term growth of capital. Current income is also a consideration.

Multimanager Lifestyle Balanced Portfolio: To seek a balance between a high level of current income and growth of capital, with a greater emphasis on growth of capital.

Multimanager Lifestyle Moderate Portfolio: To seek a balance between a high level of current income and growth of capital, with a greater emphasis on income.

Multimanager Lifestyle Conservative Portfolio: To seek a high level of current income with some consideration given to growth of capital.

The Board of Trustees can change a fund's investment objective and strategy without shareholder approval.

Each fund operates as a fund of funds and, except as otherwise described below, normally invests approximately 100% of its assets in underlying funds.

Variations in the target percentage allocation between underlying funds that invest primarily in equity securities and underlying funds that invest primarily in fixed-income securities are permitted up to 10%. Although variations beyond the 10% range are generally not permitted, the subadvisor may determine, in light of market or economic conditions, that the normal percentage limitations should be exceeded to protect a fund or to achieve its goal.

Within the prescribed percentage allocation, the manager selects the percentage level to be maintained in specific underlying funds. The manager may, from time to time, change the allocation in specific underlying funds or rebalance the underlying funds. To maintain target allocation in the underlying funds, daily cash flows for a fund will be directed to its underlying funds that most deviate from target.

The funds may invest in various actively managed underlying funds that, as a group, hold a wide range of equity-type securities. The fund may also invest in various passively managed underlying funds. Equity-type securities include small-, mid-, and large-capitalization stocks; domestic and foreign securities (including emerging-market securities); and sector holdings. Each of these underlying funds has its own investment strategy that, for example, may focus on growth stocks or value stocks or may employ a strategy combining growth and income stocks and/or may invest in derivatives, such as options on securities and futures contracts. Certain of the underlying funds in which the funds invest focus their investment strategy on fixed-income securities, which may include investment-grade and below-investment-grade debt securities with maturities that range from short to longer term. The fixed-income underlying funds collectively hold various types of debt instruments, such as corporate bonds and mortgage-backed, government-issued, domestic, and international securities. The fund may also invest in various underlying funds that invest in alternative and specialty asset classes.

The funds may invest in affiliated and nonaffiliated investment companies. In addition to investing in exchange-traded funds (ETFs), the funds may also invest in U.S. government securities and derivatives, such as credit default swaps and options on equity index futures, interest-rate swaps, and foreign currency forward contracts, in each case for the purposes of reducing risk, obtaining efficient market exposure, and/or enhancing investment returns. The funds may also directly invest in exchange-traded notes (ETNs). The funds are also authorized to use various other investment strategies such as investing directly in fixed-income and equity securities, closed-end funds, and partnerships, and short-selling securities.

Because investors have different investment goals, risk tolerances, investment time horizons, and financial circumstances, the funds offer five distinct, comprehensive investment programs designed for differing investment orientations. Each fund has a target percentage allocation between two kinds of underlying funds: those that invest primarily in equity securities and those that invest primarily in fixed-income securities.

Target allocation among underlying funds (%)

Portfolio	Equity funds (%)	Fixed-income funds (%)
Multimanager Lifestyle Aggressive	100	—
Multimanager Lifestyle Growth	80	20
Multimanager Lifestyle Balanced	60	40
Multimanager Lifestyle Moderate	40	60
Multimanager Lifestyle Conservative	20	80

The funds offer a number of share classes, which have different expense and distribution or shareholder service arrangements. Each fund, however, generally invests in Class NAV shares of the affiliated underlying funds. Class NAV shares are sold without any sales charge and are not subject to distribution or Rule 12b-1 fees. The funds may also invest in classes of shares of unaffiliated funds that are similar to Class NAV shares.

Each fund is monitored daily. To maintain target allocations in the underlying funds, daily cash flow for each fund will be directed to its underlying funds that most deviate from target allocations. The managers may, from time to time, rebalance a fund's investment allocation to maintain its target allocations. Adjustments may be made to increase or reduce the percentage of assets invested in any specific underlying funds held by a fund or to increase or reduce the percentage of the fund's assets subject to the management of a particular underlying fund's manager. In addition, changes to a fund's investments may be made to reflect fundamental changes in the investment environment or to increase or decrease the fund's holdings of particular asset classes, such as common stocks of foreign issuers, or to adjust portfolio quality or the duration of fixed-income securities.

The investment performance of each fund will reflect both its managers' allocation decisions with respect to the underlying funds and the investment decisions made by the underlying funds' managers.

Each fund may invest in cash or money market instruments for the purpose of meeting redemption requests or making other anticipated cash payments.

Temporary defensive investing

A fund may invest up to 100% of its assets in cash or money market instruments for the purpose of protecting the fund in the event the subadvisor determines that market, economic, political, or other conditions warrant a defensive posture.

To the extent that the fund is in a defensive position, its ability to achieve its investment objective will be limited.

Asset allocation management

Subject to the limitations described above, each fund may, at any time, invest any percentage of its assets in any of the different investments described above. The manager may, from time to time, adjust the percentage of assets invested in any specific investment held by a fund. Such adjustments may be made, for example, to increase or decrease the fund's holdings of particular asset classes, to adjust fund quality or the duration of fixed-income securities, or to increase or reduce the percentage of the fund's assets subject to the management of a particular underlying fund's manager. In addition, changes may be made to reflect fundamental changes in the investment environment.

OTHER PERMITTED INVESTMENTS

The funds of funds may directly:

- purchase U.S. government securities and short-term paper;
- purchase shares of other registered open-end investment companies (and registered unit investment trusts) within the same "group of investment companies" as that term is defined in Section 12 of the Investment Company Act of 1940, as amended (the 1940 Act);
- purchase shares of other registered open-end investment companies (and registered unit investment trusts) where the advisor is not the same as, or affiliated with, the advisor to the fund, including ETFs;
- purchase ETNs;
- invest in domestic and foreign equity securities, which may include common and preferred stocks of large-, mid-, and small-capitalization companies in both developed (including the United States) and emerging markets;
- invest in domestic and foreign fixed-income securities, which may include debt securities of governments throughout the world (including the United States), their agencies and instrumentalities, debt securities of corporations and supranationals, inflation-protected securities, convertible bonds, mortgage-backed securities, asset-backed securities, and collateralized debt securities. Investments in fixed-income securities may include securities of issuers in both developed markets (including the United States) and emerging markets, and may include fixed-income securities rated below investment grade;
- purchase securities of registered closed-end investment companies that are part of the same "group of investment companies" as that term is defined in Section 12 of the 1940 Act;
- invest up to 15% of its net assets in illiquid securities of entities such as limited partnerships and other pooled investment vehicles, such as hedge funds;
- make short sales of securities (borrow and sell securities not owned by the fund), either to realize appreciation when a security that the fund does not own declines in value or as a hedge against potential declines in the value of a fund security; and
- invest in qualified publicly traded partnerships and other publicly traded partnerships that, at the time of investment, the advisor believes will primarily generate only income for purposes of qualifying as a regulated investment company under the Internal Revenue Code of 1986, as amended, including such publicly traded partnerships that invest principally in commodities or commodity-linked derivatives (with the prior approval of the advisor's Complex Securities Committee).

The funds may use various investment strategies such as hedging and other related transactions. For example, a fund may use derivative instruments (such as options, futures, and swaps) for hedging purposes, including hedging various market risks and managing the effective maturity or duration of debt instruments held by the fund. In addition, these strategies may be used to gain exposure to a particular security or securities market. The funds also may purchase and sell commodities and may enter into swap contracts and other commodity-linked derivative instruments, including those linked to physical commodities. Please refer to "Hedging and other strategic transactions risk" in the Statement of Additional Information (SAI).

Because of uncertainties under federal tax laws as to whether income from commodity-linked derivative instruments and certain other instruments would constitute qualifying income to a regulated investment company, no fund is permitted to invest directly in such instruments unless the manager obtains prior written approval from the advisor's Complex Securities Committee. See "Additional information concerning taxes" in the SAI.

PRINCIPAL RISKS OF INVESTING IN THE FUNDS OF FUNDS

Unless otherwise noted, in this section, references to a single fund apply equally to all of the funds.

An investment in a fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Each fund's shares will go up and down in price, meaning that you could lose money by investing in the fund. Many factors influence a mutual fund's performance. A fund's investment strategy may not produce the intended results.

Instability in the financial markets has led many governments, including the U.S. government, to take a number of unprecedented actions designed to support certain financial institutions and segments of the financial markets that have experienced extreme volatility and, in some cases, a lack of liquidity. Federal, state, and other governments, and their regulatory agencies or self-regulatory organizations, may take actions that affect the regulation of the instruments in which a fund invests, or the issuers of such instruments, in ways that are unforeseeable. Legislation or regulation may also change the way in which the fund itself is regulated. Such legislation or regulation could limit or preclude the fund's ability to achieve its investment objective. In addition, political events within the United States and abroad could negatively impact financial markets and each fund's performance. Further, certain municipalities of the United States and its territories are financially strained and may face the possibility of default on their debt obligations, which could directly or indirectly detract from each fund's performance.

Governments or their agencies may also acquire distressed assets from financial institutions and acquire ownership interests in those institutions. The implications of government ownership and disposition of these assets are unclear, and such a program may have positive or negative effects on the liquidity, valuation, and performance of each fund's portfolio holdings. Furthermore, volatile financial markets can expose each fund to greater market and liquidity risk and potential difficulty in valuing portfolio instruments held by each fund.

The principal risks of investing in each fund are summarized in its fund summary above. Below are descriptions of the main factors that may play a role in shaping a fund's overall risk profile. The descriptions appear in alphabetical order, not in order of importance. For further details about fund risks, including additional risk factors that are not discussed in this prospectus because they are not considered primary factors, see the funds' Statement of Additional Information (SAI).

Commodity risk

The market price of commodity investments may be volatile due to fluctuating demand, supply disruption, speculation, and other factors. Certain commodity investments may have no active trading market at times. The value of commodities investments will generally be affected by overall market movements and factors specific to a particular industry or commodity, which may include weather, embargoes, tariffs, and health, political, international and regulatory developments. Economic and other events (whether real or perceived) can reduce the demand for commodities, which may reduce market prices and cause the value of shares of the fund to fall. Exposure to commodities and commodities markets may subject the fund to greater volatility than investments in traditional securities. Certain types of commodities instruments (such as total return swaps and commodity-linked notes) are subject to the risk that the counterparty to the instrument will not perform or will be unable to perform in accordance with the terms of the instrument.

Credit and counterparty risk

This is the risk that an issuer of a U.S. government security, the issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter (OTC) derivatives contract (see "Hedging, derivatives, and other strategic transactions risk"), or a borrower of a fund's securities will be unable or unwilling to make timely principal, interest, or settlement payments, or otherwise honor its obligations. Credit risk associated with investments in fixed-income securities relates to the ability of the issuer to make scheduled payments of principal and interest on an obligation. A fund that invests in fixed-income securities is subject to varying degrees of risk that the issuers of the securities will have their credit ratings downgraded or will default, potentially reducing the fund's share price and income level. Nearly all fixed-income securities are subject to some credit risk, which may vary depending upon whether the issuers of the securities are corporations, domestic or foreign governments, or their subdivisions or instrumentalities. U.S. government securities are subject to varying degrees of credit risk depending upon whether the securities are supported by the full faith and credit of the United States; supported by the ability to borrow from the U.S. Treasury; supported only by the credit of the issuing U.S. government agency, instrumentality, or corporation; or otherwise supported by the United States. For example, issuers of many types of U.S. government securities (e.g., the Federal Home Loan Mortgage Corporation (Freddie Mac), Federal National Mortgage Association (Fannie Mae), and Federal Home Loan Banks), although chartered or sponsored by Congress, are not funded by congressional appropriations, and their fixed-income securities, including asset-backed and mortgage-backed securities, are neither guaranteed nor insured by the U.S. government. An agency of the U.S. government has placed Fannie Mae and Freddie Mac into conservatorship, a statutory process with the objective of returning the entities to normal business operations. It is unclear what effect this conservatorship will have on the securities issued or guaranteed by Fannie Mae or Freddie Mac. As a result, these securities are subject to more credit risk than U.S. government securities that are supported by the full faith and credit of the United States (e.g., U.S. Treasury bonds). When a fixed-income security is not rated, a manager may have to assess the risk of the security itself. Asset-backed securities, whose principal and interest payments are supported by pools of other assets, such as credit card receivables and automobile loans, are subject to further risks, including the risk that the obligors of the underlying assets default on payment of those assets.

In addition, a fund is exposed to credit risk to the extent that it makes use of OTC derivatives (such as forward foreign currency contracts and/or swap contracts) and engages to a significant extent in the lending of fund securities or the use of repurchase agreements. OTC derivatives transactions can be closed out with the other party to the transaction. If the counterparty defaults, a fund will have contractual remedies, but there is no assurance that the counterparty will be able to meet its contractual obligations or that, in the event of default, a fund will succeed in enforcing them. A fund, therefore, assumes the risk that it may be unable to obtain payments owed to it under OTC derivatives contracts or that those payments may be delayed or made only after the fund has incurred the costs of litigation. While the manager intends to monitor the creditworthiness of contract counterparties, there can be no assurance that the counterparty will be in a position to meet its obligations, especially during unusually adverse market conditions.

Cybersecurity and operational risk

Intentional cybersecurity breaches include unauthorized access to systems, networks, or devices (such as through "hacking" activity); infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. In addition, unintentional incidents can occur, such as the inadvertent release of confidential information (possibly resulting in the violation of applicable privacy laws).

A cybersecurity breach could result in the loss or theft of customer data or funds, the inability to access electronic systems ("denial of services"), loss or theft of proprietary information or corporate data, physical damage to a computer or network system, or costs associated with system repairs. Such incidents could cause a fund, the advisor, a manager, or other service providers to incur regulatory penalties, reputational damage, additional compliance costs, litigation costs or financial loss. In addition, such incidents could affect issuers in which a fund invests, and thereby cause the fund's investments to lose value.

Cyber-events have the potential to materially affect the fund and the advisor's relationships with accounts, shareholders, clients, customers, employees, products, and service providers. The fund has established risk management systems reasonably designed to seek to reduce the risks associated with cyber-events. There is no guarantee that the fund will be able to prevent or mitigate the impact of any or all cyber-events.

The fund is exposed to operational risk arising from a number of factors, including, but not limited to, human error, processing and communication errors, errors of the fund's service providers, counterparties, or other third parties, failed or inadequate processes and technology or system failures.

Economic and market events risk

Events in certain sectors historically have resulted, and may in the future result, in an unusually high degree of volatility in the financial markets, both domestic and foreign. These events have included, but are not limited to: bankruptcies, corporate restructurings, and other similar events; governmental efforts to limit short selling and high frequency trading; measures to address U.S. federal and state budget deficits; social, political, and economic instability in Europe; economic stimulus by the Japanese central bank; dramatic changes in energy prices and currency exchange rates; and China's economic slowdown.

Interconnected global economies and financial markets increase the possibility that conditions in one country or region might adversely impact issuers in a different country or region. Both domestic and foreign equity markets have experienced increased volatility and turmoil, with issuers that have exposure to the real estate, mortgage, and credit markets particularly affected. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

In addition, relatively high market volatility and reduced liquidity in credit and fixed-income markets may adversely affect many issuers worldwide. Actions taken by the U.S. Federal Reserve (Fed) or foreign central banks to stimulate or stabilize economic growth, such as interventions in currency markets, could cause high volatility in the equity and fixed-income markets. Reduced liquidity may result in less money being available to purchase raw materials, goods, and services from emerging markets, which may, in turn, bring down the prices of these economic staples. It may also result in emerging-market issuers having more difficulty obtaining financing, which may, in turn, cause a decline in their securities prices.

In addition, while interest rates have been unusually low in recent years in the United States and abroad, any decision by the Fed to adjust the target fed funds rate, among other factors, could cause markets to experience continuing high volatility. A significant increase in interest rates may cause a decline in the market for equity securities. Also, regulators have expressed concern that rate increases may contribute to price volatility. These events and the possible resulting market volatility may have an adverse effect on the fund.

Political turmoil within the United States and abroad may also impact the fund. Although the U.S. government has honored its credit obligations, it remains possible that the United States could default on its obligations. While it is impossible to predict the consequences of such an unprecedented event, it is likely that a default by the United States would be highly disruptive to the U.S. and global securities markets and could significantly impair the value of the fund's investments. Similarly, political events within the United States at times have resulted, and may in the future result, in a shutdown of government services, which could negatively affect the U.S. economy, decrease the value of many fund investments, and increase uncertainty in or impair the operation of the U.S. or other securities markets. The U.S. is also considering significant new investments in infrastructure and national defense which, coupled with lower federal taxes, could lead to increased government borrowing and higher interest rates. While these proposed policies are going through the political process, the equity and debt markets may react strongly to expectations, which could increase volatility, especially if the market's expectations for changes in government policies are not borne out. The U.S. is also renegotiating many of its global trade relationships and has imposed or threatened to impose significant import tariffs. These actions could lead to price volatility and overall declines in U.S. and global investment markets.

Uncertainties surrounding the sovereign debt of a number of European Union (EU) countries and the viability of the EU have disrupted and may in the future disrupt markets in the United States and around the world. If one or more countries leave the EU or the EU dissolves, the world's securities markets likely will be significantly disrupted. On January 31, 2020, the United Kingdom (UK) left the EU, commonly referred to as "Brexit," and there commenced a transition period during which the EU and UK will negotiate and agree on the nature of their future relationship. There is significant market uncertainty regarding Brexit's ramifications, and the range and potential implications of possible political, regulatory, economic, and market outcomes are difficult to predict. This uncertainty may affect other countries in the EU and elsewhere, and may cause volatility within the EU, triggering prolonged economic downturns in certain countries within the EU. In addition, Brexit may create additional and substantial economic stresses for the UK, including a contraction of the UK economy and price volatility in UK stocks, decreased trade, capital outflows, devaluation of the British pound, wider corporate bond spreads due to uncertainty and declines in business and consumer spending as well as foreign direct investment. Brexit may also adversely affect UK-based financial firms that have counterparties in the EU or participate in market infrastructure (trading venues, clearing houses, settlement facilities) based in the EU. These events and the resulting market volatility may have an adverse effect on the performance of the fund.

A widespread health crisis such as a global pandemic could cause substantial market volatility, exchange trading suspensions and closures, impact the ability to complete redemptions, and affect fund performance. For example, the novel coronavirus disease (COVID-19) has resulted in significant disruptions to global business activity. The impact of a health crisis and other epidemics and pandemics that may arise in the future, could affect the global economy in ways that cannot necessarily be foreseen at the present time. A health crisis may exacerbate other pre-existing political, social and economic risks. Any such impact could adversely affect the fund's performance, resulting in losses to your investment. Political and military events, including in North Korea, Venezuela, Iran, Syria, and other areas of the Middle East, and nationalist unrest in Europe and South America, also may cause market disruptions.

In addition, there is a risk that the prices of goods and services in the United States and many foreign economies may decline over time, known as deflation. Deflation may have an adverse effect on stock prices and creditworthiness and may make defaults on debt more likely. If a country's economy slips into a deflationary pattern, it could last for a prolonged period and may be difficult to reverse.

Equity securities risk

Common and preferred stocks represent equity ownership in a company. Stock markets are volatile. The price of equity securities will fluctuate, and can decline and reduce the value of a fund investing in equities. The price of equity securities fluctuates based on changes in a company's financial condition and overall market and economic conditions. The value of equity securities purchased by a fund could decline if the financial condition of the companies in which the fund is invested declines, or if overall market and economic conditions deteriorate. An issuer's financial condition could decline as a result of poor management decisions, competitive pressures, technological obsolescence, undue reliance on suppliers, labor issues, shortages, corporate restructurings, fraudulent disclosures, or other factors. Changes in the financial condition of a single issuer can impact the market as a whole.

Even a fund that invests in high-quality, or blue chip, equity securities, or securities of established companies with large market capitalizations (which generally have strong financial characteristics), can be negatively impacted by poor overall market and economic conditions. Companies with large market capitalizations may also have less growth potential than smaller companies and may be less able to react quickly to changes in the marketplace.

A fund generally does not attempt to time the market. Because of its exposure to equities, the possibility that stock market prices in general will decline over short or extended periods subjects the fund to unpredictable declines in the value of its investments, as well as periods of poor performance.

Exchange-traded funds (ETFs) risk

ETFs are a type of investment company bought and sold on a securities exchange. An ETF generally represents a fixed portfolio of securities designed to track a particular market index or basket of securities. A fund could purchase an ETF to temporarily gain exposure to a portion of the U.S. or a foreign market while awaiting purchase of underlying securities. The risks of owning an ETF generally reflect the risks of owning the underlying securities, although lack of liquidity in an ETF could result in it being more volatile than its underlying securities, and ETFs have management fees that increase their costs. An ETF's portfolio composition and performance may not match that of the index it is designed to track due to delays in the ETF's implementation of changes to the composition of the index and other factors. An ETF has its own fees and expenses, which are indirectly borne by the fund.

Exchange-traded notes (ETNs) risk

ETNs are a type of unsecured, unsubordinated debt security that have characteristics and risks similar to those of fixed-income securities and trade on a major exchange similar to shares of ETFs. This type of debt security differs, however, from other types of bonds and notes because ETN returns are based upon the performance of a market index minus applicable fees, no period coupon payments are distributed, and no principal protections exist. The purpose of ETNs is to create a type of security that combines the aspects of both bonds and ETFs. The value of an ETN may be influenced by time to maturity; level of supply and demand for the ETN; volatility and lack of liquidity in underlying commodities or securities markets; changes in the applicable interest rates; changes in the issuer's credit rating; and economic, legal, political, or geographic events that affect the referenced commodity or security. The fund's decision to sell its ETN holdings also may be limited by the availability of a secondary market. If the fund must sell some or all of its ETN holdings and the secondary market is weak, it may have to sell such holdings at a discount. If the fund holds its investment in an ETN until maturity, the issuer will give the fund a cash amount that would be equal to the principal amount (subject to the day's index factor). ETNs are also subject to counterparty credit risk and fixed-income risk.

Fixed-income securities risk

Fixed-income securities are generally subject to two principal types of risk, as well as other risks described below: (1) interest-rate risk and (2) credit quality risk.

Interest-rate risk. Fixed-income securities are affected by changes in interest rates. When interest rates decline, the market value of fixed-income securities generally can be expected to rise. Conversely, when interest rates rise, the market value of fixed-income securities generally can be expected to decline. The longer the duration or maturity of a fixed-income security, the more susceptible it is to interest-rate risk. Recent and potential future changes in government monetary policy may affect the level of interest rates.

Credit quality risk. Fixed-income securities are subject to the risk that the issuer of the security will not repay all or a portion of the principal borrowed and will not make all interest payments. If the credit quality of a fixed-income security deteriorates after a fund has purchased the security, the market value of the security may decrease and lead to a decrease in the value of the fund's investments. An issuer's credit quality could deteriorate as a result of poor management decisions, competitive pressures, technological obsolescence, undue reliance on suppliers, labor issues, shortages, corporate restructurings, fraudulent disclosures, or other factors. Funds that may invest in lower-rated fixed-income securities, commonly referred to as junk securities, are riskier than funds that may invest in higher-rated fixed-income securities. Additional information on the risks of investing in investment-grade fixed-income securities in the lowest rating category and lower-rated fixed-income securities is set forth below.

Fund of funds risk

The fund's ability to achieve its investment objective will depend largely, in part, on: (i) the underlying funds' performance, expenses, and ability to meet their investment objectives; and (ii) properly rebalancing assets among underlying funds and different asset classes. The fund is also subject to risks related to: (i) layering of fees of the underlying funds; and (ii) conflicts of interest associated with the subadvisor's ability to allocate fund assets without limit to other funds it advises and/or other funds advised by affiliated subadvisors. There is no assurance that either the fund or the underlying funds will achieve their investment objectives.

Affiliated subadvised fund conflicts of interest risk

The subadvisor may allocate the fund's assets without limit to underlying funds managed by the subadvisor and/or other affiliated subadvisors (affiliated subadvised funds). Accordingly, rebalancings of the assets of the fund present a conflict of interest because there is an incentive for the subadvisor to allocate assets to the subadvisor and other affiliated subadvised funds rather than underlying funds managed by unaffiliated subadvisors. In this regard, the subadvisor and other affiliated subadvisors of affiliated subadvised funds benefit from the subadvisor's allocations of fund assets to such funds through the additional subadvisory fees they earn on such allocated fund assets. The subadvisor has a duty to allocate assets only to underlying funds it has determined are in the best interests of shareholders, and make allocations to affiliated subadvised funds on this basis without regard to any such economic incentive. As part of its oversight of the fund and the subadvisor, the advisor will monitor to ensure that allocations are conducted in accordance with these principles.

Multi-manager risk; limited universe of subadvisors and underlying funds

The fund's ability to achieve its investment objective depends upon the subadvisor's skill in determining the fund's strategic allocation to investment strategies and in selecting the best mix of underlying funds. The allocation of investments among the different subadvisors managing underlying funds with different styles and asset classes, such as equity, debt, U.S., or foreign securities, may have a more significant effect on the performance of a fund of funds when one of these investments is performing more poorly than the other. There is no assurance that allocation decisions will result in the desired effects. Investment decisions made by the subadvisor may cause a fund of funds to incur losses or to miss profit opportunities on which it might otherwise have capitalized. Moreover, at times, the subadvisor may invest fund assets in underlying funds managed by a limited number of subadvisors. In such circumstances, the fund's performance could be substantially dependent on the performance of these subadvisors. Similarly, the subadvisor's allocation of a fund of fund's assets to a limited number of underlying funds may adversely affect the performance of the fund of funds, and, in such circumstances, it will be more sensitive to the performance and risks associated with those funds and any investments in which such underlying funds focus.

Hedging, derivatives, and other strategic transactions risk

The ability of a fund to utilize hedging, derivatives, and other strategic transactions to benefit the fund will depend in part on its manager's ability to predict pertinent market movements and market risk, counterparty risk, credit risk, interest-rate risk, and other risk factors, none of which can be assured. The skills required to utilize hedging and other strategic transactions are different from those needed to select a fund's securities. Even if the manager only uses hedging and other strategic transactions in a fund primarily for hedging purposes or to gain exposure to a particular securities market, if the transaction does not have the desired outcome, it could result in a significant loss to a fund. The amount of loss could be more than the principal amount invested. These transactions may also increase the volatility of a fund and may involve a small investment of cash relative to the magnitude of the risks assumed, thereby magnifying the impact of any resulting gain or loss. For example, the potential loss from the use of futures can exceed a fund's initial investment in such contracts. In addition, these transactions could result in a loss to a fund if the counterparty to the transaction does not perform as promised.

A fund may invest in derivatives, which are financial contracts with a value that depends on, or is derived from, the value of underlying assets, reference rates, or indexes. Derivatives may relate to stocks, bonds, interest rates, currencies or currency exchange rates, and related indexes. A fund may use derivatives for many purposes, including for hedging and as a substitute for direct investment in securities or other assets. Derivatives may be used in a way to efficiently adjust the exposure of a fund to various securities, markets, and currencies without a fund actually having to sell existing investments and make new investments. This generally will be done when the adjustment is expected to be relatively temporary or in anticipation of effecting the sale of fund assets and making new investments over time. Further, since many derivatives have a leverage component, adverse changes in the value or level of the underlying asset, reference rate, or index can result in a loss substantially greater than the amount invested in the derivative itself. Certain derivatives have the potential for unlimited loss, regardless of the size of the initial investment. When a fund uses derivatives for leverage, investments in that fund will tend to be more volatile, resulting in larger gains or losses in response to market changes. To limit leveraging risk, a fund may segregate assets determined to be liquid or, as permitted by applicable regulation, enter into certain offsetting positions to cover its obligations under derivative instruments. For a description of the various derivative instruments the fund may utilize, refer to the SAI.

The regulation of the U.S. and non-U.S. derivatives markets has undergone substantial change in recent years and such change may continue. In particular, the Dodd-Frank Wall Street Reform and Consumer Protection Act, and regulation proposed to be promulgated thereunder require many derivatives to be cleared and traded on an exchange, expand entity registration requirements, impose business conduct requirements on dealers that enter into swaps with a pension plan, endowment, retirement plan or government entity, and required banks to move some derivatives trading units to a non-guaranteed affiliate separate from the deposit-taking bank or divest them altogether. Although the Commodity Futures Trading Commission (CFTC) has released final rules relating to clearing, reporting, recordkeeping and registration requirements under the legislation, many of the provisions are subject to further final rule making, and thus its ultimate impact remains unclear. New regulations could, among other things, restrict the fund's ability to engage in derivatives transactions (for example, by making certain types of derivatives transactions no longer available to the fund) and/or increase the costs of such derivatives transactions (for example, by increasing margin or capital requirements), and the fund may be unable to fully execute its investment strategies as a result. Limits or restrictions applicable to the counterparties with which the fund engages in derivative transactions also could prevent the fund from using these instruments or affect the pricing or other factors relating to these instruments, or may change the availability of certain investments.

At any time after the date of this prospectus, legislation may be enacted that could negatively affect the assets of the fund. Legislation or regulation may change the way in which the fund itself is regulated. The advisor cannot predict the effects of any new governmental regulation that may be implemented, and there can be no assurance that any new governmental regulation will not adversely affect the fund's ability to achieve its investment objectives.

The use of derivative instruments may involve risks different from, or potentially greater than, the risks associated with investing directly in securities and other, more traditional assets. In particular, the use of derivative instruments exposes a fund to the risk that the counterparty to an OTC derivatives contract will be unable or unwilling to make timely settlement payments or otherwise honor its obligations. OTC derivatives transactions typically can only be closed out with the other party to the transaction, although either party may engage in an offsetting transaction that puts that party in the same economic position as if it had closed out the transaction with the counterparty or may obtain the other party's consent to assign the transaction to a third party. If the counterparty defaults, the fund will have contractual remedies, but there is no assurance that the counterparty will meet its contractual obligations or that, in the event of default, the fund will succeed in enforcing them. For example, because the contract for each OTC derivatives transaction is individually negotiated with a specific counterparty, a fund is subject to the risk that a counterparty may interpret contractual terms (e.g., the definition of default) differently than the fund when the fund seeks to enforce its contractual rights. If that occurs, the cost and unpredictability of the legal proceedings required for the fund to enforce its contractual rights may lead it to decide not to pursue its claims against the counterparty. The fund, therefore, assumes the risk that it may be unable to obtain payments owed to it under OTC derivatives contracts or that those payments may be delayed or made only after the fund has incurred the costs of litigation. While a manager intends to monitor the creditworthiness of counterparties, there can be no assurance that a counterparty will meet its obligations, especially during unusually adverse market conditions. To the extent a fund contracts with a limited number of counterparties, the fund's risk will be concentrated and events that affect the creditworthiness of any of those counterparties may have a pronounced effect on the fund. Derivatives are also subject to a number of other risks, including market risk and liquidity risk. Since the value of derivatives is calculated and derived from the value of other assets, instruments, or references, there is a risk that they will be improperly valued. Derivatives also involve the risk that changes in their value may not correlate perfectly with the assets, rates, or indexes they are designed to hedge or closely track. Suitable derivatives transactions may not be available in all circumstances. The fund is also subject to the risk that the counterparty closes out the derivatives transactions upon the occurrence of certain triggering events. In addition, a manager may determine not to use derivatives to hedge or otherwise reduce risk exposure. Government legislation or regulation could affect the use of derivatives transactions and could limit a fund's ability to pursue its investment strategies.

A detailed discussion of various hedging and other strategic transactions appears in the SAI. The following is a list of certain derivatives and other strategic transactions that a fund may utilize and the main risks associated with each of them:

Credit default swaps. Counterparty risk, liquidity risk (i.e., the inability to enter into closing transactions), interest-rate risk, risk of default of the underlying reference obligation, and risk of disproportionate loss are the principal risks of engaging in transactions involving credit default swaps.

Foreign currency forward contracts. Counterparty risk, liquidity risk (i.e., the inability to enter into closing transactions), foreign currency risk, and risk of disproportionate loss are the principal risks of engaging in transactions involving foreign currency forward contracts.

Futures contracts. Counterparty risk, liquidity risk (i.e., the inability to enter into closing transactions), and risk of disproportionate loss are the principal risks of engaging in transactions involving futures contracts.

Interest-rate swaps. Counterparty risk, liquidity risk (i.e., the inability to enter into closing transactions), interest-rate risk, and risk of disproportionate loss are the principal risks of engaging in transactions involving interest-rate swaps.

Options. Counterparty risk, liquidity risk (i.e., the inability to enter into closing transactions), and risk of disproportionate loss are the principal risks of engaging in transactions involving options. Counterparty risk does not apply to exchange-traded options.

Investment company securities risk

A fund may invest in securities of other investment companies. Fund shareholders indirectly bear their proportionate share of the expenses of each such investment company. The total return on such investments will be reduced by the operating expenses and fees of such other investment companies, including advisory fees. Investments in closed-end funds may involve the payment of substantial premiums above the value of such investment companies' portfolio securities.

Liquidity risk

The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Funds with principal investment strategies that involve investments in securities of companies with smaller market capitalizations, foreign securities, derivatives, or securities with substantial market and/or credit risk tend to have the greatest exposure to liquidity risk. Exposure to liquidity risk may be heightened for funds that invest in securities of emerging markets and related derivatives that are not widely traded, and that may be subject to purchase and sale restrictions.

Short sales risk

The funds may make short sales of securities. This means a fund may sell a security that it does not own in anticipation of a decline in the market value of the security. A fund generally borrows the security to deliver to the buyer in a short sale. The fund must then buy the security at its market price when the borrowed security must be returned to the lender. Short sales involve costs and risk. The fund must pay the lender interest on the security it borrows, and the fund will lose money if the price of the security increases between the time of the short sale and the date when the fund replaces the borrowed security. A fund may also make short sales "against the box." In a short sale against the box, at the time of sale, the fund owns or has the right to acquire the identical security, or one equivalent in kind or amount, at no additional cost.

Until a fund closes its short position or replaces a borrowed security, a fund will (i) segregate with its custodian cash or other liquid assets at such a level that the amount segregated plus the amount deposited with the lender as collateral will equal the current market value of the security sold short or (ii) otherwise cover its short position. The need to maintain cash or other liquid assets in segregated accounts could limit the fund's ability to pursue other opportunities as they arise.

PRINCIPAL RISKS OF INVESTING IN THE UNDERLYING FUNDS

By owning shares of underlying funds, the funds indirectly invest, to varying degrees, in equity securities of U.S. companies, including small- and medium-sized companies and in fixed-income securities. Many of the underlying funds also invest in foreign securities. In addition, most of the underlying funds may invest in derivatives. To the extent that the funds invest directly in these securities or investments, the funds will be subject to the same risks. In this section, an underlying fund is referred to as a fund.

Commodity risk

The market price of commodity investments may be volatile due to fluctuating demand, supply disruption, speculation, and other factors. Certain commodity investments may have no active trading market at times. The value of commodities investments will generally be affected by overall market movements and factors specific to a particular industry or commodity, which may include weather, embargoes, tariffs, and health, political, international and regulatory developments. Economic and other events (whether real or perceived) can reduce the demand for commodities, which may reduce market prices and cause the value of shares of the fund to fall. Exposure to commodities and commodities markets may subject the fund to greater volatility than investments in traditional securities. Certain types of commodities instruments (such as total return swaps and commodity-linked notes) are subject to the risk that the counterparty to the instrument will not perform or will be unable to perform in accordance with the terms of the instrument.

Credit and counterparty risk

This is the risk that an issuer of a U.S. government security, the issuer or guarantor of a fixed-income security, the counterparty to an over-the-counter (OTC) derivatives contract (see "Hedging, derivatives, and other strategic transactions risk"), or a borrower of a fund's securities will be unable or unwilling to make timely principal, interest, or settlement payments, or to otherwise honor its obligations. Credit risk associated with investments in fixed-income securities relates to the ability of the issuer to make scheduled payments of principal and interest on an obligation. A fund that invests in fixed-income securities is subject to varying degrees of risk that the issuers of the securities will have their credit ratings downgraded or will default, potentially reducing the fund's share price and income level. Nearly all fixed-income securities are subject to some credit risk, which may vary depending upon whether the issuers of the securities are corporations, domestic, or foreign governments, or their subdivisions or instrumentalities. U.S. government securities are subject to varying degrees of credit risk depending upon whether the securities are supported by the full faith and credit of the United States;

supported by the ability to borrow from the U.S. Treasury; supported only by the credit of the issuing U.S. government agency, instrumentality, or corporation; or otherwise supported by the United States. For example, issuers of many types of U.S. government securities (e.g., the Federal Home Loan Mortgage Corporation (Freddie Mac), Federal National Mortgage Association (Fannie Mae), and Federal Home Loan Banks), although chartered or sponsored by Congress, are not funded by congressional appropriations, and their fixed-income securities, including asset-backed and mortgage-backed securities, are neither guaranteed nor insured by the U.S. government. An agency of the U.S. government has placed Fannie Mae and Freddie Mac into conservatorship, a statutory process with the objective of returning the entities to normal business operations. It is unclear what effect this conservatorship will have on the securities issued or guaranteed by Fannie Mae or Freddie Mac. As a result, these securities are subject to more credit risk than U.S. government securities that are supported by the full faith and credit of the United States (e.g., U.S. Treasury bonds). When a fixed-income security is not rated, a portfolio manager may have to assess the risk of the security itself. Asset-backed securities, whose principal and interest payments are supported by pools of other assets, such as credit card receivables and automobile loans, are subject to further risks, including the risk that the obligors of the underlying assets default on payment of those assets.

Funds that invest in below-investment-grade securities, also called junk bonds (e.g., fixed-income securities rated Ba or lower by Moody's Investors Service, Inc. or BB or lower by Standard & Poor's Ratings Services or Fitch Ratings, as applicable), at the time of investment, or determined by a manager to be of comparable quality to securities so rated, are subject to increased credit risk. The sovereign debt of many foreign governments, including their subdivisions and instrumentalities, falls into this category. Below-investment-grade securities offer the potential for higher investment returns than higher-rated securities, but they carry greater credit risk: Their issuers' continuing ability to meet principal and interest payments is considered speculative, they are more susceptible to real or perceived adverse economic and competitive industry conditions, and they may be less liquid than higher-rated securities.

In addition, a fund is exposed to credit risk to the extent that it makes use of OTC derivatives (such as forward foreign currency contracts and/or swap contracts) and engages to a significant extent in the lending of fund securities or the use of repurchase agreements. OTC derivatives transactions can be closed out with the other party to the transaction. If the counterparty defaults, a fund will have contractual remedies, but there is no assurance that the counterparty will be able to meet its contractual obligations or that, in the event of default, a fund will succeed in enforcing them. A fund, therefore, assumes the risk that it may be unable to obtain payments owed to it under OTC derivatives contracts or that those payments may be delayed or made only after the fund has incurred the costs of litigation. While portfolio managers monitor the creditworthiness of contract counterparties, there can be no assurance that the counterparty will be in a position to meet its obligations, especially during unusually adverse market conditions.

Cybersecurity and operational risk

Intentional cybersecurity breaches include unauthorized access to systems, networks, or devices (such as through "hacking" activity); infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. In addition, unintentional incidents can occur, such as the inadvertent release of confidential information (possibly resulting in the violation of applicable privacy laws).

A cybersecurity breach could result in the loss or theft of customer data or funds, the inability to access electronic systems ("denial of services"), loss or theft of proprietary information or corporate data, physical damage to a computer or network system, or costs associated with system repairs. Such incidents could cause a fund, the advisor, a manager, or other service providers to incur regulatory penalties, reputational damage, additional compliance costs, litigation costs or financial loss. In addition, such incidents could affect issuers in which a fund invests, and thereby cause the fund's investments to lose value.

Cyber-events have the potential to materially affect the fund and the advisor's relationships with accounts, shareholders, clients, customers, employees, products, and service providers. The fund has established risk management systems reasonably designed to seek to reduce the risks associated with cyber-events. There is no guarantee that the fund will be able to prevent or mitigate the impact of any or all cyber-events.

The fund is exposed to operational risk arising from a number of factors, including, but not limited to, human error, processing and communication errors, errors of the fund's service providers, counterparties, or other third parties, failed or inadequate processes and technology or system failures.

Economic and market events risk

Events in certain sectors historically have resulted, and may in the future result, in an unusually high degree of volatility in the financial markets, both domestic and foreign. These events have included, but are not limited to: bankruptcies, corporate restructurings, and other similar events; governmental efforts to limit short selling and high frequency trading; measures to address U.S. federal and state budget deficits; social, political, and economic instability in Europe; economic stimulus by the Japanese central bank; dramatic changes in energy prices and currency exchange rates; and China's economic slowdown. Interconnected global economies and financial markets increase the possibility that conditions in one country or region might adversely impact issuers in a different country or region. Both domestic and foreign equity markets have experienced increased volatility and turmoil, with issuers that have exposure to the real estate, mortgage, and credit markets particularly affected. Banks and financial services companies could suffer losses if interest rates rise or economic conditions deteriorate.

In addition, relatively high market volatility and reduced liquidity in credit and fixed-income markets may adversely affect many issuers worldwide. Actions taken by the U.S. Federal Reserve (Fed) or foreign central banks to stimulate or stabilize economic growth, such as interventions in currency markets, could cause high volatility in the equity and fixed-income markets. Reduced liquidity may result in less money being available to purchase raw materials, goods, and services from emerging markets, which may, in turn, bring down the prices of these economic staples. It may also result in emerging-market issuers having more difficulty obtaining financing, which may, in turn, cause a decline in their securities prices.

In addition, while interest rates have been unusually low in recent years in the United States and abroad, any decision by the Fed to adjust the target fed funds rate, among other factors, could cause markets to experience continuing high volatility. A significant increase in interest rates may cause a decline in the market for equity securities. Also, regulators have expressed concern that rate increases may contribute to price volatility. These events and the possible resulting market volatility may have an adverse effect on the fund.

Political turmoil within the United States and abroad may also impact the fund. Although the U.S. government has honored its credit obligations, it remains possible that the United States could default on its obligations. While it is impossible to predict the consequences of such an unprecedented event, it is likely that a default by the United States would be highly disruptive to the U.S. and global securities markets and could significantly impair the value of the fund's investments. Similarly, political events within the United States at times have resulted, and may in the future result, in a shutdown of government services, which could negatively affect the U.S. economy, decrease the value of many fund investments, and increase uncertainty in or impair the operation of the U.S. or other securities markets. The U.S. is also considering significant new investments in infrastructure and national defense which, coupled with lower federal taxes, could lead to increased government borrowing and higher interest rates. While these proposed policies are going through the political process, the equity and debt markets may react strongly to expectations, which could increase volatility, especially if the market's expectations for changes in government policies are not borne out. The U.S. is also renegotiating many of its global trade relationships and has imposed or threatened to impose significant import tariffs. These actions could lead to price volatility and overall declines in U.S. and global investment markets.

Uncertainties surrounding the sovereign debt of a number of European Union (EU) countries and the viability of the EU have disrupted and may in the future disrupt markets in the United States and around the world. If one or more countries leave the EU or the EU dissolves, the world's securities markets likely will be significantly disrupted. On January 31, 2020, the United Kingdom (UK) left the EU, commonly referred to as "Brexit," and there commenced a transition period during which the EU and UK will negotiate and agree on the nature of their future relationship. There is significant market uncertainty regarding Brexit's ramifications, and the range and potential implications of possible political, regulatory, economic, and market outcomes are difficult to predict. This uncertainty may affect other countries in the EU and elsewhere, and may cause volatility within the EU, triggering prolonged economic downturns in certain countries within the EU. In addition, Brexit may create additional and substantial economic stresses for the UK, including a contraction of the UK economy and price volatility in UK stocks, decreased trade, capital outflows, devaluation of the British pound, wider corporate bond spreads due to uncertainty and declines in business and consumer spending as well as foreign direct investment. Brexit may also adversely affect UK-based financial firms that have counterparties in the EU or participate in market infrastructure (trading venues, clearing houses, settlement facilities) based in the EU. These events and the resulting market volatility may have an adverse effect on the performance of the fund.

A widespread health crisis such as a global pandemic could cause substantial market volatility, exchange trading suspensions and closures, impact the ability to complete redemptions, and affect fund performance. For example, the novel coronavirus disease (COVID-19) has resulted in significant disruptions to global business activity. The impact of a health crisis and other epidemics and pandemics that may arise in the future, could affect the global economy in ways that cannot necessarily be foreseen at the present time. A health crisis may exacerbate other pre-existing political, social and economic risks. Any such impact could adversely affect the fund's performance, resulting in losses to your investment. Political and military events, including in North Korea, Venezuela, Iran, Syria, and other areas of the Middle East, and nationalist unrest in Europe and South America, also may cause market disruptions.

In addition, there is a risk that the prices of goods and services in the United States and many foreign economies may decline over time, known as deflation. Deflation may have an adverse effect on stock prices and creditworthiness and may make defaults on debt more likely. If a country's economy slips into a deflationary pattern, it could last for a prolonged period and may be difficult to reverse.

Equity securities risk

Common and preferred stocks represent equity ownership in a company. Stock markets are volatile. The price of equity securities will fluctuate, and can decline and reduce the value of a fund investing in equities. The price of equity securities fluctuates based on changes in a company's financial condition and overall market and economic conditions. The value of equity securities purchased by a fund could decline if the financial condition of the companies in which the fund is invested declines, or if overall market and economic conditions deteriorate. An issuer's financial condition could decline as a result of poor management decisions, competitive pressures, technological obsolescence, undue reliance on suppliers, labor issues, shortages, corporate restructurings, fraudulent disclosures, or other factors. Changes in the financial condition of a single issuer can impact the market as a whole. Even a fund that invests in high-quality, or blue chip, equity securities, or securities of established companies with large market capitalizations (which generally have strong financial characteristics), can be negatively impacted by poor overall market and economic conditions. Companies with large market capitalizations may also have less growth potential than smaller companies and may be less able to react quickly to changes in the marketplace.

A fund generally does not attempt to time the market. Because of its exposure to equities, the possibility that stock market prices in general will decline over short or extended periods subjects the fund to unpredictable declines in the value of its investments, as well as periods of poor performance.

Growth investing risk. Certain equity securities (generally referred to as growth securities) are purchased primarily because a portfolio manager believes that these securities will experience relatively rapid earnings growth. Growth securities typically trade at higher multiples of current earnings than other securities. Growth securities are often more sensitive to market fluctuations than other securities because their market prices are highly sensitive to future earnings expectations. At times when it appears that these expectations may not be met, growth stock prices typically fall.

Value investing risk. Certain equity securities (generally referred to as value securities) are purchased primarily because they are selling at prices below what a portfolio manager believes to be their fundamental value and not necessarily because the issuing companies are expected to experience significant earnings growth. A fund bears the risk that the companies that issued these securities may not overcome the adverse business developments or other factors causing their securities to be perceived by the portfolio manager to be underpriced or that the market may never come to recognize their fundamental value. A value stock may not increase in price, as anticipated by the portfolio manager investing in such securities, if other investors fail to recognize the company's value and bid up the price or invest in markets favoring faster growing companies. A fund's strategy of investing in value stocks also carries the risk that in certain markets, value stocks will underperform growth stocks. In addition, securities issued by U.S. entities with substantial foreign operations may involve risks relating to economic, political or regulatory conditions in foreign countries.

Exchange-traded funds (ETFs) risk

ETFs are a type of investment company bought and sold on a securities exchange. An ETF generally represents a fixed portfolio of securities designed to track a particular market index or basket of securities. A fund could purchase an ETF to temporarily gain exposure to a portion of the U.S. or a foreign market while awaiting purchase of underlying securities. The risks of owning an ETF generally reflect the risks of owning the underlying securities, although lack of liquidity in an ETF could result in it being more volatile than its underlying securities, and ETFs have management fees that increase their costs. An ETF's portfolio composition and performance may not match that of the index it is designed to track due to delays in the ETF's implementation of changes to the composition of the index and other factors. An ETF has its own fees and expenses, which are indirectly borne by the fund.

Fixed-income securities risk

Fixed-income securities are generally subject to two principal types of risk, as well as other risks described below: (1) interest-rate risk and (2) credit quality risk.

Interest-rate risk. Fixed-income securities are affected by changes in interest rates. When interest rates decline, the market value of fixed-income securities generally can be expected to rise. Conversely, when interest rates rise, the market value of fixed-income securities generally can be expected to decline. The longer the duration or maturity of a fixed-income security, the more susceptible it is to interest-rate risk. Recent and potential future changes in government monetary policy may affect the level of interest rates.

Credit quality risk. Fixed-income securities are subject to the risk that the issuer of the security will not repay all or a portion of the principal borrowed and will not make all interest payments. If the credit quality of a fixed-income security deteriorates after a fund has purchased the security, the market value of the security may decrease and lead to a decrease in the value of the fund's investments. An issuer's credit quality could deteriorate as a result of poor management decisions, competitive pressures, technological obsolescence, undue reliance on suppliers, labor issues, shortages, corporate restructurings, fraudulent disclosures, or other factors. Funds that may invest in lower-rated fixed-income securities, commonly referred to as junk securities, are riskier than funds that may invest in higher-rated fixed-income securities. Additional information on the risks of investing in investment-grade fixed-income securities in the lowest rating category and lower-rated fixed-income securities is set forth below.

Investment-grade fixed-income securities in the lowest rating category risk. Investment-grade fixed-income securities in the lowest rating category (such as Baa by Moody's Investors Service, Inc. or BBB by Standard & Poor's Ratings Services or Fitch Ratings, as applicable, and comparable unrated securities) involve a higher degree of risk than fixed-income securities in the higher rating categories. While such securities are considered investment-grade quality and are deemed to have adequate capacity for payment of principal and interest, such securities lack outstanding investment characteristics and have speculative characteristics as well. For example, changes in economic conditions or other circumstances are more likely to lead to a weakened capacity to make principal and interest payments than is the case with higher-grade securities.

Prepayment of principal risk. Many types of debt securities, including floating-rate loans, are subject to prepayment risk. Prepayment risk is the risk that, when interest rates fall, certain types of obligations will be paid off by the borrower more quickly than originally anticipated and the fund may have to invest the proceeds in securities with lower yields. Securities subject to prepayment risk can offer less potential for gains when the credit quality of the issuer improves.

Foreign securities risk

Funds that invest in securities traded principally in securities markets outside the United States are subject to additional and more varied risks, as the value of foreign securities may change more rapidly and extremely than the value of U.S. securities. Less information may be publicly available regarding foreign issuers. Foreign securities may be subject to foreign taxes and may be more volatile than U.S. securities. Currency fluctuations and political and economic developments may adversely impact the value of foreign securities. The securities markets of many foreign countries are relatively small, with a limited number of companies representing a small number of industries. Additionally, issuers of foreign securities may not be subject to the same degree of regulation as U.S. issuers. Reporting, accounting, and auditing standards of foreign countries differ, in some cases significantly, from U.S. standards. There are generally higher commission rates on foreign portfolio transactions, transfer taxes, higher custodial costs, and the possibility that foreign taxes will be charged on dividends and interest payable on foreign securities, some or all of which may not be reclaimable. Also, adverse changes in investment or exchange control regulations (which may include suspension of the ability to transfer currency or assets from a country); political changes; or diplomatic developments could adversely affect a fund's investments. In the event of nationalization, expropriation, confiscatory taxation, or other confiscation, the fund could lose a substantial portion of, or its entire investment in, a foreign security. Some of the foreign securities risks are also applicable to funds that invest a material portion of their assets in securities of foreign issuers traded in the United States.

Any depositary receipts are subject to most of the risks associated with investing in foreign securities directly because the value of a depositary receipt is dependent upon the market price of the underlying foreign equity security. Depositary receipts are also subject to liquidity risk.

Emerging-market risk. Investments in the securities of issuers based in countries with emerging-market economies are subject to greater levels of foreign investment risk than investments in more-developed foreign markets, since emerging-market securities may present market, credit, currency, liquidity, legal, political, and other risks greater than, or in addition to, the risks of investing in developed foreign countries. These risks include high currency exchange-rate fluctuations; increased risk of default (including both government and private issuers); greater social, economic, and political uncertainty and instability (including the risk of war); more substantial governmental involvement in the economy; less governmental supervision and regulation of the securities markets and participants in those markets; controls on foreign investment and limitations on repatriation of invested capital and on a fund's ability to exchange local currencies for U.S. dollars; unavailability of currency hedging techniques in certain emerging-market countries; the fact that companies in emerging-market countries may be newly organized, smaller, and less seasoned; the difference in, or lack of, auditing and financial reporting standards, which may result in the unavailability of material information about issuers; different clearance and settlement procedures, which may be unable to keep pace with the volume of securities transactions or otherwise make it difficult to engage in such transactions; difficulties in obtaining and/or enforcing legal judgments in foreign jurisdictions; and significantly smaller market capitalizations of emerging-market issuers.

Currency risk. Currency risk is the risk that fluctuations in exchange rates may adversely affect the U.S. dollar value of a fund's investments. Currency risk includes both the risk that currencies in which a fund's investments are traded, or currencies in which a fund has taken an active investment position, will decline in value relative to the U.S. dollar and, in the case of hedging positions, that the U.S. dollar will decline in value relative to the currency being hedged. Currency rates in foreign countries may fluctuate significantly for a number of reasons, including the forces of supply and demand in the foreign exchange markets, actual or perceived changes in interest rates, intervention (or the failure to intervene) by U.S. or foreign governments or central banks, or currency controls or political developments in the United States or abroad. Certain funds may engage in proxy hedging of currencies by entering into derivative transactions with respect to a currency whose value is expected to correlate to the value of a currency the fund owns or wants to own. This presents the risk that the two currencies may not move in relation to one another as expected. In that case, the fund could lose money on its investment and also lose money on the position designed to act as a proxy hedge. Certain funds may also take active currency positions and may cross-hedge currency exposure represented by their securities into another foreign currency. This may result in a fund's currency exposure being substantially different than that suggested by its securities investments. All funds with foreign currency holdings and/or that invest or trade in securities denominated in foreign currencies or related derivative instruments may be adversely affected by changes in foreign currency exchange rates. Derivative foreign currency transactions (such as futures, forwards, and swaps) may also involve leveraging risk, in addition to currency risk. Leverage may disproportionately increase a fund's portfolio losses and reduce opportunities for gain when interest rates, stock prices, or currency rates are changing.

Hedging, derivatives, and other strategic transactions risk

The ability of a fund to utilize hedging, derivatives, and other strategic transactions to benefit the fund will depend in part on the portfolio manager's ability to predict pertinent market movements and market risk, counterparty risk, credit risk, interest-rate risk, and other risk factors, none of which can be assured. The skills required to utilize hedging and other strategic transactions are different from those needed to select a fund's securities. Even if a portfolio manager only uses hedging and other strategic transactions in a fund primarily for hedging purposes or to gain exposure to a particular securities market, if the transaction does not have the desired outcome, it could result in a significant loss to the fund. The amount of loss could be more than the principal amount invested. These transactions may also increase the volatility of a fund and may involve a small investment of cash relative to the magnitude of the risks assumed, thereby magnifying the impact of any resulting gain or loss. For example, the potential loss from the use of futures can exceed a fund's initial investment in such contracts. In addition, these transactions could result in a loss to the fund if the counterparty to the transaction does not perform as promised.

A fund may invest in derivatives, which are financial contracts with a value that depends on, or is derived from, the value of underlying assets, reference rates, or indexes. Derivatives may relate to stocks, bonds, interest rates, currencies, or currency exchange rates, and related indexes. A fund may use derivatives for many purposes, including for hedging, and as a substitute for direct investment in securities or other assets. Derivatives may be used in a way to efficiently adjust the exposure of the fund to various securities, markets, and currencies without the fund actually having to sell existing investments and make new investments. This generally will be done when the adjustment is expected to be relatively temporary or in anticipation of effecting the sale of fund assets and making new investments over time. Further, since many derivatives have a leverage component, adverse changes in the value or level of the underlying asset, reference rate, or index can result in a loss substantially greater than the amount invested in the derivative itself. Certain derivatives have the potential for unlimited loss, regardless of the size of the initial investment. When a fund uses derivatives for leverage, investments in the fund will tend to be more volatile, resulting in larger gains or losses in response to market changes. To limit leverage risk, a fund may segregate assets determined to be liquid or, as permitted by applicable regulation, enter into certain offsetting positions to cover its obligations under derivative instruments. For a description of the various derivative instruments a fund may utilize, refer to the SAI.

The regulation of the U.S. and non-U.S. derivatives markets has undergone substantial change in recent years and such change may continue. In particular, the Dodd-Frank Wall Street Reform and Consumer Protection Act, and regulation proposed to be promulgated thereunder require many derivatives to be cleared and traded on an exchange, expand entity registration requirements, impose business conduct requirements on dealers that enter into swaps with a pension plan, endowment, retirement plan or government entity, and required banks to move some derivatives trading units to a non-guaranteed affiliate separate from the deposit-taking bank or divest them altogether. Although the Commodity Futures Trading Commission (CFTC) has released final rules relating to clearing, reporting, recordkeeping and registration requirements under the legislation, many of the provisions are subject to further final rule making, and thus its ultimate impact remains unclear. New regulations could, among other things, restrict the fund's ability to engage in derivatives transactions (for example, by making certain types of derivatives transactions no longer available to the fund) and/or increase the costs of such derivatives transactions (for example, by increasing margin or capital requirements), and the fund may be unable to fully execute its investment strategies as a result. Limits or restrictions applicable to the counterparties with which the fund engages in derivative transactions also could prevent the fund from using these instruments or affect the pricing or other factors relating to these instruments, or may change the availability of certain investments.

At any time after the date of this prospectus, legislation may be enacted that could negatively affect the assets of the fund. Legislation or regulation may change the way in which the fund itself is regulated. The advisor cannot predict the effects of any new governmental regulation that may be implemented, and there can be no assurance that any new governmental regulation will not adversely affect the fund's ability to achieve its investment objectives.

The use of derivative instruments may involve risks different from, or potentially greater than, the risks associated with investing directly in securities and other, more traditional assets. In particular, the use of derivative instruments exposes a fund to the risk that the counterparty to an OTC derivatives contract will be unable or unwilling to make timely settlement payments or otherwise honor its obligations. OTC derivatives transactions typically can only be closed out with the other party to the transaction, although either party may engage in an offsetting transaction that puts that party in the same economic position as if it had closed out the transaction with the counterparty or may obtain the other party's consent to assign the transaction to a third party. If the counterparty defaults, the fund will have contractual remedies, but there is no assurance that the counterparty will meet its contractual obligations or that, in the event of default, the fund will succeed in enforcing them. For example, because the contract for each OTC derivatives transaction is individually negotiated with a specific counterparty, the fund is subject to the risk that a counterparty may interpret contractual terms (e.g., the definition of default) differently than the fund when the fund seeks to enforce its contractual rights. If that occurs, the cost and unpredictability of the legal proceedings required for the fund to enforce its contractual rights may lead it to decide not to pursue its claims against the counterparty. The fund, therefore, assumes the risk that it may be unable to obtain payments owed to it under OTC derivatives contracts or that those payments may be delayed or made only after the fund has incurred the costs of litigation. While the managers intend to monitor the creditworthiness of counterparties, there can be no assurance that a counterparty will meet its obligations, especially during unusually adverse market conditions. To the extent a fund contracts with a limited number of counterparties, the fund's risk will be concentrated and events that affect the creditworthiness of any of those counterparties may have a pronounced effect on the fund. Derivatives are also subject to a number of other risks, including market risk and liquidity risk. Since the value of derivatives is calculated and derived from the value of other assets, instruments, or references, there is a risk that they will be improperly valued. Derivatives also involve the risk that changes in their value may not correlate perfectly with the assets, rates, or indexes they are designed to hedge or closely track. Suitable derivatives transactions may not be available in all circumstances. A fund is also subject to the risk that the counterparty closes out the derivatives transactions upon the occurrence of certain triggering events. In addition, a portfolio manager may determine not to use derivatives to hedge or otherwise reduce risk exposure. Government legislation or regulation could affect the use of derivatives transactions and could limit a fund's ability to pursue its investment strategies.

A detailed discussion of various hedging and other strategic transactions appears in the SAI. The following is a list of certain derivatives and other strategic transactions that a fund may utilize and the main risks associated with each of them:

Credit default swaps. Counterparty risk, liquidity risk (i.e., the inability to enter into closing transactions), interest-rate risk, risk of default of the underlying reference obligation, and risk of disproportionate loss are the principal risks of engaging in transactions involving credit default swaps.

Foreign currency forward contracts. Counterparty risk, liquidity risk (i.e., the inability to enter into closing transactions), foreign currency risk, and risk of disproportionate loss are the principal risks of engaging in transactions involving foreign currency forward contracts.

Futures contracts. Counterparty risk, liquidity risk (i.e., the inability to enter into closing transactions), and risk of disproportionate loss are the principal risks of engaging in transactions involving futures contracts.

Interest-rate swaps. Counterparty risk, liquidity risk (i.e., the inability to enter into closing transactions), interest-rate risk, and risk of disproportionate loss are the principal risks of engaging in transactions involving interest-rate swaps.

Options. Counterparty risk, liquidity risk (i.e., the inability to enter into closing transactions), and risk of disproportionate loss are the principal risks of engaging in transactions involving options. Counterparty risk does not apply to exchange-traded options.

Initial public offerings (IPOs) risk

Certain funds may invest a portion of their assets in shares of IPOs. IPOs may have a magnified impact on the performance of a fund with a small asset base. The impact of IPOs on a fund's performance will likely decrease as the fund's asset size increases, which could reduce the fund's returns. IPOs may not be consistently available to a fund for investing, particularly as the fund's asset base grows. IPO shares are frequently volatile in price due to the absence of a prior public market, the small number of shares available for trading, and limited information about the issuer. Therefore, a fund may hold IPO shares for a very short period of time. This may increase the turnover of a fund and may lead to increased expenses for a fund, such as commissions and transaction costs. In addition, IPO shares can experience an immediate drop in value if the demand for the securities does not continue to support the offering price.

Large company risk

Larger, more established companies may be unable to respond quickly to new competitive challenges such as changes in technology and consumer tastes. Many larger companies also may not be able to attain the high growth rate of successful smaller companies, especially during extended periods of economic expansion. These risks apply to all funds that invest in securities of companies with large market capitalizations. Market capitalizations of companies change over time. A fund may not be obligated to sell a company's security simply because, subsequent to its purchase, the company's market capitalization has changed to be outside the capitalization range, if any, in effect for the fund.

Liquidity risk

The extent (if at all) to which a security may be sold or a derivative position closed without negatively impacting its market value may be impaired by reduced market activity or participation, legal restrictions, or other economic and market impediments. Funds with principal investment strategies that involve investments in securities of companies with smaller market capitalizations, foreign securities, derivatives, or securities with substantial market and/or credit risk tend to have the greatest exposure to liquidity risk. Exposure to liquidity risk may be heightened for funds that invest in securities of emerging markets and related derivatives that are not widely traded, and that may be subject to purchase and sale restrictions.

The capacity of traditional dealers to engage in fixed-income trading has not kept pace with the bond market's growth. As a result, dealer inventories of corporate bonds, which indicate the ability to "make markets," i.e., buy or sell a security at the quoted bid and ask price, respectively, are at or near historic lows relative to market size. Because market makers provide stability to fixed-income markets, the significant reduction in dealer inventories could lead to decreased liquidity and increased volatility, which may become exacerbated during periods of economic or political stress.

Lower-rated and high-yield fixed-income securities risk

Lower-rated fixed-income securities are defined as securities rated below investment grade (such as Ba and below by Moody's Investors Service, Inc. and BB and below by Standard & Poor's Ratings Services and Fitch Ratings, as applicable) (also called junk bonds). The general risks of investing in these securities are as follows:

Risk to principal and income. Investing in lower-rated fixed-income securities is considered speculative. While these securities generally provide greater income potential than investments in higher-rated securities, there is a greater risk that principal and interest payments will not be made. Issuers of these securities may even go into default or become bankrupt.

Price volatility. The price of lower-rated fixed-income securities may be more volatile than securities in the higher-rated categories. This volatility may increase during periods of economic uncertainty or change. The price of these securities is affected more than higher-rated fixed-income securities by the market's perception of their credit quality, especially during times of adverse publicity. In the past, economic downturns or increases in interest rates have, at times, caused more defaults by issuers of these securities and may do so in the future. Economic downturns and increases in interest rates have an even greater effect on highly leveraged issuers of these securities.

Liquidity. The market for lower-rated fixed-income securities may have more limited trading than the market for investment-grade fixed-income securities. Therefore, it may be more difficult to sell these securities, and these securities may have to be sold at prices below their market value in order to meet redemption requests or to respond to changes in market conditions.

Dependence on manager's own credit analysis. While a manager may rely on ratings by established credit rating agencies, it will also supplement such ratings with its own independent review of the credit quality of the issuer. Therefore, the assessment of the credit risk of lower-rated fixed-income securities is more dependent on the manager's evaluation than the assessment of the credit risk of higher-rated securities.

Additional risks regarding lower-rated corporate fixed-income securities. Lower-rated corporate fixed-income securities (and comparable unrated securities) tend to be more sensitive to individual corporate developments and changes in economic conditions than higher-rated corporate fixed-income securities. Issuers of lower-rated corporate fixed-income securities may also be highly leveraged, increasing the risk that principal and income will not be repaid.

Additional risks regarding lower-rated foreign government fixed-income securities. Lower-rated foreign government fixed-income securities are subject to the risks of investing in foreign countries described under "Foreign securities risk." In addition, the ability and willingness of a foreign government to make payments on debt when due may be affected by the prevailing economic and political conditions within the country. Emerging-market countries may experience high inflation, interest rates, and unemployment, as well as exchange-rate fluctuations which adversely affect trade and political uncertainty or instability. These factors increase the risk that a foreign government will not make payments when due.

Mortgage-backed and asset-backed securities risk

Mortgage-backed securities. Mortgage-backed securities represent participating interests in pools of residential mortgage loans, which are guaranteed by the U.S. government, its agencies, or its instrumentalities. However, the guarantee of these types of securities relates to the principal and interest payments, and not to the market value of such securities. In addition, the guarantee only relates to the mortgage-backed securities held by a fund and not the purchase of shares of the fund.

Mortgage-backed securities are issued by lenders, such as mortgage bankers, commercial banks, and savings and loan associations. Such securities differ from conventional debt securities, which provide for the periodic payment of interest in fixed amounts (usually semiannually) with principal payments at maturity or on specified dates. Mortgage-backed securities provide periodic payments that are, in effect, a pass-through of the interest and principal payments (including any prepayments) made by the individual borrowers on the pooled mortgage loans. A mortgage-backed security will mature when all the mortgages in the pool mature or are prepaid. Therefore, mortgage-backed securities do not have a fixed maturity and their expected maturities may vary when interest rates rise or fall.

When interest rates fall, homeowners are more likely to prepay their mortgage loans. An increased rate of prepayments on a fund's mortgage-backed securities will result in an unforeseen loss of interest income to the fund as the fund may be required to reinvest assets at a lower interest rate. Because prepayments increase when interest rates fall, the prices of mortgage-backed securities do not increase as much as other fixed-income securities when interest rates fall.

When interest rates rise, homeowners are less likely to prepay their mortgage loans. A decreased rate of prepayments lengthens the expected maturity of a mortgage-backed security. Therefore, the prices of mortgage-backed securities may decrease more than prices of other fixed-income securities when interest rates rise.

The yield of mortgage-backed securities is based on the average life of the underlying pool of mortgage loans. The actual life of any particular pool may be shortened by unscheduled or early payments of principal and interest. Principal prepayments may result from the sale of the underlying property or the refinancing or foreclosure of underlying mortgages. The occurrence of prepayments is affected by a wide range of economic, demographic, and social factors and, accordingly, it is not possible to accurately predict the average life of a particular pool. The actual prepayment experience of a pool of mortgage loans may cause the yield realized by a fund to differ from the yield calculated on the basis of the average life of the pool. In addition, if a fund purchases mortgage-backed securities at a premium, the premium may be lost in the event of early prepayment, which may result in a loss to the fund.

Prepayments tend to increase during periods of falling interest rates, while during periods of rising interest rates, prepayments are likely to decline. Monthly interest payments received by a fund have a compounding effect, which will increase the yield to shareholders as compared to debt obligations that pay interest semiannually. Because of the reinvestment of prepayments of principal at current rates, mortgage-backed securities may be less effective than U.S. Treasury bonds of similar maturity at maintaining yields during periods of declining interest rates. Also, although the value of debt securities may increase as interest rates decline, the value of these pass-through types of securities may not increase as much, due to their prepayment feature.

Collateralized mortgage obligations (CMOs). A fund may invest in mortgage-backed securities called CMOs. CMOs are issued in separate classes with different stated maturities. As the mortgage pool experiences prepayments, the pool pays off investors in classes with shorter maturities first. By investing in CMOs, a fund may manage the prepayment risk of mortgage-backed securities. However, prepayments may cause the actual maturity of a CMO to be substantially shorter than its stated maturity.

Asset-backed securities. Asset-backed securities include interests in pools of debt securities, commercial or consumer loans, or other receivables. The value of these securities depends on many factors, including changes in interest rates, the availability of information concerning the pool and its structure, the credit quality of the underlying assets, the market's perception of the servicer of the pool, and any credit enhancement provided. In addition, asset-backed securities have prepayment risks similar to mortgage-backed securities.

Non-diversified risk

Overall risk can be reduced by investing in securities from a diversified pool of issuers, while overall risk is increased by investing in securities of a small number of issuers. If a fund is not diversified within the meaning of the Investment Company Act of 1940, that means it is allowed to invest a large portion of assets in any one issuer or a small number of issuers, which may result in greater susceptibility to associated risks. As a result, credit, market, and other risks associated with a non-diversified fund's investment strategies or techniques may be more pronounced than for funds that are diversified.

Preferred and convertible securities risk

Unlike interest on debt securities, preferred stock dividends are payable only if declared by the issuer's board. Also, preferred stock may be subject to optional or mandatory redemption provisions. The market values of convertible securities tend to fall as interest rates rise and rise as interest rates fall. The value of convertible preferred stock can depend heavily upon the value of the security into which such convertible preferred stock is converted, depending on whether the market price of the underlying security exceeds the conversion price.

Sector risk

When a fund's investments are focused in one or more sectors of the economy, they are not as diversified as the investments of most funds and are far less diversified than the broad securities markets. This means that focused funds tend to be more volatile than other funds, and the values of their investments tend to go up and down more rapidly. In addition, a fund which invests in particular sectors is particularly susceptible to the impact of market, economic, regulatory, and other factors affecting those sectors. From time to time, a small number of companies may represent a large portion of a particular sector or sectors.

Small and mid-sized company risk

Market risk and liquidity risk may be pronounced for securities of companies with medium-sized market capitalizations and are particularly pronounced for securities of companies with smaller market capitalizations. These companies may have limited product lines, markets, or financial resources, or they may depend on a few key employees. The securities of companies with medium and smaller market capitalizations may trade less frequently and in lesser volume than more widely held securities, and their value may fluctuate more sharply than those securities. They may also trade in the OTC market or on a regional exchange, or may otherwise have limited liquidity. Investments in less-seasoned companies with medium and smaller market capitalizations may not only present greater opportunities for growth and capital appreciation, but also involve greater risks than are customarily associated with more established companies with larger market capitalizations. These risks apply to all funds that invest in the securities of companies with smaller- or medium-sized market capitalizations. For purposes of the fund's investment policies, the market capitalization of a company is based on its capitalization at the time the fund purchases the company's securities. Market capitalizations of companies change over time. The fund is not obligated to sell a company's security simply because, subsequent to its purchase, the company's market capitalization has changed to be outside the capitalization range, if any, in effect for the fund.

WHO'S WHO

The following are the names of the various entities involved with each fund's investment and business operations, along with brief descriptions of the role each entity performs.

Board of Trustees

The Trustees oversee each fund's business activities and retain the services of the various firms that carry out the funds' operations.

Investment advisor

The investment advisor manages the funds' business and investment activities.

John Hancock Investment Management LLC
200 Berkeley Street
Boston, MA 02116

Founded in 1968, the advisor is an indirect principally owned subsidiary of John Hancock Life Insurance Company (U.S.A.), which in turn is a subsidiary of Manulife Financial Corporation.

The advisor's parent company has been helping individuals and institutions work toward their financial goals since 1862. The advisor offers investment solutions managed by leading institutional money managers, taking a disciplined team approach to portfolio management and research, leveraging the expertise of seasoned investment professionals. As of March 31, 2020, the advisor had total assets under management of approximately $124.9 billion.

Subject to general oversight by the Board of Trustees, the advisor manages and supervises the investment operations and business affairs of the funds. The advisor selects, contracts with and compensates one or more subadvisors to manage all or a portion of the funds' portfolio assets, subject to oversight by the advisor. In this role, the advisor has supervisory responsibility for managing the investment and reinvestment of the funds' portfolio assets through proactive oversight and monitoring of the subadvisor and the funds, as described in further detail below. The advisor is responsible for developing overall investment strategies for the funds and overseeing and implementing the funds' continuous investment programs and provides a variety of advisory oversight and investment research services. The advisor also provides management and transition services associated with certain fund events (e.g., strategy, portfolio manager or subadvisor changes) and coordinates and oversees services provided under other agreements.

The advisor has ultimate responsibility to oversee a subadvisor and recommend to the Board of Trustees its hiring, termination, and replacement. In this capacity, the advisor, among other things: (i) monitors on a daily basis the compliance of the subadvisor with the investment objectives and related policies of the funds; (ii) monitors significant changes that may impact the subadvisor's overall business and regularly performs due diligence reviews of the subadvisor; (iii) reviews the performance of the subadvisor; and (iv) reports periodically on such performance to the Board of Trustees. The advisor employs a team of investment professionals who provide these ongoing research and monitoring services.

Fund details

The funds rely on an order from the Securities and Exchange Commission (SEC) permitting the advisor, subject to approval by the Board of Trustees, to appoint a subadvisor or change the terms of a subadvisory agreement without obtaining shareholder approval. The funds, therefore, are able to change subadvisors or the fees paid to a subadvisor, from time to time, without the expense and delays associated with obtaining shareholder approval of the change. This order does not, however, permit the advisor to appoint a subadvisor that is an affiliate of the advisor or the funds (other than by reason of serving as a subadvisor to the funds), or to increase the subadvisory fee of an affiliated subadvisor, without the approval of the shareholders.

Management fees

Each fund pays the advisor a management fee for its services to the fund. The advisor in turn pays the fees of the subadvisor. The management fee has two components: (1) a fee on assets invested in a fund of John Hancock Funds II (JHF II) or John Hancock Funds III (JHF III); and (2) a fee on assets invested in investments other than a fund of JHF II or JHF III (other assets).

The fee on assets invested in a fund of JHF II or JHF III is stated as an annual percentage of the aggregate net assets of the fund (together with the assets of any applicable fund identified in the advisory agreement), determined in accordance with the following schedule.

Advisory fee on assets invested in a fund of JHF II and JHF III

	First $7.5 billion (%)	Excess over $7.5 billion (%)
Each Multimanager Lifestyle Portfolio	0.050	0.040

The fee on other assets is stated as an annual percentage of the current value of the aggregate net assets of the fund (together with the assets of any applicable fund identified in the advisory agreement), determined in accordance with the following schedule.

Advisory fee on other assets

	First $7.5 billion (%)	Excess over $7.5 billion (%)
Each Multimanager Lifestyle Portfolio	0.500	0.490

During their most recent fiscal year, the funds paid the advisor the following management fees as a percentage of average daily net assets (including any waivers and/or reimbursements):

Multimanager Lifestyle Aggressive Portfolio: 0.05%
Multimanager Lifestyle Growth Portfolio: 0.07%
Multimanager Lifestyle Balanced Portfolio: 0.08%
Multimanager Lifestyle Moderate Portfolio: 0.10%
Multimanager Lifestyle Conservative Portfolio: 0.13%

The basis for the Board of Trustees' approval of the advisory fees, and of the investment advisory agreement overall, including the subadvisory agreement, is discussed in each fund's most recent semi-annual shareholder report for the period ended June 30.

The subadvisor will benefit from increased subadvisory fees when assets are allocated to affiliated subadvised funds that it manages. In addition, Manulife Financial Corporation, as the parent company of the subadvisor and all affiliated investment advisors, will benefit through increased revenue generated from the fees on assets managed by the affiliated subadvisor. Accordingly, there is a conflict of interest in that there is an incentive for the subadvisor to allocate fund assets to funds subadvised by the subadvisor and other affiliated subadvised funds. However, the subadvisor has a duty to allocate assets to an affiliated subadvised fund (and to affiliated underlying funds more broadly) only when the subadvisor believes it is in the best interests of fund shareholders, without regard to any economic incentive. As part of its oversight of the funds and the subadvisor, the advisor will monitor to ensure that allocations are conducted in accordance with these principles. This conflict of interest is also considered by the Independent Trustees when approving or replacing affiliated subadvisors.

Additional information about fund expenses

Each fund's annual operating expenses will likely vary throughout the period and from year to year. Each fund's expenses for the current fiscal year may be higher than the expenses listed in the fund's "Annual fund operating expenses" table, for some of the following reasons: (i) a significant decrease in average net assets may result in a higher advisory fee rate if any advisory fee breakpoints are not achieved; (ii) a significant decrease in average net assets may result in an increase in the expense ratio because certain fund expenses do not decrease as asset levels decrease; or (iii) fees may be incurred for extraordinary events such as fund tax expenses.

The advisor contractually agrees to reduce its management fee and/or make payment to each fund in an amount equal to the amount by which other expenses of a fund exceed 0.05% of the average annual net assets (on an annualized basis) of the fund. For purposes of this agreement, other expenses means all fund expenses, excluding (a) advisory fees, (b) taxes, (c) brokerage commissions, (d) interest expense, (e) litigation and indemnification expenses and other extraordinary expenses not incurred in the ordinary course of the fund's business, (f) class-specific expenses, (g) underlying fund expenses (acquired fund fees), and (h) short dividend expense. This agreement expires on April 30, 2021, unless renewed by mutual agreement of a fund and the advisor based upon a determination that this is appropriate under the circumstances at that time.

The advisor voluntarily agrees to waive its advisory fee for each fund so that the aggregate advisory fee retained by the advisor with respect to both the fund and its underlying investments (after payment of subadvisory fees) does not exceed 0.50% of the fund's first $7.5 billion of average net assets and 0.49% of the fund's average net assets in excess of $7.5 billion. The advisor may terminate this voluntary waiver at any time upon notice to the fund.

Subadvisor

The subadvisor handles the funds' portfolio management activities, subject to oversight by the advisor.

Manulife Investment Management (US) LLC
197 Clarendon Street
Boston, MA 02116

Manulife Investment Management (US) LLC (Manulife IM (US)) provides investment advisory services to individual and institutional investors. Manulife IM (US) is a wholly owned subsidiary of John Hancock Life Insurance Company (U.S.A.) (a subsidiary of Manulife Financial Corporation) and, as of March 31, 2020, had total assets under management of approximately $177.9 billion.

The following are brief biographical profiles of the leaders of the subadvisor's investment management team, in alphabetical order. These managers are jointly and primarily responsible for the day-to-day management of each fund's portfolio. These managers are employed by Manulife IM (US). For more details about these individuals, including information about their compensation, other accounts they manage, and any investments they may have in the funds, see the SAI.

Robert Sykes, CFA

- Managing Director and Portfolio Manager, Asset Allocation Team
- Portfolio Manager of the funds since 2018
- Joined the firm in 2008
- Began business career in 2001

Nathan Thooft, CFA

- Senior Managing Director, Senior Portfolio Manager and Global Head of Asset Allocation
- Portfolio Manager of the funds since 2013
- Vice President and Director of Investments, Investment Management Services, John Hancock Financial (2008–2011)
- Began business career in 2000

Custodian

The custodian holds the funds' assets, settles all portfolio trades, and collects most of the valuation data required for calculating the funds' net asset value.

State Street Bank and Trust Company
State Street Financial Center
One Lincoln Street
Boston, Massachusetts 02111

Principal distributor

The principal distributor markets the funds and distributes shares through selling brokers, financial planners, and other financial representatives.

John Hancock Investment Management Distributors LLC
200 Berkeley Street
Boston, MA 02116

Transfer agent

The transfer agent handles shareholder services, including recordkeeping and statements, distribution of dividends, and processing of buy-and-sell requests.

John Hancock Signature Services, Inc.
P.O. Box 55913
Boston, MA 02205-5913

Additional information

Each fund has entered into contractual arrangements with various parties that provide services to the fund, which may include, among others, the advisor, subadvisor, custodian, principal distributor, and transfer agent, as described above and in the SAI. Fund shareholders are not parties to, or intended or "third-party" beneficiaries of, any of these contractual arrangements. These contractual arrangements are not intended to, nor do they, create in any individual shareholder or group of shareholders any right, either directly or on behalf of the fund, to either: (a) enforce such contracts against the service providers; or (b) seek any remedy under such contracts against the service providers.

This prospectus provides information concerning the funds that you should consider in determining whether to purchase shares of the funds. Each of this prospectus, the SAI, or any contract that is an exhibit to the funds' registration statement, is not intended to, nor does it, give rise to an agreement or contract between the funds and any investor. Each such document also does not give rise to any contract or create rights in any individual shareholder, group of shareholders, or other person. The foregoing disclosure should not be read to suggest any waiver of any rights conferred by federal or state securities laws.

FINANCIAL HIGHLIGHTS

These tables detail the financial performance of each share class described in this prospectus, including total return information showing how much an investment in a fund has increased or decreased each period (assuming reinvestment of all dividends and distributions). Certain information reflects financial results for a single fund share.

The financial statements of the funds as of December 31, 2019, have been audited by PricewaterhouseCoopers LLP (PwC), the funds' independent registered public accounting firm. The report of PwC, along with the funds' financial statements in the funds' annual report for the fiscal year ended December 31, 2019, has been incorporated by reference into the SAI. Copies of the funds' most recent annual report are available upon request.

Multimanager Lifestyle Aggressive Portfolio

Per share operating performance for a share outstanding throughout each period										Ratios and supplemental data				
		Income (loss) from investment operations			Less Distributions					Ratios to average net assets				
Period ended	Net asset value, beginning of period ($)	Net investment income (loss) ($)[1,2]	Net realized and unrealized gain (loss) on investments ($)	Total from investment operations ($)	From net investment income ($)	From net realized gain ($)[3]	Total distributions ($)	Net asset value, end of period ($)	Total return (%)[4,5]	Expenses before reductions (%)[6]	Expenses including reductions (%)[6]	Net investment income (loss) (%)[2]	Net assets, end of period (in millions)	Portfolio turnover (%)
Class A														
12-31-2019	13.10	0.15	3.12	3.27	(0.16)	(1.82)	(1.98)	14.39	24.92	0.64	0.49	1.03	521	29
12-31-2018	16.52	0.12	(1.82)	(1.70)	(0.12)	(1.60)	(1.72)	13.10	(10.19)	0.56	0.48	0.72	439	22
12-31-2017	14.72	0.13	3.23	3.36	(0.13)	(1.43)	(1.56)	16.52	22.79	0.55	0.48	0.79	499	23
12-31-2016	14.87	0.12	0.91	1.03	(0.12)	(1.06)	(1.18)	14.72	6.92	0.53	0.47	0.78	419	31
12-31-2015	16.29	0.11	(0.34)	(0.23)	(0.10)	(1.09)	(1.19)	14.87	(1.54)	0.52	0.47	0.64	411	15
Class B														
12-31-2019	13.14	(0.01)	3.18	3.17	(0.06)	(1.82)	(1.88)	14.43	24.05	1.34	1.20	(0.08)	3	29
12-31-2018	16.55	(0.03)	(1.78)	(1.81)	—[7]	(1.60)	(1.60)	13.14	(10.82)	1.26	1.18	(0.17)	6	22
12-31-2017	14.75	(0.02)	3.26	3.24	(0.01)	(1.43)	(1.44)	16.55	21.97	1.25	1.18	(0.10)	10	23
12-31-2016	14.90	(0.01)	0.93	0.92	(0.01)	(1.06)	(1.07)	14.75	6.15	1.23	1.19	(0.08)	12	31
12-31-2015	16.33	(0.04)	(0.32)	(0.36)	—	(1.07)	(1.07)	14.90	(2.31)	1.24	1.21	(0.26)	16	15
Class C														
12-31-2019	13.15	0.03	3.14	3.17	(0.06)	(1.82)	(1.88)	14.44	24.03	1.34	1.20	0.21	89	29
12-31-2018	16.57	(0.02)	(1.80)	(1.82)	—[7]	(1.60)	(1.60)	13.15	(10.87)	1.26	1.18	(0.14)	91	22
12-31-2017	14.76	—[7]	3.25	3.25	(0.01)	(1.43)	(1.44)	16.57	22.03	1.25	1.18	(0.03)	148	23
12-31-2016	14.92	—[7]	0.91	0.91	(0.01)	(1.06)	(1.07)	14.76	6.07	1.23	1.19	0.01	155	31
12-31-2015	16.33	(0.02)	(0.32)	(0.34)	—	(1.07)	(1.07)	14.92	(2.19)	1.22	1.19	(0.11)	167	15
Class I														
12-31-2019	13.04	0.20	3.11	3.31	(0.20)	(1.82)	(2.02)	14.33	25.38	0.34	0.19	1.35	11	29
12-31-2018	16.47	0.15	(1.81)	(1.66)	(0.17)	(1.60)	(1.77)	13.04	(9.98)	0.28	0.18	0.91	10	22
12-31-2017	14.67	0.22	3.19	3.41	(0.18)	(1.43)	(1.61)	16.47	23.20	0.24	0.17	1.33	10	23
12-31-2016	14.83	0.19	0.87	1.06	(0.16)	(1.06)	(1.22)	14.67	7.18	0.22	0.17	1.25	4	31
12-31-2015[8]	17.07	0.28	(1.28)	(1.00)	(0.15)	(1.09)	(1.24)	14.83	(5.98)[9]	0.20[10]	0.17[10]	2.56[10]	3	15[11]
Class R1														
12-31-2019	13.12	0.08	3.15	3.23	(0.11)	(1.82)	(1.93)	14.42	24.59	0.97	0.83	0.52	5	29
12-31-2018	16.55	0.04	(1.81)	(1.77)	(0.06)	(1.60)	(1.66)	13.12	(10.58)	0.92	0.83	0.25	5	22
12-31-2017	14.74	0.05	3.26	3.31	(0.07)	(1.43)	(1.50)	16.55	22.44	0.89	0.82	0.33	6	23
12-31-2016	14.90	0.05	0.91	0.96	(0.06)	(1.06)	(1.12)	14.74	6.48	0.88	0.84	0.35	6	31
12-31-2015	16.32	0.02	(0.31)	(0.29)	(0.04)	(1.09)	(1.13)	14.90	(1.89)	0.89	0.86	0.12	7	15
Class R2														
12-31-2019	13.00	0.13	3.11	3.24	(0.15)	(1.82)	(1.97)	14.27	24.76	0.72	0.59	0.88	5	29
12-31-2018	16.42	0.08	(1.79)	(1.71)	(0.11)	(1.60)	(1.71)	13.00	(10.28)	0.68	0.59	0.49	4	22
12-31-2017	14.64	0.07	3.25	3.32	(0.11)	(1.43)	(1.54)	16.42	22.67	0.64	0.57	0.41	6	23
12-31-2016	14.80	0.10	0.90	1.00	(0.10)	(1.06)	(1.16)	14.64	6.78	0.62	0.58	0.67	7	31
12-31-2015	16.22	0.07	(0.32)	(0.25)	(0.08)	(1.09)	(1.17)	14.80	(1.65)	0.65	0.60	0.44	5	15
Class R3														
12-31-2019	13.06	0.10	3.12	3.22	(0.12)	(1.82)	(1.94)	14.34	24.65	0.88	0.75	0.70	8	29
12-31-2018	16.48	0.07	(1.81)	(1.74)	(0.08)	(1.60)	(1.68)	13.06	(10.46)	0.81	0.72	0.44	8	22
12-31-2017	14.68	0.23	3.09	3.32	(0.09)	(1.43)	(1.52)	16.48	22.58	0.80	0.73	1.38	10	23
12-31-2016	14.84	0.07	0.91	0.98	(0.08)	(1.06)	(1.14)	14.68	6.59	0.77	0.73	0.45	5	31
12-31-2015	16.27	0.06	(0.35)	(0.29)	(0.05)	(1.09)	(1.14)	14.84	(1.86)	0.81	0.78	0.34	6	15
Class R4														
12-31-2019	13.03	0.17	3.11	3.28	(0.18)	(1.82)	(2.00)	14.31	25.16	0.58	0.34	1.14	5	29
12-31-2018	16.45	0.11	(1.78)	(1.67)	(0.15)	(1.60)	(1.75)	13.03	(10.08)	0.52	0.33	0.69	4	22
12-31-2017	14.66	0.16	3.21	3.37	(0.15)	(1.43)	(1.58)	16.45	22.98	0.50	0.33	1.00	8	23
12-31-2016	14.81	0.11	0.94	1.05	(0.14)	(1.06)	(1.20)	14.66	7.10	0.47	0.33	0.76	7	31
12-31-2015	16.24	0.10	(0.32)	(0.22)	(0.12)	(1.09)	(1.21)	14.81	(1.46)	0.51	0.38	0.60	6	15
Class R5														
12-31-2019	13.05	0.17	3.15	3.32	(0.22)	(1.82)	(2.04)	14.33	25.36	0.27	0.13	1.17	3	29
12-31-2018	16.48	0.11	(1.76)	(1.65)	(0.18)	(1.60)	(1.78)	13.05	(9.91)	0.22	0.13	0.66	3	22
12-31-2017	14.68	0.17	3.24	3.41	(0.18)	(1.43)	(1.61)	16.48	23.25	0.20	0.13	1.04	7	23
12-31-2016	14.83	0.15	0.93	1.08	(0.17)	(1.06)	(1.23)	14.68	7.30	0.17	0.13	1.01	7	31
12-31-2015	16.26	0.13	(0.31)	(0.18)	(0.16)	(1.09)	(1.25)	14.83	(1.25)	0.19	0.16	0.81	8	15
Class R6														
12-31-2019	13.04	0.24	3.08	3.32	(0.22)	(1.82)	(2.04)	14.32	25.41	0.23	0.10	1.60	50	29
12-31-2018	16.47	0.22	(1.86)	(1.64)	(0.19)	(1.60)	(1.79)	13.04	(9.87)	0.17	0.08	1.31	33	22
12-31-2017	14.67	0.25	3.17	3.42	(0.19)	(1.43)	(1.62)	16.47	23.32	0.15	0.08	1.51	29	23
12-31-2016	14.82	0.16	0.93	1.09	(0.18)	(1.06)	(1.24)	14.67	7.38	0.12	0.06	1.10	18	31
12-31-2015	16.23	0.18	(0.33)	(0.15)	(0.17)	(1.09)	(1.26)	14.82	(1.07)	0.13	0.06	1.12	21	15

1 Based on average daily shares outstanding.
2 Net investment income is affected by the timing and frequency of the declaration of dividends by the underlying funds in which the portfolio invests.
3 Capital gain distributions may vary between classes due to expense differences applied to ordinary income distributions from underlying funds.
4 Total returns would have been lower had certain expenses not been reduced during the applicable periods.
5 Does not reflect the effect of sales charges, if any.
6 Ratios do not include expenses indirectly incurred from underlying funds and can vary based on the mix of underlying funds held by the portfolio.
7 Less than $0.005 per share.
8 The inception date for Class I shares is 5-1-15.
9 Not annualized.
10 Annualized.
11 Portfolio turnover is shown for the period from 1-1-15 to 12-31-15.

Multimanager Lifestyle Growth Portfolio

Per share operating performance for a share outstanding throughout each period										Ratios and supplemental data				
	Income (loss) from investment operations				Less Distributions					Ratios to average net assets				
Period ended	Net asset value, beginning of period ($)	Net investment income (loss) ($)[1,2]	Net realized and unrealized gain (loss) on investments ($)	Total from investment operations ($)	From net investment income ($)	From net realized gain ($)[3]	Total distributions ($)	Net asset value, end of period ($)	Total return (%)[4,5]	Expenses before reductions (%)[6]	Expenses including reductions (%)[6]	Net investment income (loss) (%)[2]	Net assets, end of period (in millions)	Portfolio turnover (%)
Class A														
12-31-2019	13.23	0.21	2.69	2.90	(0.21)	(1.52)	(1.73)	14.40	21.89	0.62	0.51	1.39	1,714	29
12-31-2018	16.16	0.20	(1.62)	(1.42)	(0.20)	(1.31)	(1.51)	13.23	(8.70)	0.55	0.48	1.22	1,502	20
12-31-2017	14.77	0.19	2.59	2.78	(0.20)	(1.19)	(1.39)	16.16	18.84	0.54	0.48	1.17	1,719	24
12-31-2016	14.89	0.18	0.82	1.00	(0.20)	(0.92)	(1.12)	14.77	6.69	0.52	0.47	1.19	1,587	28
12-31-2015	16.35	0.19	(0.41)	(0.22)	(0.19)	(1.05)	(1.24)	14.89	(1.45)	0.51	0.47	1.17	1,611	15
Class B														
12-31-2019	13.28	0.05	2.75	2.80	(0.11)	(1.52)	(1.63)	14.45	21.01	1.32	1.21	0.31	14	29
12-31-2018	16.20	0.05	(1.57)	(1.52)	(0.09)	(1.31)	(1.40)	13.28	(9.33)	1.25	1.18	0.31	26	20
12-31-2017	14.82	0.05	2.61	2.66	(0.09)	(1.19)	(1.28)	16.20	17.94	1.24	1.18	0.31	46	24
12-31-2016	14.94	0.06	0.82	0.88	(0.08)	(0.92)	(1.00)	14.82	5.92	1.22	1.19	0.37	57	28
12-31-2015	16.39	0.05	(0.38)	(0.33)	(0.07)	(1.05)	(1.12)	14.94	(2.09)	1.22	1.19	0.30	76	15
Class C														
12-31-2019	13.27	0.08	2.71	2.79	(0.11)	(1.52)	(1.63)	14.43	21.05	1.32	1.21	0.57	384	29
12-31-2018	16.18	0.06	(1.57)	(1.51)	(0.09)	(1.31)	(1.40)	13.27	(9.34)	1.25	1.18	0.38	414	20
12-31-2017	14.80	0.06	2.60	2.66	(0.09)	(1.19)	(1.28)	16.18	17.97	1.24	1.18	0.40	629	24
12-31-2016	14.92	0.07	0.81	0.88	(0.08)	(0.92)	(1.00)	14.80	5.93	1.22	1.19	0.45	670	28
12-31-2015	16.37	0.07	(0.40)	(0.33)	(0.07)	(1.05)	(1.12)	14.92	(2.09)	1.21	1.19	0.42	730	15
Class I														
12-31-2019	13.15	0.25	2.67	2.92	(0.25)	(1.52)	(1.77)	14.30	22.21	0.33	0.21	1.66	33	29
12-31-2018	16.07	0.24	(1.60)	(1.36)	(0.25)	(1.31)	(1.56)	13.15	(8.37)	0.26	0.18	1.47	32	20
12-31-2017	14.69	0.29	2.53	2.82	(0.25)	(1.19)	(1.44)	16.07	19.20	0.23	0.17	1.78	38	24
12-31-2016	14.82	0.34	0.69	1.03	(0.24)	(0.92)	(1.16)	14.69	6.97	0.21	0.17	2.27	16	28
12-31-2015[7]	16.97	0.23	(1.09)	(0.86)	(0.24)	(1.05)	(1.29)	14.82	(5.17)[8]	0.20[9]	0.17[9]	2.11[9]	6	15[10]
Class R1														
12-31-2019	13.30	0.14	2.72	2.86	(0.16)	(1.52)	(1.68)	14.48	21.48	0.95	0.84	0.97	13	29
12-31-2018	16.23	0.13	(1.60)	(1.47)	(0.15)	(1.31)	(1.46)	13.30	(9.00)	0.89	0.82	0.79	14	20
12-31-2017	14.83	0.13	2.61	2.74	(0.15)	(1.19)	(1.34)	16.23	18.45	0.87	0.82	0.79	18	24
12-31-2016	14.96	0.13	0.80	0.93	(0.14)	(0.92)	(1.06)	14.83	6.24	0.85	0.81	0.83	18	28
12-31-2015	16.41	0.13	(0.40)	(0.27)	(0.13)	(1.05)	(1.18)	14.96	(1.73)	0.86	0.83	0.76	20	15
Class R2														
12-31-2019	13.13	0.19	2.67	2.86	(0.20)	(1.52)	(1.72)	14.27	21.72	0.71	0.60	1.28	11	29
12-31-2018	16.05	0.17	(1.59)	(1.42)	(0.19)	(1.31)	(1.50)	13.13	(8.78)	0.64	0.57	1.06	11	20
12-31-2017	14.68	0.14	2.61	2.75	(0.19)	(1.19)	(1.38)	16.05	18.71	0.64	0.58	0.86	13	24
12-31-2016	14.81	0.17	0.80	0.97	(0.18)	(0.92)	(1.10)	14.68	6.56	0.61	0.58	1.14	18	28
12-31-2015	16.27	0.18	(0.42)	(0.24)	(0.17)	(1.05)	(1.22)	14.81	(1.55)	0.62	0.59	1.09	15	15
Class R3														
12-31-2019	13.21	0.17	2.68	2.85	(0.17)	(1.52)	(1.69)	14.37	21.58	0.85	0.75	1.12	12	29
12-31-2018	16.13	0.15	(1.59)	(1.44)	(0.17)	(1.31)	(1.48)	13.21	(8.87)	0.76	0.68	0.95	11	20
12-31-2017	14.75	0.17	2.57	2.74	(0.17)	(1.19)	(1.36)	16.13	18.54	0.78	0.73	1.05	14	24
12-31-2016	14.87	0.14	0.82	0.96	(0.16)	(0.92)	(1.08)	14.75	6.44	0.74	0.71	0.91	14	28
12-31-2015	16.33	0.12	(0.38)	(0.26)	(0.15)	(1.05)	(1.20)	14.87	(1.70)	0.77	0.74	0.71	18	15
Class R4														
12-31-2019	13.21	0.24	2.67	2.91	(0.23)	(1.52)	(1.75)	14.37	22.03	0.56	0.35	1.60	6	29
12-31-2018	16.14	0.16	(1.55)	(1.39)	(0.23)	(1.31)	(1.54)	13.21	(8.56)	0.50	0.33	1.00	5	20
12-31-2017	14.75	0.19	2.62	2.81	(0.23)	(1.19)	(1.42)	16.14	19.03	0.48	0.32	1.19	11	24
12-31-2016	14.87	0.18	0.84	1.02	(0.22)	(0.92)	(1.14)	14.75	6.85	0.46	0.33	1.18	15	28
12-31-2015	16.33	0.18	(0.38)	(0.20)	(0.21)	(1.05)	(1.26)	14.87	(1.30)	0.47	0.34	1.10	19	15
Class R5														
12-31-2019	13.23	0.25	2.70	2.95	(0.26)	(1.52)	(1.78)	14.40	22.28	0.27	0.16	1.65	8	29
12-31-2018	16.16	0.18	(1.54)	(1.36)	(0.26)	(1.31)	(1.57)	13.23	(8.35)	0.21	0.14	1.12	8	20
12-31-2017	14.77	0.24	2.60	2.84	(0.26)	(1.19)	(1.45)	16.16	19.22	0.18	0.13	1.46	22	24
12-31-2016	14.89	0.21	0.84	1.05	(0.25)	(0.92)	(1.17)	14.77	7.05	0.16	0.13	1.40	21	28
12-31-2015	16.35	0.22	(0.38)	(0.16)	(0.25)	(1.05)	(1.30)	14.89	(1.10)	0.16	0.14	1.34	28	15
Class R6														
12-31-2019	13.15	0.28	2.67	2.95	(0.27)	(1.52)	(1.79)	14.31	22.39	0.22	0.11	1.92	127	29
12-31-2018	16.08	0.28	(1.63)	(1.35)	(0.27)	(1.31)	(1.58)	13.15	(8.34)	0.15	0.08	1.75	88	20
12-31-2017	14.70	0.33	2.51	2.84	(0.27)	(1.19)	(1.46)	16.08	19.30	0.14	0.08	2.00	78	24
12-31-2016	14.82	0.23	0.83	1.06	(0.26)	(0.92)	(1.18)	14.70	7.16	0.11	0.06	1.56	41	28
12-31-2015	16.28	0.27	(0.42)	(0.15)	(0.26)	(1.05)	(1.31)	14.82	(1.04)	0.11	0.06	1.63	47	15

1 Based on average daily shares outstanding.
2 Net investment income is affected by the timing and frequency of the declaration of dividends by the underlying funds in which the portfolio invests.
3 Capital gain distributions may vary between classes due to expense differences applied to ordinary income distributions from underlying funds.
4 Total returns would have been lower had certain expenses not been reduced during the applicable periods.
5 Does not reflect the effect of sales charges, if any.
6 Ratios do not include expenses indirectly incurred from underlying funds and can vary based on the mix of underlying funds held by the portfolio.
7 The inception date for Class I shares is 5-1-15.
8 Not annualized.
9 Annualized.
10 Portfolio turnover is shown for the period from 1-1-15 to 12-31-15.

Multimanager Lifestyle Balanced Portfolio

Per share operating performance for a share outstanding throughout each period										Ratios and supplemental data				
		Income (loss) from investment operations			Less Distributions					Ratios to average net assets				
Period ended	Net asset value, beginning of period ($)	Net investment income (loss) ($)[1,2]	Net realized and unrealized gain (loss) on investments ($)	Total from investment operations ($)	From net investment income ($)	From net realized gain ($)[3]	Total distributions ($)	Net asset value, end of period ($)	Total return (%)[4,5]	Expenses before reductions (%)[6]	Expenses including reductions (%)[6]	Net investment income (loss) (%)[2]	Net assets, end of period (in millions)	Portfolio turnover (%)
Class A														
12-31-2019	13.06	0.25	2.17	2.42	(0.25)	(1.03)	(1.28)	14.20	18.57	0.62	0.52	1.73	1,805	33
12-31-2018	15.29	0.26	(1.30)	(1.04)	(0.27)	(0.92)	(1.19)	13.06	(6.79)	0.56	0.49	1.74	1,604	18
12-31-2017	14.32	0.24	1.88	2.12	(0.25)	(0.90)	(1.15)	15.29	14.79	0.54	0.48	1.57	1,841	27
12-31-2016	14.31	0.24	0.72	0.96	(0.25)	(0.70)	(0.95)	14.32	6.73	0.52	0.47	1.64	1,782	23
12-31-2015	15.55	0.27	(0.50)	(0.23)	(0.26)	(0.75)	(1.01)	14.31	(1.54)	0.51	0.47	1.69	1,843	13
Class B														
12-31-2019	13.05	0.10	2.21	2.31	(0.15)	(1.03)	(1.18)	14.18	17.79	1.32	1.23	0.69	15	33
12-31-2018	15.28	0.13	(1.27)	(1.14)	(0.17)	(0.92)	(1.09)	13.05	(7.50)	1.26	1.19	0.87	28	18
12-31-2017	14.32	0.12	1.88	2.00	(0.14)	(0.90)	(1.04)	15.28	13.93	1.24	1.19	0.75	47	27
12-31-2016	14.31	0.12	0.74	0.86	(0.15)	(0.70)	(0.85)	14.32	5.99	1.22	1.19	0.83	59	23
12-31-2015	15.54	0.13	(0.46)	(0.33)	(0.15)	(0.75)	(0.90)	14.31	(2.20)	1.22	1.19	0.85	78	13
Class C														
12-31-2019	13.06	0.13	2.19	2.32	(0.15)	(1.03)	(1.18)	14.20	17.76	1.32	1.23	0.90	417	33
12-31-2018	15.30	0.14	(1.29)	(1.15)	(0.17)	(0.92)	(1.09)	13.06	(7.48)	1.26	1.19	0.92	479	18
12-31-2017	14.33	0.13	1.88	2.01	(0.14)	(0.90)	(1.04)	15.30	13.99	1.24	1.19	0.81	718	27
12-31-2016	14.32	0.13	0.73	0.86	(0.15)	(0.70)	(0.85)	14.33	5.99	1.22	1.19	0.90	792	23
12-31-2015	15.55	0.15	(0.48)	(0.33)	(0.15)	(0.75)	(0.90)	14.32	(2.19)	1.21	1.19	0.95	876	13
Class I														
12-31-2019	12.97	0.28	2.18	2.46	(0.30)	(1.03)	(1.33)	14.10	18.97	0.33	0.22	1.97	41	33
12-31-2018	15.20	0.31	(1.30)	(0.99)	(0.32)	(0.92)	(1.24)	12.97	(6.55)	0.27	0.19	2.05	40	18
12-31-2017	14.24	0.35	1.80	2.15	(0.29)	(0.90)	(1.19)	15.20	15.15	0.23	0.18	2.25	45	27
12-31-2016	14.24	0.35	0.65	1.00	(0.30)	(0.70)	(1.00)	14.24	7.01	0.21	0.17	2.42	17	23
12-31-2015[7]	16.00	0.34	(1.08)	(0.74)	(0.27)	(0.75)	(1.02)	14.24	(4.70)[8]	0.20[9]	0.17[9]	3.26[9]	6	13[10]
Class R1														
12-31-2019	12.99	0.17	2.19	2.36	(0.20)	(1.03)	(1.23)	14.12	18.20	0.95	0.85	1.21	9	33
12-31-2018	15.22	0.20	(1.29)	(1.09)	(0.22)	(0.92)	(1.14)	12.99	(7.15)	0.91	0.84	1.31	13	18
12-31-2017	14.26	0.19	1.86	2.05	(0.19)	(0.90)	(1.09)	15.22	14.39	0.88	0.83	1.21	17	27
12-31-2016	14.25	0.19	0.72	0.91	(0.20)	(0.70)	(0.90)	14.26	6.39	0.86	0.83	1.28	16	23
12-31-2015	15.48	0.20	(0.48)	(0.28)	(0.20)	(0.75)	(0.95)	14.25	(1.86)	0.86	0.84	1.27	17	13
Class R2														
12-31-2019	12.98	0.22	2.18	2.40	(0.24)	(1.03)	(1.27)	14.11	18.42	0.72	0.62	1.52	10	33
12-31-2018	15.20	0.25	(1.29)	(1.04)	(0.26)	(0.92)	(1.18)	12.98	(6.85)	0.66	0.59	1.62	12	18
12-31-2017	14.25	0.22	1.86	2.08	(0.23)	(0.90)	(1.13)	15.20	14.61	0.64	0.58	1.45	14	27
12-31-2016	14.24	0.23	0.72	0.95	(0.24)	(0.70)	(0.94)	14.25	6.66	0.61	0.58	1.57	16	23
12-31-2015	15.48	0.25	(0.50)	(0.25)	(0.24)	(0.75)	(0.99)	14.24	(1.66)	0.63	0.59	1.58	14	13
Class R3														
12-31-2019	13.02	0.21	2.18	2.39	(0.22)	(1.03)	(1.25)	14.16	18.36	0.86	0.77	1.48	18	33
12-31-2018	15.25	0.23	(1.30)	(1.07)	(0.24)	(0.92)	(1.16)	13.02	(7.03)	0.78	0.72	1.52	16	18
12-31-2017	14.29	0.20	1.87	2.07	(0.21)	(0.90)	(1.11)	15.25	14.47	0.78	0.73	1.31	18	27
12-31-2016	14.28	0.20	0.72	0.92	(0.21)	(0.70)	(0.91)	14.29	6.48	0.75	0.72	1.38	22	23
12-31-2015	15.51	0.20	(0.46)	(0.26)	(0.22)	(0.75)	(0.97)	14.28	(1.75)	0.76	0.74	1.30	24	13
Class R4														
12-31-2019	13.03	0.26	2.18	2.44	(0.27)	(1.03)	(1.30)	14.17	18.79	0.57	0.37	1.82	8	33
12-31-2018	15.26	0.27	(1.29)	(1.02)	(0.29)	(0.92)	(1.21)	13.03	(6.66)	0.51	0.35	1.79	7	18
12-31-2017	14.29	0.23	1.91	2.14	(0.27)	(0.90)	(1.17)	15.26	14.99	0.48	0.33	1.49	13	27
12-31-2016	14.28	0.24	0.74	0.98	(0.27)	(0.70)	(0.97)	14.29	6.90	0.46	0.33	1.68	21	23
12-31-2015	15.52	0.25	(0.46)	(0.21)	(0.28)	(0.75)	(1.03)	14.28	(1.42)	0.47	0.34	1.57	24	13
Class R5														
12-31-2019	13.05	0.30	2.17	2.47	(0.30)	(1.03)	(1.33)	14.19	18.99	0.26	0.17	2.07	14	33
12-31-2018	15.28	0.30	(1.29)	(0.99)	(0.32)	(0.92)	(1.24)	13.05	(6.47)	0.21	0.14	1.98	13	18
12-31-2017	14.31	0.30	1.87	2.17	(0.30)	(0.90)	(1.20)	15.28	15.19	0.19	0.14	1.95	19	27
12-31-2016	14.30	0.27	0.74	1.01	(0.30)	(0.70)	(1.00)	14.31	7.10	0.16	0.13	1.86	17	23
12-31-2015	15.53	0.30	(0.47)	(0.17)	(0.31)	(0.75)	(1.06)	14.30	(1.16)	0.16	0.14	1.88	29	13
Class R6														
12-31-2019	12.97	0.32	2.15	2.47	(0.31)	(1.03)	(1.34)	14.10	19.09	0.22	0.13	2.24	130	33
12-31-2018	15.20	0.35	(1.33)	(0.98)	(0.33)	(0.92)	(1.25)	12.97	(6.45)	0.16	0.09	2.29	84	18
12-31-2017	14.24	0.35	1.82	2.17	(0.31)	(0.90)	(1.21)	15.20	15.27	0.14	0.08	2.29	73	27
12-31-2016	14.24	0.28	0.73	1.01	(0.31)	(0.70)	(1.01)	14.24	7.13	0.11	0.06	1.92	44	23
12-31-2015	15.47	0.35	(0.51)	(0.16)	(0.32)	(0.75)	(1.07)	14.24	(1.08)	0.11	0.06	2.27	66	13

1 Based on average daily shares outstanding.
2 Net investment income is affected by the timing and frequency of the declaration of dividends by the underlying funds in which the portfolio invests.
3 Capital gain distributions may vary between classes due to expense differences applied to ordinary income distributions from underlying funds.
4 Total returns would have been lower had certain expenses not been reduced during the applicable periods.
5 Does not reflect the effect of sales charges, if any.
6 Ratios do not include expenses indirectly incurred from underlying funds and can vary based on the mix of underlying funds held by the portfolio.
7 The inception date for Class I shares is 5-1-15.
8 Not annualized.
9 Annualized.
10 Portfolio turnover is shown for the period from 1-1-15 to 12-31-15.

Multimanager Lifestyle Moderate Portfolio

Per share operating performance for a share outstanding throughout each period										Ratios and supplemental data				
		Income (loss) from investment operations			Less Distributions					Ratios to average net assets				
Period ended	Net asset value, beginning of period ($)	Net investment income (loss) ($)[1,2]	Net realized and unrealized gain (loss) on investments ($)	Total from investment operations ($)	From net investment income ($)	From net realized gain ($)[3]	Total distributions ($)	Net asset value, end of period ($)	Total return (%)[4,5]	Expenses before reductions (%)[6]	Expenses including reductions (%)[6]	Net investment income (loss) (%)[2]	Net assets, end of period (in millions)	Portfolio turnover (%)
Class A														
12-31-2019	12.27	0.28	1.57	1.85	(0.25)	(0.58)	(0.83)	13.29	15.12	0.63	0.55	2.07	661	37
12-31-2018	13.83	0.30	(1.01)	(0.71)	(0.31)	(0.54)	(0.85)	12.27	(5.19)	0.56	0.50	2.19	601	14
12-31-2017	13.30	0.27	1.14	1.41	(0.27)	(0.61)	(0.88)	13.83	10.64	0.55	0.49	1.90	693	28
12-31-2016	13.13	0.28	0.57	0.85	(0.29)	(0.39)	(0.68)	13.30	6.52	0.51	0.48	2.06	680	25
12-31-2015	14.11	0.31	(0.54)	(0.23)	(0.31)	(0.44)	(0.75)	13.13	(1.67)	0.51	0.47	2.21	680	11
Class B														
12-31-2019	12.26	0.14	1.61	1.75	(0.08)	(0.58)	(0.66)	13.35	14.33	1.33	1.26	1.01	6	37
12-31-2018	13.82	0.18	(0.99)	(0.81)	(0.21)	(0.54)	(0.75)	12.26	(5.87)	1.26	1.20	1.32	12	14
12-31-2017	13.28	0.15	1.17	1.32	(0.17)	(0.61)	(0.78)	13.82	9.96	1.25	1.20	1.08	20	28
12-31-2016	13.13	0.17	0.56	0.73	(0.19)	(0.39)	(0.58)	13.28	5.61	1.21	1.19	1.27	25	25
12-31-2015	14.10	0.19	(0.51)	(0.32)	(0.21)	(0.44)	(0.65)	13.13	(2.33)	1.22	1.20	1.36	30	11
Class C														
12-31-2019	12.27	0.17	1.58	1.75	(0.08)	(0.58)	(0.66)	13.36	14.31	1.33	1.26	1.26	176	37
12-31-2018	13.83	0.19	(1.00)	(0.81)	(0.21)	(0.54)	(0.75)	12.27	(5.86)	1.26	1.20	1.36	202	14
12-31-2017	13.30	0.16	1.15	1.31	(0.17)	(0.61)	(0.78)	13.83	9.87	1.25	1.20	1.12	299	28
12-31-2016	13.14	0.17	0.57	0.74	(0.19)	(0.39)	(0.58)	13.30	5.69	1.21	1.19	1.30	354	25
12-31-2015	14.11	0.21	(0.53)	(0.32)	(0.21)	(0.44)	(0.65)	13.14	(2.32)	1.21	1.19	1.46	392	11
Class I														
12-31-2019	12.22	0.30	1.58	1.88	(0.32)	(0.58)	(0.90)	13.20	15.54	0.33	0.25	2.30	13	37
12-31-2018	13.78	0.37	(1.04)	(0.67)	(0.35)	(0.54)	(0.89)	12.22	(5.00)	0.28	0.20	2.70	15	14
12-31-2017	13.25	0.35	1.10	1.45	(0.31)	(0.61)	(0.92)	13.78	11.01	0.24	0.19	2.54	14	28
12-31-2016	13.09	0.37	0.51	0.88	(0.33)	(0.39)	(0.72)	13.25	6.78	0.20	0.18	2.77	5	25
12-31-2015[7]	14.42	0.33	(0.92)	(0.59)	(0.30)	(0.44)	(0.74)	13.09	(4.13)[8]	0.19[9]	0.17[9]	3.55[9]	2	11[10]
Class R1														
12-31-2019	12.25	0.22	1.58	1.80	(0.17)	(0.58)	(0.75)	13.30	14.76	0.94	0.87	1.68	4	37
12-31-2018	13.81	0.25	(1.01)	(0.76)	(0.26)	(0.54)	(0.80)	12.25	(5.52)	0.89	0.82	1.85	5	14
12-31-2017	13.27	0.21	1.16	1.37	(0.22)	(0.61)	(0.83)	13.81	10.38	0.87	0.83	1.52	6	28
12-31-2016	13.12	0.22	0.57	0.79	(0.25)	(0.39)	(0.64)	13.27	6.03	0.84	0.82	1.67	7	25
12-31-2015	14.09	0.25	(0.53)	(0.28)	(0.25)	(0.44)	(0.69)	13.12	(1.99)	0.87	0.85	1.77	8	11
Class R2														
12-31-2019	12.22	0.26	1.57	1.83	(0.23)	(0.58)	(0.81)	13.24	15.10	0.71	0.64	1.93	2	37
12-31-2018	13.78	0.26	(0.99)	(0.73)	(0.29)	(0.54)	(0.83)	12.22	(5.39)	0.67	0.61	1.91	3	14
12-31-2017	13.25	0.22	1.18	1.40	(0.26)	(0.61)	(0.87)	13.78	10.57	0.64	0.59	1.60	4	28
12-31-2016	13.09	0.26	0.57	0.83	(0.28)	(0.39)	(0.67)	13.25	6.35	0.60	0.58	1.98	7	25
12-31-2015	14.06	0.30	(0.54)	(0.24)	(0.29)	(0.44)	(0.73)	13.09	(1.72)	0.64	0.60	2.12	6	11
Class R3														
12-31-2019	12.24	0.25	1.57	1.82	(0.20)	(0.58)	(0.78)	13.28	14.89	0.84	0.77	1.89	6	37
12-31-2018	13.80	0.27	(1.02)	(0.75)	(0.27)	(0.54)	(0.81)	12.24	(5.43)	0.79	0.72	1.95	5	14
12-31-2017	13.27	0.24	1.14	1.38	(0.24)	(0.61)	(0.85)	13.80	10.39	0.78	0.74	1.70	7	28
12-31-2016	13.11	0.24	0.57	0.81	(0.26)	(0.39)	(0.65)	13.27	6.18	0.74	0.72	1.78	8	25
12-31-2015	14.08	0.26	(0.52)	(0.26)	(0.27)	(0.44)	(0.71)	13.11	(1.89)	0.78	0.76	1.82	8	11
Class R4														
12-31-2019	12.21	0.29	1.58	1.87	(0.29)	(0.58)	(0.87)	13.21	15.33	0.58	0.40	2.20	3	37
12-31-2018	13.78	0.29	(0.99)	(0.70)	(0.33)	(0.54)	(0.87)	12.21	(5.14)	0.52	0.36	2.11	3	14
12-31-2017	13.24	0.25	1.19	1.44	(0.29)	(0.61)	(0.90)	13.78	10.93	0.49	0.34	1.78	5	28
12-31-2016	13.09	0.28	0.57	0.85	(0.31)	(0.39)	(0.70)	13.24	6.53	0.45	0.34	2.07	8	25
12-31-2015	14.06	0.30	(0.51)	(0.21)	(0.32)	(0.44)	(0.76)	13.09	(1.50)	0.48	0.36	2.15	10	11
Class R5														
12-31-2019	12.23	0.31	1.58	1.89	(0.33)	(0.58)	(0.91)	13.21	15.53	0.28	0.20	2.37	6	37
12-31-2018	13.79	0.32	(0.99)	(0.67)	(0.35)	(0.54)	(0.89)	12.23	(4.87)	0.21	0.15	2.37	6	14
12-31-2017	13.26	0.32	1.14	1.46	(0.32)	(0.61)	(0.93)	13.79	11.05	0.19	0.14	2.26	10	28
12-31-2016	13.10	0.31	0.58	0.89	(0.34)	(0.39)	(0.73)	13.26	6.82	0.15	0.13	2.31	9	25
12-31-2015	14.07	0.35	(0.53)	(0.18)	(0.35)	(0.44)	(0.79)	13.10	(1.29)	0.18	0.16	2.47	11	11
Class R6														
12-31-2019	12.21	0.33	1.56	1.89	(0.34)	(0.58)	(0.92)	13.18	15.65	0.23	0.15	2.47	34	37
12-31-2018	13.77	0.36	(1.02)	(0.66)	(0.36)	(0.54)	(0.90)	12.21	(4.91)	0.17	0.10	2.64	24	14
12-31-2017	13.24	0.31	1.16	1.47	(0.33)	(0.61)	(0.94)	13.77	11.14	0.15	0.09	2.20	25	28
12-31-2016	13.08	0.32	0.57	0.89	(0.34)	(0.39)	(0.73)	13.24	6.90	0.10	0.07	2.41	29	25
12-31-2015	14.05	0.38	(0.54)	(0.16)	(0.37)	(0.44)	(0.81)	13.08	(1.20)	0.11	0.06	2.74	30	11

1 Based on average daily shares outstanding.
2 Net investment income is affected by the timing and frequency of the declaration of dividends by the underlying funds in which the portfolio invests.
3 Capital gain distributions may vary between classes due to expense differences applied to ordinary income distributions from underlying funds.
4 Total returns would have been lower had certain expenses not been reduced during the applicable periods.
5 Does not reflect the effect of sales charges, if any.
6 Ratios do not include expenses indirectly incurred from underlying funds and can vary based on the mix of underlying funds held by the portfolio.
7 The inception date for Class I shares is 5-1-15.
8 Not annualized.
9 Annualized.
10 Portfolio turnover is shown for the period from 1-1-15 to 12-31-15.

Multimanager Lifestyle Conservative Portfolio

	Per share operating performance for a share outstanding throughout each period									Ratios and supplemental data				
		Income (loss) from investment operations			Less Distributions					Ratios to average net assets				
Period ended	Net asset value, beginning of period ($)	Net investment income (loss) ($)[1,2]	Net realized and unrealized gain (loss) on investments ($)	Total from investment operations ($)	From net investment income ($)	From net realized gain ($)[3]	Total distributions ($)	Net asset value, end of period ($)	Total return (%)[4,5]	Expenses before reductions (%)[6]	Expenses including reductions (%)[6]	Net investment income (loss) (%)[2]	Net assets, end of period (in millions)	Portfolio turnover (%)
Class A														
12-31-2019	12.10	0.30	1.09	1.39	(0.23)	(0.24)	(0.47)	13.02	11.57	0.65	0.58	2.31	585	47
12-31-2018	13.06	0.31	(0.79)	(0.48)	(0.32)	(0.16)	(0.48)	12.10	(3.67)	0.57	0.51	2.44	526	11
12-31-2017	12.60	0.27	0.62	0.89	(0.27)	(0.16)	(0.43)	13.06	7.11	0.55	0.50	2.05	611	26
12-31-2016	12.42	0.29	0.38	0.67	(0.28)	(0.21)	(0.49)	12.60	5.40	0.51	0.48	2.26	607	23
12-31-2015	13.30	0.33	(0.56)	(0.23)	(0.33)	(0.32)	(0.65)	12.42	(1.74)	0.51	0.47	2.47	576	10
Class B														
12-31-2019	12.11	0.17	1.13	1.30	(0.14)	(0.24)	(0.38)	13.03	10.79	1.35	1.28	1.34	5	47
12-31-2018	13.07	0.20	(0.77)	(0.57)	(0.23)	(0.16)	(0.39)	12.11	(4.35)	1.27	1.21	1.57	10	11
12-31-2017	12.61	0.16	0.64	0.80	(0.18)	(0.16)	(0.34)	13.07	6.35	1.25	1.21	1.24	17	26
12-31-2016	12.43	0.18	0.40	0.58	(0.19)	(0.21)	(0.40)	12.61	4.66	1.21	1.19	1.42	23	23
12-31-2015	13.30	0.22	(0.54)	(0.32)	(0.23)	(0.32)	(0.55)	12.43	(2.39)	1.22	1.20	1.64	30	10
Class C														
12-31-2019	12.10	0.19	1.12	1.31	(0.14)	(0.24)	(0.38)	13.03	10.80	1.35	1.28	1.51	156	47
12-31-2018	13.06	0.21	(0.78)	(0.57)	(0.23)	(0.16)	(0.39)	12.10	(4.35)	1.27	1.21	1.64	180	11
12-31-2017	12.61	0.17	0.62	0.79	(0.18)	(0.16)	(0.34)	13.06	6.27	1.25	1.21	1.28	261	26
12-31-2016	12.42	0.19	0.40	0.59	(0.19)	(0.21)	(0.40)	12.61	4.74	1.21	1.19	1.48	310	23
12-31-2015	13.30	0.23	(0.56)	(0.33)	(0.23)	(0.32)	(0.55)	12.42	(2.47)	1.21	1.19	1.73	349	10
Class I														
12-31-2019	12.08	0.33	1.10	1.43	(0.27)	(0.24)	(0.51)	13.00	11.92	0.36	0.28	2.56	14	47
12-31-2018	13.04	0.37	(0.81)	(0.44)	(0.36)	(0.16)	(0.52)	12.08	(3.39)	0.28	0.21	2.89	15	11
12-31-2017	12.58	0.32	0.61	0.93	(0.31)	(0.16)	(0.47)	13.04	7.44	0.24	0.20	2.42	15	26
12-31-2016	12.40	0.39	0.32	0.71	(0.32)	(0.21)	(0.53)	12.58	5.73	0.20	0.18	3.04	11	23
12-31-2015[7]	13.49	0.34	(0.80)	(0.46)	(0.31)	(0.32)	(0.63)	12.40	(3.40)[8]	0.19[9]	0.17[9]	3.84[9]	4	10[10]
Class R1														
12-31-2019	12.09	0.24	1.11	1.35	(0.19)	(0.24)	(0.43)	13.01	11.20	0.99	0.92	1.84	5	47
12-31-2018	13.05	0.28	(0.80)	(0.52)	(0.28)	(0.16)	(0.44)	12.09	(4.01)	0.92	0.86	2.18	7	11
12-31-2017	12.59	0.21	0.64	0.85	(0.23)	(0.16)	(0.39)	13.05	6.74	0.89	0.85	1.62	6	26
12-31-2016	12.41	0.24	0.39	0.63	(0.24)	(0.21)	(0.45)	12.59	5.04	0.86	0.84	1.90	9	23
12-31-2015	13.29	0.26	(0.54)	(0.28)	(0.28)	(0.32)	(0.60)	12.41	(2.11)	0.87	0.86	1.95	8	10
Class R2														
12-31-2019	12.08	0.28	1.11	1.39	(0.22)	(0.24)	(0.46)	13.01	11.49	0.75	0.67	2.17	3	47
12-31-2018	13.04	0.30	(0.79)	(0.49)	(0.31)	(0.16)	(0.47)	12.08	(3.77)	0.68	0.63	2.37	3	11
12-31-2017	12.59	0.23	0.64	0.87	(0.26)	(0.16)	(0.42)	13.04	6.91	0.63	0.58	1.73	2	26
12-31-2016	12.40	0.25	0.42	0.67	(0.27)	(0.21)	(0.48)	12.59	5.39	0.60	0.58	1.95	4	23
12-31-2015	13.28	0.31	(0.55)	(0.24)	(0.32)	(0.32)	(0.64)	12.40	(1.86)	0.65	0.61	2.31	5	10
Class R3														
12-31-2019	12.07	0.27	1.10	1.37	(0.21)	(0.24)	(0.45)	12.99	11.39	0.84	0.77	2.10	4	47
12-31-2018	13.03	0.28	(0.78)	(0.50)	(0.30)	(0.16)	(0.46)	12.07	(3.86)	0.75	0.69	2.21	3	11
12-31-2017	12.57	0.23	0.64	0.87	(0.25)	(0.16)	(0.41)	13.03	6.91	0.73	0.69	1.79	5	26
12-31-2016	12.39	0.25	0.40	0.65	(0.26)	(0.21)	(0.47)	12.57	5.19	0.69	0.68	1.94	6	23
12-31-2015	13.26	0.27	(0.52)	(0.25)	(0.30)	(0.32)	(0.62)	12.39	(1.94)	0.76	0.75	2.04	8	10
Class R4														
12-31-2019	12.07	0.33	1.08	1.41	(0.25)	(0.24)	(0.49)	12.99	11.76	0.60	0.43	2.48	3	47
12-31-2018	13.03	0.32	(0.78)	(0.46)	(0.34)	(0.16)	(0.50)	12.07	(3.54)	0.52	0.36	2.46	2	11
12-31-2017	12.58	0.27	0.63	0.90	(0.29)	(0.16)	(0.45)	13.03	7.20	0.49	0.35	2.09	4	26
12-31-2016	12.40	0.30	0.39	0.69	(0.30)	(0.21)	(0.51)	12.58	5.56	0.45	0.34	2.35	6	23
12-31-2015	13.27	0.31	(0.51)	(0.20)	(0.35)	(0.32)	(0.67)	12.40	(1.56)	0.50	0.38	2.37	6	10
Class R5														
12-31-2019	12.08	0.34	1.10	1.44	(0.28)	(0.24)	(0.52)	13.00	11.97	0.30	0.23	2.63	4	47
12-31-2018	13.04	0.36	(0.79)	(0.43)	(0.37)	(0.16)	(0.53)	12.08	(3.34)	0.22	0.16	2.80	4	11
12-31-2017	12.58	0.30	0.64	0.94	(0.32)	(0.16)	(0.48)	13.04	7.49	0.20	0.16	2.33	5	26
12-31-2016	12.40	0.32	0.40	0.72	(0.33)	(0.21)	(0.54)	12.58	5.77	0.15	0.13	2.53	7	23
12-31-2015	13.28	0.36	(0.54)	(0.18)	(0.38)	(0.32)	(0.70)	12.40	(1.41)	0.18	0.16	2.70	8	10
Class R6														
12-31-2019	12.07	0.35	1.10	1.45	(0.29)	(0.24)	(0.53)	12.99	12.04	0.25	0.18	2.74	26	47
12-31-2018	13.03	0.40	(0.83)	(0.43)	(0.37)	(0.16)	(0.53)	12.07	(3.30)	0.17	0.11	3.13	21	11
12-31-2017	12.57	0.33	0.62	0.95	(0.33)	(0.16)	(0.49)	13.03	7.56	0.15	0.10	2.53	16	26
12-31-2016	12.39	0.34	0.39	0.73	(0.34)	(0.21)	(0.55)	12.57	5.85	0.10	0.07	2.68	14	23
12-31-2015	13.27	0.39	(0.56)	(0.17)	(0.39)	(0.32)	(0.71)	12.39	(1.34)	0.13	0.06	2.95	13	10

1 Based on average daily shares outstanding.
2 Net investment income is affected by the timing and frequency of the declaration of dividends by the underlying funds in which the portfolio invests.
3 Capital gain distributions may vary between classes due to expense differences applied to ordinary income distributions from underlying funds.
4 Total returns would have been lower had certain expenses not been reduced during the applicable periods.
5 Does not reflect the effect of sales charges, if any.
6 Ratios do not include expenses indirectly incurred from underlying funds and can vary based on the mix of underlying funds held by the portfolio.
7 The inception date for Class I shares is 5-1-15.
8 Not annualized.
9 Annualized.
10 Portfolio turnover is shown for the period from 1-1-15 to 12-31-15.

UNDERLYING FUND INFORMATION

The funds invest primarily in underlying funds. Therefore, each fund's investment performance is directly related to the investment performance of the underlying funds. Information regarding the underlying funds is available in the applicable underlying fund's prospectus and SAI. This prospectus is not an offer for any of the underlying funds. For copies of the prospectuses of the John Hancock underlying funds, which contain this and other information, visit our website at jhinvestments.com.

As of March 31, 2020, the funds allocated assets to the underlying funds stated below.

Multimanager Lifestyle Aggressive Portfolio

Underlying fund	Subadvisor
Absolute Return Currency Fund	First Quadrant, LP
Blue Chip Growth Fund	T. Rowe Price Associates
Capital Appreciation Fund	Jennison Associates LLC
Capital Appreciation Value Fund	T. Rowe Price Associates
Disciplined Value Fund	Boston Partners Global Investors, Inc.
Disciplined Value International Fund	Boston Partners Global Investors, Inc.
Diversified Macro Fund	Graham Capital Management, L.P.
Diversified Real Assets Fund	Manulife Investment Management (North America) Limited; DWS Investment Management Americas Inc.; Wellington Management Company, LLP
Emerging Markets Equity Fund	Manulife Investment Management (US) LLC
Equity Income Fund	T. Rowe Price Associates
Financial Industries Fund	Manulife Investment Management (US) LLC
Fundamental Global Franchise Fund	Manulife Investment Management (US) LLC
Fundamental Large Cap Core Fund	Manulife Investment Management (US) LLC
Global Equity Fund	Manulife Investment Management (US) LLC
Global Shareholder Yield Fund	Epoch Investment Partners, Inc.
Global Thematic Opportunities Fund	Pictet Asset Management SA
Health Sciences Fund	T. Rowe Price Associates
International Dynamic Growth Fund	Axiom International Investors LLC
International Growth Fund	Wellington Management Company, LLP
International Small Company Fund	Dimensional Fund Advisors LP
International Strategic Equity Allocation Fund	Manulife Investment Management (US) LLC
Mid Cap Stock Fund	Wellington Management Company, LLP
Mid Value Fund	T. Rowe Price Associates
Science & Technology Fund	Allianz Global Investors U.S. LLC; T. Rowe Price Associates, Inc.
Seaport Long/Short Fund	Wellington Management Company, LLP
Small Cap Core Fund	Manulife Investment Management (US) LLC
Small Cap Growth Fund	Redwood Investments, LLC
Small Cap Value Fund	Wellington Management Company, LLP
U.S. Sector Rotation Fund	Manulife Investment Management (US) LLC

Underlying ETFs	Provider
Multifactor Emerging Markets ETF	Dimensional Fund Advisors LP
Multifactor Mid Cap ETF	Dimensional Fund Advisors LP
Multifactor Small Cap ETF	Dimensional Fund Advisors LP

Multimanager Lifestyle Growth Portfolio

Underlying fund	Subadvisor
Absolute Return Currency Fund	First Quadrant, LP
Asia Pacific Total Return Bond Fund	Manulife Investment Management (US) LLC
Blue Chip Growth Fund	T. Rowe Price Associates
Bond Fund	Manulife Investment Management (US) LLC
Capital Appreciation Fund	Jennison Associates LLC
Capital Appreciation Value Fund	T. Rowe Price Associates
Core Bond Fund	Wells Capital Management, Inc.
Disciplined Value Fund	Boston Partners Global Investors, Inc.
Disciplined Value International Fund	Boston Partners Global Investors, Inc.
Diversified Macro Fund	Graham Capital Management, L.P.
Diversified Real Assets Fund	Manulife Investment Management (North America) Limited; DWS Investment Management Americas Inc.; Wellington Management Company, LLP
Emerging Markets Debt Fund	Manulife Investment Management (US) LLC
Emerging Markets Equity Fund	Manulife Investment Management (US) LLC
Equity Income Fund	T. Rowe Price Associates
Financial Industries Fund	Manulife Investment Management (US) LLC
Floating Rate Income Fund	Bain Capital Credit, LP
Fundamental Global Franchise Fund	Manulife Investment Management (US) LLC
Fundamental Large Cap Core Fund	Manulife Investment Management (US) LLC
Global Equity Fund	Manulife Investment Management (US) LLC
Global Shareholder Yield Fund	Epoch Investment Partners, Inc.
Global Thematic Opportunities Fund	Pictet Asset Management SA
Health Sciences Fund	T. Rowe Price Associates
High Yield Fund	Manulife Investment Management (US) LLC
Inflation-Protected Bond Index Fund	Fidelity Investments
International Dynamic Growth Fund	Axiom International Investors LLC
International Growth Fund	Wellington Management Company, LLP
International Small Company Fund	Dimensional Fund Advisors LP
International Strategic Equity Allocation Fund	Manulife Investment Management (US) LLC
Mid Cap Stock Fund	Wellington Management Company, LLP
Mid Value Fund	T. Rowe Price Associates
Science & Technology Fund	Allianz Global Investors U.S. LLC; T. Rowe Price Associates, Inc.
Seaport Long/Short Fund	Wellington Management Company, LLP
Short Duration Credit Opportunities Fund	Stone Harbor Investment Partners LP
Small Cap Core Fund	Manulife Investment Management (US) LLC
Small Cap Growth Fund	Redwood Investments, LLC
Small Cap Value Fund	Wellington Management Company, LLP
Strategic Income Opportunities Fund	Manulife Investment Management (US) LLC
U.S. High Yield Bond Fund	Wells Capital Management, Inc.
U.S. Sector Rotation Fund	Manulife Investment Management (US) LLC

Underlying ETFs	Provider
Multifactor Emerging Markets ETF	Dimensional Fund Advisors LP
Multifactor Mid Cap ETF	Dimensional Fund Advisors LP
Multifactor Small Cap ETF	Dimensional Fund Advisors LP

Multimanager Lifestyle Balanced Portfolio

Underlying fund	Subadvisor
Absolute Return Currency Fund	First Quadrant, LP
Asia Pacific Total Return Bond Fund	Manulife Investment Management (US) LLC
Blue Chip Growth Fund	T. Rowe Price Associates
Bond Fund	Manulife Investment Management (US) LLC
Capital Appreciation Fund	Jennison Associates LLC
Capital Appreciation Value Fund	T. Rowe Price Associates
Core Bond Fund	Wells Capital Management, Inc.
Disciplined Value Fund	Boston Partners Global Investors, Inc.
Disciplined Value International Fund	Boston Partners Global Investors, Inc.
Diversified Macro Fund	Graham Capital Management, L.P.
Diversified Real Assets Fund	Manulife Investment Management (North America) Limited; DWS Investment Management Americas Inc.; Wellington Management Company, LLP
Emerging Markets Debt Fund	Manulife Investment Management (US) LLC
Emerging Markets Equity Fund	Manulife Investment Management (US) LLC
Equity Income Fund	T. Rowe Price Associates
Financial Industries Fund	Manulife Investment Management (US) LLC
Floating Rate Income Fund	Bain Capital Credit, LP
Fundamental Global Franchise Fund	Manulife Investment Management (US) LLC
Fundamental Large Cap Core Fund	Manulife Investment Management (US) LLC
Global Equity Fund	Manulife Investment Management (US) LLC
Global Shareholder Yield Fund	Epoch Investment Partners, Inc.
Global Thematic Opportunities Fund	Pictet Asset Management SA
Health Sciences Fund	T. Rowe Price Associates
High Yield Fund	Manulife Investment Management (US) LLC
Inflation-Protected Bond Index Fund	Fidelity Investments
International Dynamic Growth Fund	Axiom International Investors LLC
International Growth Fund	Wellington Management Company, LLP
International Index Fund	Fidelity Investments
International Small Company Fund	Dimensional Fund Advisors LP
International Strategic Equity Allocation Fund	Manulife Investment Management (US) LLC
Mid Cap Stock Fund	Wellington Management Company, LLP
Mid Value Fund	T. Rowe Price Associates
Science & Technology Fund	Allianz Global Investors U.S. LLC; T. Rowe Price Associates, Inc.
Seaport Long/Short Fund	Wellington Management Company, LLP
Short Duration Credit Opportunities Fund	Stone Harbor Investment Partners LP
Small Cap Core Fund	Manulife Investment Management (US) LLC
Small Cap Growth Fund	Redwood Investments, LLC
Small Cap Value Fund	Wellington Management Company, LLP
Strategic Income Opportunities Fund	Manulife Investment Management (US) LLC
U.S. High Yield Bond Fund	Wells Capital Management, Inc.
U.S. Sector Rotation Fund	Manulife Investment Management (US) LLC

Underlying ETFs	Provider
Multifactor Small Cap ETF	Dimensional Fund Advisors LP
Multifactor Emerging Markets ETF	Dimensional Fund Advisors LP
Multifactor Mid Cap ETF	Dimensional Fund Advisors LP

Multimanager Lifestyle Moderate Portfolio

Underlying fund	Subadvisor
Absolute Return Currency Fund	First Quadrant, LP
Alternative Risk Premia Fund	Unigestion (UK) Limited
Asia Pacific Total Return Bond Fund	Manulife Investment Management (US) LLC
Blue Chip Growth Fund	T. Rowe Price Associates
Bond Fund	Manulife Investment Management (US) LLC
Capital Appreciation Fund	Jennison Associates LLC
Capital Appreciation Value Fund	T. Rowe Price Associates
Core Bond Fund	Wells Capital Management, Inc.
Disciplined Value Fund	Boston Partners Global Investors, Inc.
Disciplined Value International Fund	Boston Partners Global Investors, Inc.
Diversified Real Assets Fund	Manulife Investment Management (North America) Limited; DWS Investment Management Americas Inc.; Wellington Management Company, LLP
Emerging Markets Debt Fund	Manulife Investment Management (US) LLC
Emerging Markets Equity Fund	Manulife Investment Management (US) LLC
Equity Income Fund	T. Rowe Price Associates
Floating Rate Income Fund	Bain Capital Credit, LP
Fundamental Global Franchise Fund	Manulife Investment Management (US) LLC
Fundamental Large Cap Core Fund	Manulife Investment Management (US) LLC
Global Equity Fund	Manulife Investment Management (US) LLC
Global Shareholder Yield Fund	Epoch Investment Partners, Inc.
High Yield Fund	Manulife Investment Management (US) LLC
Inflation-Protected Bond Index Fund	Fidelity Investments
Infrastructure Fund	Wellington Management Company, LLP
International Dynamic Growth Fund	Axiom International Investors LLC
International Growth Fund	Wellington Management Company, LLP
International Index Fund	Fidelity Investments
International Small Company Fund	Dimensional Fund Advisors LP
International Strategic Equity Allocation Fund	Manulife Investment Management (US) LLC
Mid Cap Stock Fund	Wellington Management Company, LLP
Mid Value Fund	T. Rowe Price Associates
Seaport Long/Short Fund	Wellington Management Company, LLP
Short Duration Bond Fund	Manulife Investment Management (US) LLC
Short Duration Credit Opportunities Fund	Stone Harbor Investment Partners LP
Small Cap Growth Fund	Redwood Investments, LLC
Small Cap Value Fund	Wellington Management Company, LLP
Strategic Income Opportunities Fund	Manulife Investment Management (US) LLC
U.S. High Yield Bond Fund	Wells Capital Management, Inc.
U.S. Sector Rotation Fund	Manulife Investment Management (US) LLC

Underlying ETFs	Provider
Multifactor Emerging Markets ETF	Dimensional Fund Advisors LP

Multimanager Lifestyle Conservative Portfolio

Underlying fund	Subadvisor
Absolute Return Currency Fund	First Quadrant, LP
Alternative Risk Premia Fund	Unigestion (UK) Limited
Asia Pacific Total Return Bond Fund	Manulife Investment Management (US) LLC
Blue Chip Growth Fund	T. Rowe Price Associates
Bond Fund	Manulife Investment Management (US) LLC
Capital Appreciation Fund	Jennison Associates LLC
Capital Appreciation Value Fund	T. Rowe Price Associates
Core Bond Fund	Wells Capital Management, Inc.
Disciplined Value Fund	Boston Partners Global Investors, Inc.
Disciplined Value International Fund	Boston Partners Global Investors, Inc.
Diversified Real Assets Fund	Manulife Investment Management (North America) Limited; DWS Investment Management Americas Inc.; Wellington Management Company, LLP
Emerging Markets Debt Fund	Manulife Investment Management (US) LLC
Emerging Markets Equity Fund	Manulife Investment Management (US) LLC
Equity Income Fund	T. Rowe Price Associates
Floating Rate Income Fund	Bain Capital Credit, LP
Fundamental Global Franchise Fund	Manulife Investment Management (US) LLC
Fundamental Large Cap Core Fund	Manulife Investment Management (US) LLC
Global Equity Fund	Manulife Investment Management (US) LLC
Global Shareholder Yield Fund	Epoch Investment Partners, Inc.
High Yield Fund	Manulife Investment Management (US) LLC
Inflation-Protected Bond Index Fund	Fidelity Investments
Infrastructure Fund	Wellington Management Company, LLP
International Dynamic Growth Fund	Axiom International Investors LLC
International Growth Fund	Wellington Management Company, LLP
International Index Fund	Fidelity Investments
International Strategic Equity Allocation Fund	Manulife Investment Management (US) LLC
Mid Cap Stock Fund	Wellington Management Company, LLP
Mid Value Fund	T. Rowe Price Associates
Seaport Long/Short Fund	Wellington Management Company, LLP
Short Duration Bond Fund	Manulife Investment Management (US) LLC
Short Duration Credit Opportunities Fund	Stone Harbor Investment Partners LP
Small Cap Growth Fund	Redwood Investments, LLC
Small Cap Value Fund	Wellington Management Company, LLP
Strategic Income Opportunities Fund	Manulife Investment Management (US) LLC
U.S. High Yield Bond Fund	Wells Capital Management, Inc.
U.S. Sector Rotation Fund	Manulife Investment Management (US) LLC

Underlying ETFs	Provider
Multifactor Emerging Markets ETF	Dimensional Fund Advisors LP

Your account

Unless otherwise noted, in this section, references to a single fund apply equally to all of the funds.

CHOOSING AN ELIGIBLE SHARE CLASS

Class A, Class B, Class C, Class R1, Class R2, Class R3, and Class R4 shares have a Rule 12b-1 plan that allows the class to pay its fees for the sale, distribution, and service of its shares. Class I and Class R6 shares do not have a Rule 12b-1 plan. Class R5 shares have a Rule 12b-1 plan, but do not pay any fees under the Rule 12b-1 plan. Your financial representative can help you decide which share class you are eligible to buy and is best for you. Each class's eligibility guidelines are described below.

Class A shares

Class A shares are not available to group retirement plans that do not currently hold Class A shares of the fund and that are eligible to invest in Class I shares or any of the R share classes, except as provided below. Such group retirement plans include defined benefit plans, 401(k) plans, 457 plans, 403(b)(7) plans, pension and profit-sharing plans, and nonqualified deferred compensation plans. Individual retirement accounts (IRAs), Roth IRAs, SIMPLE IRAs, individual ("solo" or "single") 401(k) plans, individual profit sharing plans, individual 403(b) plans, individual defined benefit plans, simplified employee pensions (SEPs), SAR-SEPs, 529 tuition programs and Coverdell Educational Savings Accounts are not considered group retirement plans and are not subject to this restriction on the purchase of Class A shares.

Investment in Class A shares by such group retirement plans will be permitted in the following circumstances:

- The plan currently holds assets in Class A shares of the fund or any John Hancock fund;
- Class A shares of the fund or any other John Hancock fund were established as an investment option under the plan prior to January 1, 2013, and the fund's representatives have agreed that the plan may invest in Class A shares after that date;
- Class A shares of the fund or any other John Hancock fund were established as a part of an investment model prior to January 1, 2013, and the fund's representatives have agreed that plans utilizing such model may invest in Class A shares after that date; and
- Such group retirement plans offered through an intermediary brokerage platform that does not require payments relating to the provisions of services to the fund, such as providing omnibus account services, transaction-processing services, or effecting portfolio transactions for the fund, that are specific to assets held in such group retirement plans and vary from such payments otherwise made for such services with respect to assets held in non-group retirement plan accounts.

Class C shares

The maximum amount you may invest in Class C shares with any single purchase is $999,999.99. John Hancock Signature Services, Inc. (Signature Services), the transfer agent for the fund, may accept a purchase request for Class C shares for $1,000,000 or more when the purchase is pursuant to the reinstatement privilege (see "Sales charge reductions and waivers"). Class C shares automatically convert to Class A shares after ten years, provided that the fund or the financial intermediary through which a shareholder purchased or holds Class C shares has records verifying that the Class C shares have been held for at least ten years. Group retirement plan recordkeeping platforms of certain intermediaries that hold Class C shares with the fund in an omnibus account do not track participant level share lot aging and, as such, these Class C shares would not satisfy the conditions for the automatic Class C to Class A conversion.

Class I shares

Class I shares are offered without any sales charge to the following types of investors if they also meet the minimum initial investment requirement for purchases of Class I shares (see "Opening an account"):

- Clients of financial intermediaries who: (i) charge such clients a fee for advisory, investment, consulting, or similar services; (ii) have entered into an agreement with the distributor to offer Class I shares through a no-load program or investment platform; or (iii) have entered into an agreement with the distributor to offer Class I shares to clients on certain brokerage platforms where the intermediary is acting solely as an agent for the investor who may be required to pay a commission and/or other forms of compensation to the intermediary. Other share classes of the fund have different fees and expenses.
- Retirement and other benefit plans
- Endowment funds and foundations
- Any state, county, or city, or its instrumentality, department, authority, or agency
- Accounts registered to insurance companies, trust companies, and bank trust departments
- Any entity that is considered a corporation for tax purposes
- Investment companies, both affiliated and not affiliated with the advisor
- Fund Trustees and other individuals who are affiliated with the fund and other John Hancock funds

Class R1, Class R2, Class R3, Class R4, and Class R5 shares

Class R1, Class R2, Class R3, Class R4, and Class R5 shares are available to certain types of investors, as noted below:

- Qualified tuition programs under Section 529 (529 plans) of the Internal Revenue Code of 1986, as amended (the Code), distributed by John Hancock or one of its affiliates
- Retirement plans, including pension, profit-sharing, and other plans qualified under Section 401(a) or described in Section 403(b) or 457 of the Code, and nonqualified deferred compensation plans
- Retirement plans, Traditional and Roth IRAs, Coverdell Education Savings Accounts, SEPs, SARSEPs, and SIMPLE IRAs where the shares are held on the books of the fund through investment-only omnibus accounts (either at the plan level or at the level of the financial service firm) that trade through the National Securities Clearing Corporation (NSCC)

Except as noted above, Class R1, Class R2, Class R3, Class R4, and Class R5 shares are not available to retail or institutional non-retirement accounts, Traditional and Roth IRAs, Coverdell Education Savings Accounts, SEPs, SARSEPs, SIMPLE IRAs, individual 403(b) plans, or other individual retirement accounts.

Class R6 shares

Class R6 shares are offered without any sales charge and are generally made available to the following types of investors if they also meet the minimum initial investment requirement for purchases of Class R6 shares. (See "Opening an account.")

- Qualified 401(a) plans (including 401(k) plans, Keogh plans, profit-sharing pension plans, money purchase pension plans, target benefit plans, defined benefit pension plans, and Taft-Hartley multi-employer pension plans) (collectively, qualified plans)
- Endowment funds and foundations
- Any state, county, or city, or its instrumentality, department, authority, or agency
- 403(b) plans and 457 plans, including 457(a) governmental entity plans and tax-exempt plans
- Accounts registered to insurance companies, trust companies, and bank trust departments
- Investment companies, both affiliated and not affiliated with the advisor
- Any entity that is considered a corporation for tax purposes, including corporate nonqualified deferred compensation plans of such corporations
- Trustees, employees of the advisor or its affiliates, employees of the subadvisor, members of the fund's portfolio management team and the spouses and children (under age 21) of the aforementioned
- Financial intermediaries utilizing fund shares in certain eligible qualifying investment product platforms under a signed agreement with the distributor

Class R6 shares may not be available through certain investment dealers.

The availability of Class R6 shares for qualified plan investors will depend upon the policies of your financial intermediary and/or the recordkeeper for your qualified plan.

Class R6 shares also are generally available only to qualified plan investors where plan level or omnibus accounts are held on the books of the fund.

Class R6 shares are not available to retail non-retirement accounts, Traditional and Roth individual retirement accounts (IRAs), Coverdell Education Savings Accounts, SEPs, SARSEPs, SIMPLE IRAs, and 529 college savings plans.

Class B shares (closed)

Class B shares may not be purchased or acquired by any new or existing Class B shareholder, except by exchange from Class B shares of another John Hancock fund or through dividend and/or capital gains reinvestment. Any other investment received by a John Hancock fund that is intended for Class B shares will be rejected. A shareholder owning Class B shares may continue to hold those shares until such shares automatically convert to Class A shares under the fund's existing conversion schedule, or until the shareholder redeems such Class B shares, subject to any applicable CDSC. Existing shareholders will continue to have exchange privileges with Class B shares of other John Hancock funds.

Class B shareholders will no longer be permitted to make automatic investments in Class B shares through the Monthly Automatic Accumulation Program (MAAP). To continue automatic investments, a Class B shareholder must designate a different share class of the same fund or another John Hancock fund for any purchases, provided the shareholder meets the eligibility requirements for that share class. If the Class B shareholder does not designate a different share class, future automatic purchases of Class B shares will be rejected. No new Class B share MAAPs will be established.

Class B shareholders can continue to hold Class B shares in IRA or SIMPLE IRA accounts, but additional contributions must be made to another share class. If a Class B shareholder with a MAAP for an IRA or SIMPLE IRA account did not provide alternative investment instructions by July 1, 2013, subsequent automatic purchases will be rejected.

All other Class B share features, including, but not limited to, distribution and service fees, CDSC, the reinstatement privilege, and conversion features, will remain unchanged for Class B shares currently held. Accumulation privileges as described below will remain unchanged. Shareholders can continue to include the value of Class B shares of any John Hancock open-end fund currently owned for purposes of qualifying for a reduced Class A share sales charge.

Employer-sponsored retirement plans that currently hold Class B shares and can no longer purchase Class B shares due to the Class B share closure to purchases may instead purchase Class A shares and pay the applicable Class A sales charge, provided that their recordkeepers can properly assess a sales charge on plan investments, or Class C shares if the plans meet Class C share eligibility requirements and Class C shares are available on their recordkeeper's platform. If the recordkeeper is not able to assess a front-end sales charge on Class A shares, or Class C shares are otherwise not an available or appropriate investment option, only then may such employer-sponsored retirement plans invest in one of the R share classes.

CLASS COST STRUCTURE

Class A shares

- A front-end sales charge, as described in the section "How sales charges for Class A, Class B, and Class C shares are calculated"
- Distribution and service (Rule 12b-1) fees of 0.30%
- A 1.00% CDSC on certain shares sold within one year of purchase

Class C shares

- No front-end sales charge; all your money goes to work for you right away
- Rule 12b-1 fees of 1.00%
- A 1.00% CDSC on shares sold within one year of purchase
- Automatic conversion to Class A shares after ten years, thus reducing future annual expenses (certain exclusions may apply)

Class I shares

- No front-end or deferred sales charges; however, if you purchase Class I shares through a broker acting solely as an agent on behalf of its customers, you may be required to pay a commission to the broker
- No Rule 12b-1 fees

Class R1 shares

- No front-end or deferred sales charges; all your money goes to work for you right away
- Rule 12b-1 fees of 0.50%

Class R2 shares

- No front-end or deferred sales charges; all your money goes to work for you right away
- Rule 12b-1 fees of 0.25%

Class R3 shares

- No front-end or deferred sales charges; all your money goes to work for you right away

- Rule 12b-1 fees of 0.50%

Class R4 shares

- No front-end or deferred sales charges; all your money goes to work for you right away
- Rule 12b-1 fees of 0.15% (under the Rule 12b-1 plan, the distributor has the ability to collect 0.25%; however, the distributor has contractually agreed to waive 0.10% of these fees through April 30, 2021)

Class R5 shares

- No front-end or deferred sales charges; all your money goes to work for you right away
- No Rule 12b-1 fees

Class R6 shares

- No front-end or deferred sales charges; all your money goes to work for you right away
- No Rule 12b-1 fees

Class B shares (closed)

- No front-end sales charge; all your money goes to work for you right away
- Rule 12b-1 fees of 1.00%
- A 5.00% CDSC, as described in the section "How sales charges for Class A, Class B, and Class C shares are calculated"
- Automatic conversion to Class A shares after eight years, thus reducing future annual expenses

Rule 12b-1 fees

Rule 12b-1 fees will be paid to the fund's distributor, John Hancock Investment Management Distributors LLC, and may be used by the distributor for expenses relating to the sale, distribution of, and shareholder or administrative services for holders of the shares of the class, and for the payment of service fees that come within Rule 2341 of the Conduct Rules of the Financial Industry Regulatory Authority (FINRA).

Because Rule 12b-1 fees are paid out of the fund's assets on an ongoing basis, over time they will increase the cost of your investment and may cost shareholders more than other types of sales charges.

Your broker-dealer or agent may charge you a fee to effect transactions in fund shares. Other share classes of the fund, which have their own expense structure, may be offered in separate prospectuses.

Class R service plan

In addition to the Rule 12b-1 plans, the fund has adopted plans for Class R1, Class R2, Class R3, Class R4, and Class R5 shares that authorize the fund to pay affiliated and unaffiliated entities a service fee for providing certain recordkeeping and other administrative services in connection with investments in the fund by retirement plans. The service fee is a specified percentage of the average daily net assets of the fund's share class held by plan participants and is up to 0.25% for Class R1 shares, 0.25% for Class R2 shares, 0.15% for Class R3 shares, 0.10% for Class R4 shares, and 0.05% for Class R5 shares.

The performance and expense information included in this prospectus does not reflect fees and expenses of any plan that may use a fund as its underlying investment option. If such fees and expenses had been reflected, performance would be lower.

Additional payments to financial intermediaries

Class A, Class B, Class C, Class R1, Class R2, Class R3, Class R4, and Class R5 shares of the fund are primarily sold through financial intermediaries, such as brokers, banks, registered investment advisors, financial planners, and retirement plan administrators. These firms may be compensated for selling shares of the fund in two principal ways:

- directly, by the payment of sales commissions, if any; and
- indirectly, as a result of the fund paying Rule 12b-1 fees.

Class I shares do not carry sales commissions or pay Rule 12b-1 fees. However, if you purchase Class I shares through a broker acting solely as an agent on behalf of its customers, you may be required to pay a commission to the broker.

No dealer compensation is paid from fund assets on sales of Class R6 shares. Class R6 shares do not carry sales commissions, pay Rule 12b-1 fees, or make payments to financial intermediaries to assist in the distributor's efforts to promote the sale of the fund's shares. Neither the fund nor its affiliates make any type of administrative or service payments in connection with investments in Class R6 shares.

Except with respect to Class R6 shares, certain firms may request, and the distributor may agree to make, payments in addition to sales commissions and Rule 12b-1 fees, if applicable, out of the distributor's own resources.

These additional payments are sometimes referred to as revenue sharing. These payments assist in the distributor's efforts to promote the sale of the fund's shares. The distributor agrees with the firm on the methods for calculating any additional compensation, which may include the level of sales or assets attributable to the firm. Not all firms receive additional compensation, and the amount of compensation varies. These payments could be significant to a firm. The distributor determines which firms to support and the extent of the payments it is willing to make. The distributor generally chooses to compensate firms that have a strong capability to distribute shares of the fund and that are willing to cooperate with the distributor's promotional efforts.

The distributor hopes to benefit from revenue sharing by increasing the fund's net assets, which, as well as benefiting the fund, would result in additional management and other fees for the advisor and its affiliates. In consideration for revenue sharing, a firm may feature the fund in its sales system or give preferential access to members of its sales force or management. In addition, the firm may agree to participate in the distributor's marketing efforts by allowing the distributor or its affiliates to participate in conferences, seminars, or other programs attended by the intermediary's sales force. Although an intermediary may seek revenue-sharing payments to offset costs incurred by the firm in servicing its clients who have invested in the fund, the intermediary may earn a profit on these payments. Revenue-sharing payments may provide your firm with an incentive to favor the fund.

The SAI discusses the distributor's revenue-sharing arrangements in more detail. Your intermediary may charge you additional fees other than those disclosed in this prospectus. You can ask your firm about any payments it receives from the distributor or the fund, as well as about fees and/or commissions it charges.

The distributor, advisor, and their affiliates may have other relationships with your firm relating to the provisions of services to the fund, such as providing omnibus account services, transaction-processing services, or effecting portfolio transactions for the fund. If your intermediary provides these services, the advisor or the fund may compensate the intermediary for these services. In addition, your intermediary may have other compensated relationships with the advisor or its affiliates that are not related to the fund.

HOW SALES CHARGES FOR CLASS A, CLASS B, AND CLASS C SHARES ARE CALCULATED

Class A sales charges are as follows:

Your investment ($)	As a % of offering price*	As a % of your investment
Up to 49,999	4.50	4.71
50,000–99,999	3.50	3.63
100,000–249,999	3.00	3.09
250,000 and over	See below	

* *Offering price is the net asset value per share plus any initial sales charge.*

You may qualify for a reduced Class A sales charge if you own or are purchasing Class A, Class B, Class C, Class ADV, Class I, Class I2, Class R1, Class R2, Class R3, Class R4, Class R5, or Class R6 shares of a John Hancock open-end mutual fund. **To receive the reduced sales charge, you must tell your broker or financial representative at the time you purchase the fund's Class A shares about any other John Hancock mutual funds held by you, your spouse, or your children under the age of 21.** This includes investments held in an individual retirement account, in an employee benefit plan, or with a broker or financial representative other than the one handling your current purchase. John Hancock will credit the combined value, at the current offering price, of all eligible accounts to determine whether you qualify for a reduced sales charge on your current purchase. You may need to provide documentation for these accounts, such as an account statement. For more information about sales charges, reductions, and waivers, you may visit the fund's website at jhinvestments.com, which includes hyperlinks to facilitate access to this information. You may also consult your broker or financial advisor, or refer to the section entitled "Sales Charges on Class A, Class B, and Class C Shares" in the fund's SAI. You may request an SAI from your broker or financial advisor by accessing the fund's website at jhinvestments.com or by calling Signature Services at 800-225-5291.

Investments of $250,000 or more

Class A shares are available with no front-end sales charge on investments of $250,000 or more. There is a CDSC on any Class A shares upon which a commission or finder's fee was paid that are sold within one year of purchase, as follows:

Class A deferred charges on investments of $250,000 or more

Years after purchase	CDSC (%)
1st year	1.00
After 1st year	None

For purposes of this CDSC, all purchases made during a calendar month are counted as having been made on the first day of that month.

The CDSC is based on the lesser of the original purchase cost or the current market value of the shares being sold, and is not charged on shares you acquired by reinvesting your dividends. To keep your CDSC as low as possible, each time you place a request to sell shares, we will first sell any shares in your account that are not subject to a CDSC.

Class B and Class C shares

Class B and Class C shares are offered at their net asset value per share, without any initial sales charge.

A CDSC may be charged if a commission has been paid and you sell Class B or Class C shares within a certain time after you bought them, as described in the tables below. There is no CDSC on shares acquired through reinvestment of dividends. The CDSC is based on the original purchase cost or the current market value of the shares being sold, whichever is less. The CDSCs are as follows:

Class B deferred charges

Years after purchase	CDSC (%)
1st year	5.00
2nd year	4.00
3rd or 4th year	3.00
5th year	2.00
6th year	1.00
After 6th year	None

Class C deferred charges

Years after purchase	CDSC (%)
1st year	1.00
After 1st year	None

For purposes of these CDSCs, all purchases made during a calendar month are counted as having been made on the first day of that month.

To keep your CDSC as low as possible, each time you place a request to sell shares, we will first sell any shares in your account that carry no CDSC. If there are not enough of these shares to meet your request, we will sell those shares that have the lowest CDSC.

SALES CHARGE REDUCTIONS AND WAIVERS

The availability of certain sales charge waivers and discounts will depend on whether you purchase your shares directly from the fund or through a financial intermediary. Intermediaries may have different policies and procedures regarding the availability of front-end sales charge waivers or CDSC waivers (See Appendix 1 - Intermediary sales charge waivers, which includes information about specific sales charge waivers applicable to the intermediaries identified therein).

Reducing your Class A sales charges

There are several ways you can combine multiple purchases of shares of John Hancock funds to take advantage of the breakpoints in the sales charge schedule. The first three ways can be combined in any manner.

- Accumulation privilege—lets you add the value of any class of shares of any John Hancock open-end fund you already own to the amount of your next Class A investment for purposes of calculating the sales charge. However, Class A shares of money market funds will not qualify unless you have already paid a sales charge on those shares.
- Letter of intention—lets you purchase Class A shares of a fund over a 13-month period and receive the same sales charge as if all shares had been purchased at once. You can use a letter of intention to qualify for reduced sales charges if you plan to invest at least to the first breakpoint level (generally $50,000 or $100,000 depending on the specific fund) in a John Hancock fund's Class A shares during the next 13 months. Completing a

letter of intention does not obligate you to purchase additional shares. However, if you do not buy enough shares to qualify for the lower sales charges by the earlier of the end of the 13-month period or when you sell your shares, your sales charges will be recalculated to reflect your actual amount purchased. It is your responsibility to tell John Hancock Signature Services Inc. or your financial advisor when you believe you have purchased shares totaling an amount eligible for reduced sales charges, as stated in your letter of intention. Further information is provided in the SAI.

- Combination privilege—lets you combine shares of all funds for purposes of calculating the Class A sales charge.

To utilize any reduction, you must complete the appropriate section of your application, or contact your financial representative or Signature Services. Consult the SAI for additional details (see the back cover of this prospectus).

Group investment program

A group may be treated as a single purchaser under the accumulation and combination privileges. Each investor has an individual account, but the group's investments are lumped together for sales charge purposes, making the investors potentially eligible for reduced sales charges. There is no charge or obligation to invest (although initial investments per account opened must satisfy minimum initial investment requirements specified in the section entitled "Opening an account"), and individual investors may close their accounts at any time.

To utilize this program, you must contact your financial representative or Signature Services to find out how to qualify. Consult the SAI for additional details (see the back cover of this prospectus).

CDSC waivers

As long as Signature Services is notified at the time you sell, any CDSC for Class A, Class B, or Class C shares will be waived in the following cases, as applicable:

- to make payments through certain systematic withdrawal plans
- certain retirement plans participating in PruSolutions[SM] programs
- redemptions pursuant to the fund's right to liquidate an account that is below the minimum account value stated below in "Dividends and account policies," under the subsection "Small accounts"
- redemptions of Class A shares made after one year from the inception of a retirement plan at John Hancock
- redemptions made under certain liquidation, merger or acquisition transactions involving other investment companies or personal holding companies
- to make certain distributions from a retirement plan
- because of shareholder death or disability
- rollovers, contract exchanges, or transfers of John Hancock custodial 403(b)(7) account assets required by John Hancock as a result of its decision to discontinue maintaining and administering 403(b)(7) accounts

To utilize a waiver, you must contact your financial representative or Signature Services. Consult the SAI for additional details (see the back cover of this prospectus). Please note, these waivers are distinct from those described in Appendix 1, "Intermediary sales charge waivers."

Reinstatement privilege

If you sell shares of a John Hancock fund, you may reinvest some or all of the proceeds back into the same share class of the same fund and account from which it was removed, within 120 days without a sales charge, subject to fund minimums, as long as Signature Services or your financial representative is notified before you reinvest. If you paid a CDSC when you sold your shares, you will be credited with the amount of the CDSC. Consult the SAI for additional details.

To utilize this privilege, you must contact your financial representative or Signature Services. Consult the SAI for additional details (see the back cover of this prospectus).

Waivers for certain investors

Class A shares may be offered without front-end sales charges or CDSCs to the following individuals and institutions:

- Selling brokers and their employees and sales representatives (and their Immediate Family, as defined in the SAI)
- Financial intermediaries utilizing fund shares in eligible retirement platforms, fee-based, or wrap investment products
- Financial intermediaries who offer shares to self-directed investment brokerage accounts that may or may not charge a transaction fee to their customers
- Fund Trustees and other individuals who are affiliated with these or other John Hancock funds, including employees of John Hancock companies or Manulife Financial Corporation (and their Immediate Family, as defined in the SAI)
- Individuals exchanging shares held in an eligible fee-based program for Class A shares, provided however, subsequent purchases in Class A shares will be subject to applicable sales charges
- Individuals transferring assets held in a SIMPLE IRA, SEP, or SARSEP invested in John Hancock funds directly to an IRA
- Individuals converting assets held in an IRA, SIMPLE IRA, SEP, or SARSEP invested in John Hancock funds directly to a Roth IRA
- Individuals recharacterizing assets from an IRA, Roth IRA, SEP, SARSEP, or SIMPLE IRA invested in John Hancock funds back to the original account type from which they were converted
- Participants in group retirement plans that are eligible and permitted to purchase Class A shares as described in the "Choosing an eligible share class" section above. This waiver is contingent upon the group retirement plan being in a recordkeeping arrangement and does not apply to group retirement plans transacting business with the fund through a brokerage relationship in which sales charges are customarily imposed, unless such brokerage relationship qualifies for a sales charge waiver as described. In addition, this waiver does not apply to a group retirement plan that leaves its current recordkeeping arrangement and subsequently transacts business with the fund through a brokerage relationship in which sales charges are customarily imposed. Whether a sales charge waiver is available to your group retirement plan through its record keeper depends upon the policies and procedures of your intermediary. Please consult your financial advisor for further information

- Retirement plans participating in PruSolutions℠ programs
- Terminating participants in a pension, profit-sharing, or other plan qualified under Section 401(a) of the Code, or described in Section 457(b) of the Code, (i) that is funded by certain John Hancock group annuity contracts, (ii) for which John Hancock Trust Company serves as trustee or custodian, or (iii) the trustee or custodian of which has retained John Hancock Retirement Plan Services ("RPS") as a service provider, rolling over assets (directly or within 60 days after distribution) from such a plan (or from a John Hancock Managed IRA into which such assets have already been rolled over) to a John Hancock custodial IRA or John Hancock custodial Roth IRA that invests in John Hancock funds, or the subsequent establishment of or any rollover into a new John Hancock fund account by such terminating participants and/or their Immediate Family (as defined in the SAI), including subsequent investments into such accounts, and that are held directly at John Hancock funds or at the John Hancock Personal Financial Services ("PFS") Financial Center
- Participants in a terminating pension, profit-sharing, or other plan qualified under Section 401(a) of the Code, or described in Section 457(b) of the Code (the assets of which, immediately prior to such plan's termination, were (a) held in certain John Hancock group annuity contracts, (b) in trust or custody by John Hancock Trust Company, or (c) by a trustee or custodian which has retained John Hancock RPS as a service provider, but have been transferred from such contracts or trust funds and are held either: (i) in trust by a distribution processing organization; or (ii) in a custodial IRA or custodial Roth IRA sponsored by an authorized third-party trust company and made available through John Hancock), rolling over assets (directly or within 60 days after distribution) from such a plan to a John Hancock custodial IRA or John Hancock custodial Roth IRA that invests in John Hancock funds, or the subsequent establishment of or any rollover into a new John Hancock fund account by such participants and/or their Immediate Family (as defined in the SAI), including subsequent investments into such accounts, and that are held directly at John Hancock funds or at the PFS Financial Center
- Participants actively enrolled in a John Hancock RPS plan account (or an account the trustee of which has retained John Hancock RPS as a service provider) rolling over or transferring assets into a new John Hancock custodial IRA or John Hancock custodial Roth IRA that invests in John Hancock funds through John Hancock PFS (to the extent such assets are otherwise prohibited from rolling over or transferring into such participant's John Hancock RPS plan account), including subsequent investments into such accounts, and that are held directly at John Hancock funds or at the John Hancock PFS Financial Center
- Individuals rolling over assets held in a John Hancock custodial 403(b)(7) account into a John Hancock custodial IRA account
- Former employees/associates of John Hancock, its affiliates, or agencies rolling over (directly or indirectly within 60 days after distribution) to a new John Hancock custodial IRA or John Hancock custodial Roth IRA from the John Hancock Employee Investment-Incentive Plan (TIP), John Hancock Savings Investment Plan (SIP), or the John Hancock Pension Plan, and such participants and their Immediate Family (as defined in the SAI) subsequently establishing or rolling over assets into a new John Hancock account through the John Hancock PFS Group, including subsequent investments into such accounts, and that are held directly at John Hancock funds or at the John Hancock PFS Financial Center
- A member of a class action lawsuit against insurance companies who is investing settlement proceeds

To utilize a waiver, you must contact your financial representative or Signature Services. Consult the SAI for additional details (see the back cover of this prospectus). Please note, these waivers are distinct from those described in Appendix 1, "Intermediary sales charge waivers."

Other waivers

Front-end sales charges and CDSCs are not imposed in connection with the following transactions:

- Exchanges from one John Hancock fund to the same class of any other John Hancock fund (see "Transaction policies" in this prospectus for additional details)
- Dividend reinvestments (see "Dividends and account policies" in this prospectus for additional details)
- In addition, the availability of certain sales charge waivers and discounts will depend on whether you purchase your shares directly from the fund or through a financial intermediary. Intermediaries may have different policies and procedures regarding the availability of front-end sales charge waivers or CDSC waivers (See Appendix 1 - Intermediary sales charge waivers, which includes information about specific sales charge waivers applicable to the intermediaries identified therein). In all instances, it is the purchaser's responsibility to notify the fund or the purchaser's financial intermediary at the time of purchase of any relationship or other facts qualifying the purchaser for sales charge waivers or discounts. **For waivers and discounts not available through a particular intermediary, shareholders will have to purchase fund shares directly from the fund or through another intermediary to receive these waivers or discounts.**

OPENING AN ACCOUNT

1. Read this prospectus carefully.
2. Determine if you are eligible by referring to "Choosing an eligible share class."
3. Determine how much you want to invest. There is no minimum initial investment to purchase Class R1, Class R2, Class R3, Class R4, or Class R5 shares. The minimum initial investments for Class A, Class C, Class I, and Class R6 shares are described below. There are no subsequent investment requirements for these share classes.

Share Class	Minimum initial investment
Class A and Class C	$1,000 ($250 for group investments). However, there is no minimum initial investment for certain group retirement plans using salary deduction or similar group methods of payment, for fee-based or wrap accounts of selling firms that have executed a fee-based or wrap agreement with the distributor, or for certain other eligible investment product platforms.
Class I	$250,000. However, the minimum initial investment requirement may be waived, at the fund's sole discretion, for investors in certain fee-based, wrap, or other investment platform programs, or in certain brokerage platforms where the intermediary is acting solely as an agent for the investor. The fund also may waive the minimum initial investment for other categories of investors at its discretion, including for: (i) Trustees, (ii) employees of the advisor or its affiliates, and (iii) members of the fund's portfolio management team.
Class R6	$1 million. However, there is no minimum initial investment requirement for: (i) qualified and nonqualified plan investors; (ii) certain eligible qualifying investment product platforms; or (iii) Trustees, employees of the advisor or its affiliates, employees of the subadvisor, members of the fund's portfolio management team and the spouses and children (under age 21) of the aforementioned.

4 All Class A, Class C, Class I, and Class R6 shareholders must complete the account application, carefully following the instructions. If you have any questions, please contact your financial representative or call Signature Services at 800-225-5291 for Class A and Class C shares or 888-972-8696 for Class I and Class R6 shares.

5 Eligible retirement plans generally may open an account and purchase Class R1, Class R2, Class R3, Class R4, or Class R5 shares by contacting any broker-dealer or other financial service firm authorized to sell Class R1, Class R2, Class R3, Class R4, or Class R5 shares of the fund. Additional shares may be purchased through a retirement plan's administrator or recordkeeper.

6 For Class A and Class C shares, complete the appropriate parts of the account privileges application. By applying for privileges now, you can avoid the delay and inconvenience of having to file an additional application if you want to add privileges later.

7 For Class A, Class C, Class I, and Class R6 shares, make your initial investment using the instructions under "Buying shares." You and your financial representative can initiate any purchase, exchange, or sale of shares.

Important information about opening a new account

To help the government fight the funding of terrorism and money laundering activities, the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act) requires all financial institutions to obtain, verify, and record information that identifies each person or entity that opens an account.

For individual investors opening an account. When you open an account, you will be asked for your name, residential address, date of birth, and Social Security number.

For investors other than individuals. When you open an account, you will be asked for the name of the entity, its principal place of business, and taxpayer identification number (TIN), and you may be requested to provide information on persons with authority or control over the account, including, but not limited to, name, residential address, date of birth, and Social Security number. You may also be asked to provide documents, such as articles of incorporation, trust instruments, or partnership agreements, and other information that will help Signature Services identify the entity. Please see the mutual fund account application for more details.

INFORMATION FOR PLAN PARTICIPANTS

Plan participants generally must contact their plan service provider to purchase, redeem, or exchange shares. The administrator of a retirement plan or employee benefits office can provide participants with detailed information on how to participate in the plan, elect a fund as an investment option, elect different investment options, alter the amounts contributed to the plan, or change allocations among investment options. For questions about participant accounts, participants should contact their employee benefits office, the plan administrator, or the organization that provides recordkeeping services for the plan.

Financial service firms may provide some of the shareholder servicing and account maintenance services required by retirement plan accounts and their plan participants, including transfers of registration, dividend payee changes, and generation of confirmation statements, and may arrange for plan administrators to provide other investment or administrative services. Financial service firms may charge retirement plans and plan participants transaction fees and/or other additional amounts for such services. Similarly, retirement plans may charge plan participants for certain expenses. These fees and additional amounts could reduce an investment return in the fund.

BUYING SHARES

Class A, Class B, and Class C shares

Opening an account	Adding to an account
By check	
▪ Make out a check for the investment amount, payable to "John Hancock Signature Services, Inc." ▪ Deliver the check and your completed application to your financial representative or mail them to Signature Services (address below).	▪ Make out a check for the investment amount, payable to "John Hancock Signature Services, Inc." ▪ Fill out the detachable investment slip from an account statement. If no slip is available, include a note specifying the fund name, the share class, your account number, and the name(s) in which the account is registered. ▪ Deliver the check and your investment slip or note to your financial representative, or mail them to Signature Services (address below).
By exchange	
▪ Call your financial representative or Signature Services to request an exchange.	▪ Log on to the website below to process exchanges between funds. ▪ Call EASI-Line for automated service. ▪ Call your financial representative or Signature Services to request an exchange.
By wire	
▪ Deliver your completed application to your financial representative or mail it to Signature Services. ▪ Obtain your account number by calling your financial representative or Signature Services. ▪ Obtain wiring instructions by calling Signature Services. ▪ Instruct your bank to wire the amount of your investment. Specify the fund name, the share class, your account number, and the name(s) in which the account is registered. Your bank may charge a fee to wire funds.	▪ Obtain wiring instructions by calling Signature Services. ▪ Instruct your bank to wire the amount of your investment. Specify the fund name, the share class, your account number, and the name(s) in which the account is registered. Your bank may charge a fee to wire funds.
By Internet	
▪ See "By exchange" and "By wire."	▪ Verify that your bank or credit union is a member of the Automated Clearing House (ACH) system. ▪ Complete the "Bank information" section on your account application. ▪ Log on to the website below to initiate purchases using your authorized bank account.
By phone	
▪ See "By exchange" and "By wire."	▪ Verify that your bank or credit union is a member of the ACH system. ▪ Complete the "To purchase, exchange, or redeem shares via telephone" and "Bank information" sections on your account application. ▪ Call EASI-Line for automated service. ▪ Call your financial representative or call Signature Services between 8:00 A.M. and 7:00 P.M., Monday–Thursday, and on Friday, between 8:00 A.M. and 6:00 P.M., Eastern time. *To add to an account using the Monthly Automatic Accumulation Program, see "Additional investor services."*

Regular mail	Express delivery	Website	EASI-Line (24/7 automated service)	Signature Services, Inc.
John Hancock Signature Services, Inc. P.O. Box 55913 Boston, MA 02205-5913	John Hancock Signature Services, Inc. 2000 Crown Colony Drive Suite 55913 Quincy, MA 02169-0953	jhinvestments.com	800-338-8080	800-225-5291

BUYING SHARES

Class I shares

Opening an account	Adding to an account
By check	
■ Make out a check for the investment amount, payable to "John Hancock Signature Services, Inc." ■ Deliver the check and your completed application to your financial representative or mail them to Signature Services (address below).	■ Make out a check for the investment amount, payable to "John Hancock Signature Services, Inc." ■ If your account statement has a detachable investment slip, please complete it in its entirety. If no slip is available, include a note specifying the fund name, your share class, your account number, and the name(s) in which the account is registered. ■ Deliver the check and your investment slip or note to your financial representative, or mail them to Signature Services (address below).
By exchange	
■ Call your financial representative or Signature Services to request an exchange.	■ Log on to the website below to process exchanges between funds. ■ Call EASI-Line for account balance, fund inquiry, and transaction processing on some account types. ■ You may exchange Class I shares for other Class I shares or John Hancock Money Market Fund Class A shares. ■ Call your financial representative or Signature Services to request an exchange.
By wire	
■ Deliver your completed application to your financial representative or mail it to Signature Services. ■ Obtain your account number by calling your financial representative or Signature Services. ■ Obtain wiring instructions by calling Signature Services. ■ Instruct your bank to wire the amount of your investment. Specify the fund name, the share class, your account number, and the name(s) in which the account is registered. Your bank may charge a fee to wire funds.	■ Obtain wiring instructions by calling Signature Services. ■ Instruct your bank to wire the amount of your investment. Specify the fund name, the share class, your account number, and the name(s) in which the account is registered. Your bank may charge a fee to wire funds.
By phone	
■ See "By exchange" and "By wire."	■ Verify that your bank or credit union is a member of the Automated Clearing House (ACH) system. ■ Complete the "To purchase, exchange, or redeem shares via telephone" and "Bank information" sections on your account application. ■ Call EASI-Line for account balance, fund inquiry, and transaction processing on some account types. ■ Call your financial representative or call Signature Services between 8:30 A.M. and 5:00 P.M., Eastern time, on most business days.

Regular mail	Express delivery	Website	EASI-Line (24/7 automated service)	Signature Services, Inc.
John Hancock Signature Services, Inc. P.O. Box 55913 Boston, MA 02205-5913	John Hancock Signature Services, Inc. 2000 Crown Colony Drive Suite 55913 Quincy, MA 02169-0953	jhinvestments.com	800-597-1897	888-972-8696

BUYING SHARES

Class R6 shares

Opening an account	Adding to an account
By check	
▪ Make out a check for the investment amount, payable to "John Hancock Signature Services, Inc." ▪ Deliver the check and your completed application to your financial representative or mail them to Signature Services (address below).	▪ Make out a check for the investment amount, payable to "John Hancock Signature Services, Inc." ▪ If your account statement has a detachable investment slip, please complete it in its entirety. If no slip is available, include a note specifying the fund name, the share class, your account number, and the name(s) in which the account is registered. ▪ Deliver the check and your investment slip or note to your financial representative, or mail them to Signature Services (address below).
By exchange	
▪ Call your financial representative or Signature Services to request an exchange.	▪ Log on to the website below to process exchanges between funds. ▪ Call EASI-Line for account balance, fund inquiry, and transaction processing on some account types. ▪ You may exchange Class R6 shares for other Class R6 shares or John Hancock Money Market Fund Class A shares. ▪ Call your financial representative or Signature Services to request an exchange.
By wire	
▪ Deliver your completed application to your financial representative or mail it to Signature Services. ▪ Obtain your account number by calling your financial representative or Signature Services. ▪ Obtain wiring instructions by calling Signature Services. ▪ Instruct your bank to wire the amount of your investment. Specify the fund name, the share class, your account number, and the name(s) in which the account is registered. Your bank may charge a fee to wire funds.	▪ Obtain wiring instructions by calling Signature Services. ▪ Instruct your bank to wire the amount of your investment. Specify the fund name, the share class, your account number, and the name(s) in which the account is registered. Your bank may charge a fee to wire funds.
By phone	
▪ See "By exchange" and "By wire."	▪ Verify that your bank or credit union is a member of the Automated Clearing House (ACH) system. ▪ Complete the "To purchase, exchange, or redeem shares via telephone" and "Bank information" sections on your account application. ▪ Call EASI-Line for account balance, fund inquiry, and transaction processing on some account types. ▪ Call your financial representative or call Signature Services between 8:30 A.M. and 5:00 P.M., Eastern time, on most business days.

Regular mail	Express delivery	Website	EASI-Line (24/7 automated service)	Signature Services, Inc.
John Hancock Signature Services, Inc. P.O. Box 55913 Boston, MA 02205-5913	John Hancock Signature Services, Inc. 2000 Crown Colony Drive Suite 55913 Quincy, MA 02169-0953	jhinvestments.com	800-597-1897	888-972-8696

SELLING SHARES

Class A, Class B, and Class C shares

	To sell some or all of your shares
By letter ■ Accounts of any type ■ Sales of any amount	■ Write a letter of instruction or complete a stock power indicating the fund name, the share class, your account number, the name(s) in which the account is registered, and the dollar value or number of shares you wish to sell. ■ Include all signatures and any additional documents that may be required (see the next page). ■ Mail the materials to Signature Services (address below). ■ A check will be mailed to the name(s) and address in which the account is registered, or otherwise according to your letter of instruction.
By Internet ■ Most accounts ■ Sales of up to $100,000	■ Log on to the website below to initiate redemptions from your fund.
By phone ■ Most accounts ■ Sales of up to $100,000	■ Call EASI-Line for automated service. ■ Call your financial representative or call Signature Services between 8:00 A.M. and 7:00 P.M., Monday–Thursday, and on Friday, between 8:00 A.M. and 6:00 P.M., Eastern time.
By wire or electronic funds transfer (EFT) ■ Requests by letter to sell any amount ■ Requests by Internet or phone to sell up to $100,000	■ To verify that the Internet or telephone redemption privilege is in place on an account, or to request the form to add it to an existing account, call Signature Services. ■ A $4 fee will be deducted from your account. Your bank may also charge a fee for this service.
By exchange ■ Accounts of any type ■ Sales of any amount	■ Obtain a current prospectus for the fund into which you are exchanging by accessing the fund's website or by calling your financial representative or Signature Services. ■ Log on to the website below to process exchanges between your funds. ■ Call EASI-Line for automated service. ■ Call your financial representative or Signature Services to request an exchange. *To sell shares through a systematic withdrawal plan, see "Additional investor services."*

Regular mail	Express delivery	Website	EASI-Line (24/7 automated service)	Signature Services, Inc.
John Hancock Signature Services, Inc. P.O. Box 55913 Boston, MA 02205-5913	John Hancock Signature Services, Inc. 2000 Crown Colony Drive Suite 55913 Quincy, MA 02169-0953	jhinvestments.com	800-338-8080	800-225-5291

Class A, Class B, and Class C shares

Selling shares in writing

In certain circumstances, you will need to make your request to sell shares in writing. You may need to include additional items with your request, unless they were previously provided to Signature Services and are still accurate. These items are shown in the table below. You may also need to include a signature guarantee, which protects you against fraudulent orders. You will need a signature guarantee if:

- your address or bank of record has changed within the past 30 days, and you would like the payment to be sent to your new address or bank,
- you are selling more than $100,000 worth of shares (this requirement is waived for certain entities operating under a signed fax trading agreement with John Hancock), or
- you are requesting payment other than by a check mailed to the address/bank of record and payable to the registered owner(s).

You will need to obtain your signature guarantee from a member of the Medallion Signature Guarantee Program. Most broker-dealers, banks, credit unions, and securities exchanges are members of this program. A notary public CANNOT provide a signature guarantee.

Seller	Requirements for written requests
Owners of individual, joint, or UGMA/UTMA accounts (custodial accounts for minors)	▪ Letter of instruction ▪ On the letter, the signatures and titles of all persons authorized to sign for the account, exactly as the account is registered ▪ Medallion signature guarantee, if applicable (see above)
Owners of corporate, sole proprietorship, general partner, or association accounts	▪ Letter of instruction ▪ Corporate business/organization resolution, certified within the past 12 months, or a John Hancock business/organization certification form ▪ On the letter and the resolution, the signature of the person(s) authorized to sign for the account ▪ Medallion signature guarantee, if applicable (see above)
Owners or trustees of trust accounts	▪ Letter of instruction ▪ On the letter, the signature(s) of the trustee(s) ▪ Copy of the trust document, certified within the past 12 months, or a John Hancock trust certification form ▪ Medallion signature guarantee, if applicable (see above)
Joint tenancy shareholders with rights of survivorship with deceased co-tenant(s)	▪ Letter of instruction signed by surviving tenant(s) ▪ Copy of the death certificate ▪ Medallion signature guarantee, if applicable (see above) ▪ Inheritance tax waiver, if applicable
Executors of shareholder estates	▪ Letter of instruction signed by the executor ▪ Copy of the order appointing executor, certified within the past 12 months ▪ Medallion signature guarantee, if applicable (see above) ▪ Inheritance tax waiver, if applicable
Administrators, conservators, guardians, and other sellers, or account types not listed above	▪ Call Signature Services for instructions

Regular mail
John Hancock Signature Services, Inc.
P.O. Box 55913
Boston, MA 02205-5913

Express delivery
John Hancock Signature Services, Inc.
2000 Crown Colony Drive
Suite 55913
Quincy, MA 02169-0953

Website
jhinvestments.com

EASI-Line
(24/7 automated service)
800-338-8080

Signature Services, Inc.
800-225-5291

SELLING SHARES

Class I shares

	To sell some or all of your shares
By letter ■ Sales of any amount	■ Write a letter of instruction or complete a stock power indicating the fund name, the share class, your account number, the name(s) in which the account is registered, and the dollar value or number of shares you wish to sell. ■ Include all signatures and any additional documents that may be required (see the next page). ■ Mail the materials to Signature Services (address below). ■ A check will be mailed to the name(s) and address in which the account is registered, or otherwise according to your letter of instruction. ■ Certain requests will require a Medallion signature guarantee. Please refer to "Selling shares in writing" on the next page.
By phone **Amounts up to $100,000:** ■ Most accounts **Amounts up to $5 million:** ■ Available to the following types of accounts: custodial accounts held by banks, trust companies, or broker-dealers; endowments and foundations; corporate accounts; group retirement plans; and pension accounts (excluding IRAs, 403(b) plans, and all John Hancock custodial retirement accounts)	■ Call EASI-Line for account balance, general fund inquiry, and transaction processing on some account types. ■ Redemption proceeds of up to $100,000 may be sent by wire or by check. A check will be mailed to the exact name(s) and address on the account. ■ To place your request with a representative at John Hancock, call Signature Services between 8:30 A.M. and 5:00 P.M., Eastern time, on most business days, or contact your financial representative. ■ Redemption proceeds exceeding $100,000 will be wired to your designated bank account, unless a Medallion signature guaranteed letter is provided requesting payment by check. Please refer to "Selling shares in writing."
By wire or electronic funds transfer (EFT) ■ Requests by letter to sell any amount ■ Qualified requests by phone to sell to $5 million (accounts with telephone redemption privileges)	■ To verify that the telephone redemption privilege is in place on an account, or to request the form to add it to an existing account, call Signature Services. ■ Amounts up to $100,000 may be sent by EFT or by check. Your bank may charge a fee for this service. ■ Amounts of $5 million or more will be sent by wire.
By exchange ■ Sales of any amount	■ Obtain a current prospectus for the fund into which you are exchanging by accessing the fund's website, or by calling your financial representative or Signature Services. ■ Call EASI-Line for account balance, general fund inquiry, and transaction processing on some account types. ■ You may only exchange Class I shares for other Class I shares or John Hancock Money Market Fund Class A shares. ■ Call your financial representative or Signature Services to request an exchange.

Regular mail	Express delivery	Website	EASI-Line (24/7 automated service)	Signature Services, Inc.
John Hancock Signature Services, Inc. P.O. Box 55913 Boston, MA 02205-5913	John Hancock Signature Services, Inc. 2000 Crown Colony Drive Suite 55913 Quincy, MA 02169-0953	jhinvestments.com	800-597-1897	888-972-8696

Class I shares

Selling shares in writing

In certain circumstances, you will need to make your request to sell shares in writing. You may need to include additional items with your request, unless they were previously provided to Signature Services and are still accurate. These items are shown in the table below. You may also need to include a signature guarantee, which protects you against fraudulent orders. You will need a signature guarantee if:

- your address or bank of record has changed within the past 30 days, and you would like the payment to be sent to your new address or bank;
- you are selling more than $100,000 worth of shares and are requesting payment by check (this requirement is waived for certain entities operating under a signed fax trading agreement with John Hancock);
- you are selling more than $5 million worth of shares from the following types of accounts: custodial accounts held by banks, trust companies, or broker-dealers; endowments and foundations; corporate accounts; group retirement plans; and pension accounts (excluding IRAs, 403(b) plans, and all John Hancock custodial retirement accounts); or
- you are requesting payment other than by a check mailed to the address/bank of record and payable to the registered owner(s).

You will need to obtain your signature guarantee from a member of the Medallion Signature Guarantee Program. Most broker-dealers, banks, credit unions, and securities exchanges are members of this program. A notary public CANNOT provide a signature guarantee.

Seller	Requirements for written requests
Owners of individual, joint, or UGMA/UTMA accounts (custodial accounts for minors)	▪ Letter of instruction ▪ On the letter, the signatures and titles of all persons authorized to sign for the account, exactly as the account is registered ▪ Medallion signature guarantee, if applicable (see above)
Owners of corporate, sole proprietorship, general partner, or association accounts	▪ Letter of instruction ▪ Corporate business/organization resolution, certified within the past 12 months, or a John Hancock business/organization certification form ▪ On the letter and the resolution, the signature of the person(s) authorized to sign for the account ▪ Medallion signature guarantee, if applicable (see above)
Owners or trustees of trust accounts	▪ Letter of instruction ▪ On the letter, the signature(s) of the trustee(s) ▪ Copy of the trust document, certified within the past 12 months, or a John Hancock trust certification form ▪ Medallion signature guarantee, if applicable (see above)
Joint tenancy shareholders with rights of survivorship with deceased co-tenant(s)	▪ Letter of instruction signed by surviving tenant(s) ▪ Copy of the death certificate ▪ Medallion signature guarantee, if applicable (see above) ▪ Inheritance tax waiver, if applicable
Executors of shareholder estates	▪ Letter of instruction signed by the executor ▪ Copy of the order appointing executor, certified within the past 12 months ▪ Medallion signature guarantee, if applicable (see above) ▪ Inheritance tax waiver, if applicable
Administrators, conservators, guardians, and other sellers, or account types not listed above	▪ Call Signature Services for instructions

Regular mail
John Hancock Signature Services, Inc.
P.O. Box 55913
Boston, MA 02205-5913

Express delivery
John Hancock Signature Services, Inc.
2000 Crown Colony Drive
Suite 55913
Quincy, MA 02169-0953

Website
jhinvestments.com

EASI-Line
(24/7 automated service)
800-597-1897

Signature Services, Inc.
888-972-8696

SELLING SHARES

Class R6 shares

	To sell some or all of your shares
By letter ■ Sales of any amount	■ Write a letter of instruction or complete a stock power indicating the fund name, the share class, your account number, the name(s) in which the account is registered, and the dollar value or number of shares you wish to sell. ■ Include all signatures and any additional documents that may be required (see the next page). ■ Mail the materials to Signature Services (address below). ■ A check will be mailed to the name(s) and address in which the account is registered, or otherwise according to your letter of instruction. ■ Certain requests will require a Medallion signature guarantee. Please refer to "Selling shares in writing" on the next page.
By phone **Amounts up to $5 million:** ■ Available to the following types of accounts: custodial accounts held by banks, trust companies, or broker-dealers; endowments and foundations; corporate accounts; and group retirement plans	■ Call EASI-Line for account balance, general fund inquiry, and transaction processing on some account types. ■ Redemption proceeds of up to $100,000 may be sent by wire or by check. A check will be mailed to the exact name(s) and address on the account. ■ To place your request with a representative at John Hancock, call Signature Services between 8:30 A.M. and 5:00 P.M., Eastern time, on most business days, or your financial representative. ■ Redemption proceeds exceeding $100,000 will be wired to your designated bank account, unless a Medallion signature guaranteed letter is provided requesting payment by check. Please refer to "Selling shares in writing."
By wire or electronic funds transfer (EFT) ■ Requests by letter to sell any amount ■ Qualified requests by phone to sell to $5 million (accounts with telephone redemption privileges)	■ To verify that the telephone redemption privilege is in place on an account, or to request the form to add it to an existing account, call Signature Services. ■ Amounts of $5 million or more will be sent by wire. ■ Amounts up to $100,000 may be sent by EFT or by check. Your bank may charge a fee for this service.
By exchange ■ Sales of any amount	■ Obtain a current prospectus for the fund into which you are exchanging by accessing the fund's website, or by calling your financial representative or Signature Services. ■ Call EASI-Line for account balance, general fund inquiry, and transaction processing on some account types. ■ You may only exchange Class R6 shares for other Class R6 shares or John Hancock Money Market Fund Class A shares. ■ Call your financial representative or Signature Services to request an exchange.

Regular mail	Express delivery	Website	EASI-Line (24/7 automated service)	Signature Services, Inc.
John Hancock Signature Services, Inc. P.O. Box 55913 Boston, MA 02205-5913	John Hancock Signature Services, Inc. 2000 Crown Colony Drive Suite 55913 Quincy, MA 02169-0953	jhinvestments.com	800-597-1897	888-972-8696

Class R6 shares

Selling shares in writing

In certain circumstances, you will need to make your request to sell shares in writing. You may need to include additional items with your request, unless they were previously provided to Signature Services and are still accurate. These items are shown in the table below. You may also need to include a signature guarantee, which protects you against fraudulent orders. You will need a signature guarantee if:

- your address or bank of record has changed within the past 30 days, and you would like the payment to be sent to your new address or bank;
- you are selling more than $100,000 worth of shares and are requesting payment by check (this requirement is waived for certain entities operating under a signed fax trading agreement with John Hancock);
- you are selling more than $5 million worth of shares from the following types of accounts: custodial accounts held by banks, trust companies, or broker-dealers; endowments and foundations; corporate accounts; and group retirement plans; or
- you are requesting payment other than by a check mailed to the address/bank of record and payable to the registered owner(s).

You will need to obtain your signature guarantee from a member of the Medallion Signature Guarantee Program. Most broker-dealers, banks, credit unions, and securities exchanges are members of this program. A notary public CANNOT provide a signature guarantee.

Seller	Requirements for written requests
Owners of individual, joint, or UGMA/UTMA accounts (custodial accounts for minors)	▪ Letter of instruction ▪ On the letter, the signatures and titles of all persons authorized to sign for the account, exactly as the account is registered ▪ Medallion signature guarantee, if applicable (see above)
Owners of corporate, sole proprietorship, general partner, or association accounts	▪ Letter of instruction ▪ Corporate business/organization resolution, certified within the past 12 months, or a John Hancock business/organization certification form ▪ On the letter and the resolution, the signature of the person(s) authorized to sign for the account ▪ Medallion signature guarantee, if applicable (see above)
Owners or trustees of trust accounts	▪ Letter of instruction ▪ On the letter, the signature(s) of the trustee(s) ▪ Copy of the trust document, certified within the past 12 months, or a John Hancock trust certification form ▪ Medallion signature guarantee, if applicable (see above)
Joint tenancy shareholders with rights of survivorship with deceased co-tenant(s)	▪ Letter of instruction signed by surviving tenant(s) ▪ Copy of the death certificate ▪ Medallion signature guarantee, if applicable (see above) ▪ Inheritance tax waiver, if applicable
Executors of shareholder estates	▪ Letter of instruction signed by the executor ▪ Copy of the order appointing executor, certified within the past 12 months ▪ Medallion signature guarantee, if applicable (see above) ▪ Inheritance tax waiver, if applicable
Administrators, conservators, guardians, and other sellers, or account types not listed above	▪ Call Signature Services for instructions

Regular mail
John Hancock Signature Services, Inc.
P.O. Box 55913
Boston, MA 02205-5913

Express delivery
John Hancock Signature Services, Inc.
2000 Crown Colony Drive
Suite 55913
Quincy, MA 02169-0953

Website
jhinvestments.com

EASI-Line
(24/7 automated service)
800-597-1897

Signature Services, Inc.
888-972-8696

TRANSACTION POLICIES

Valuation of shares

The net asset value (NAV) for each class of shares of each fund is normally determined once daily as of the close of regular trading on the New York Stock Exchange (NYSE) (typically 4:00 P.M., Eastern time, on each business day that the NYSE is open). In case of emergency or other disruption resulting in the NYSE not opening for trading or the NYSE closing at a time other than the regularly scheduled close, the NAV may be determined as of the regularly scheduled close of the NYSE pursuant to the funds' Valuation Policies and Procedures. The time at which shares and transactions are priced and until which orders are accepted may vary to the extent permitted by the Securities and Exchange Commission and applicable regulations. On holidays or other days when the NYSE is closed, the NAV is not calculated and the funds do not transact purchase or redemption requests. Trading of securities that are primarily listed on foreign exchanges may take place on weekends and U.S. business holidays on which each fund's NAV is not calculated. Consequently, each fund's portfolio securities may trade and the NAV of the fund's shares may be significantly affected on days when a shareholder will not be able to purchase or redeem shares of the fund. The NAV for each fund is calculated based upon the NAVs of the underlying funds and other investments in which it invests. The prospectuses for the underlying funds explain the circumstances under which those underlying funds use fair value pricing and the effects of doing so.

Each class of shares of each fund has its own NAV, which is computed by dividing the total assets, minus liabilities, allocated to each share class by the number of fund shares outstanding for that class. The current NAV of the fund is available on our website at jhinvestments.com.

Valuation of securities

Portfolio securities are valued by various methods that are generally described below. Portfolio securities also may be fair valued by the fund's Pricing Committee in certain instances pursuant to procedures established by the Trustees. Equity securities are generally valued at the last sale price or, for certain markets, the official closing price as of the close of the relevant exchange. Securities not traded on a particular day are valued using last available bid prices. A security that is listed or traded on more than one exchange is typically valued at the price on the exchange where the security was acquired or most likely will be sold. In certain instances, the Pricing Committee may determine to value equity securities using prices obtained from another exchange or market if trading on the exchange or market on which prices are typically obtained did not open for trading as scheduled, or if trading closed earlier than scheduled, and trading occurred as normal on another exchange or market. Debt obligations are typically valued based on evaluated prices provided by an independent pricing vendor. The value of securities denominated in foreign currencies is converted into U.S. dollars at the exchange rate supplied by an independent pricing vendor. Forward foreign currency contracts are valued at the prevailing forward rates which are based on foreign currency exchange spot rates and forward points supplied by an independent pricing vendor. Exchange-traded options are valued at the mid-price of the last quoted bid and ask prices. Futures contracts are typically valued at the last traded price on the exchange on which they trade. Foreign equity index futures that trade in the electronic trading market subsequent to the close of regular trading may be valued at the last traded price in the electronic trading market as of 4:00 P.M. Eastern time, or may be fair valued based on fair value adjustment factors provided by an independent pricing vendor in order to adjust for events that may occur between the close of foreign exchanges or markets and the close of the NYSE. Swaps and unlisted options are generally valued using evaluated prices obtained from an independent pricing vendor. Shares of other open-end investment companies that are not exchange-traded funds (underlying funds) are valued based on the NAVs of such underlying funds.

Pricing vendors may use matrix pricing or valuation models that utilize certain inputs and assumptions to derive values, including transaction data, broker-dealer quotations, credit quality information, general market conditions, news, and other factors and assumptions. Special valuation considerations may apply with respect to a fund's "odd-lot" positions, as the fund may receive different prices when it sells such positions than it would receive for sales of institutional round lot positions. Pricing vendors generally value securities assuming orderly transactions of institutional round lot sizes, but a fund may hold or transact in such securities in smaller, odd lot sizes.

The Pricing Committee engages in oversight activities with respect to the fund's pricing vendors, which includes, among other things, monitoring significant or unusual price fluctuations above predetermined tolerance levels from the prior day, back-testing of pricing vendor prices against actual trades, conducting periodic due diligence meetings and reviews, and periodically reviewing the inputs, assumptions and methodologies used by these vendors. Nevertheless, market quotations, official closing prices, or information furnished by a pricing vendor could be inaccurate, which could lead to a security being valued incorrectly.

If market quotations, official closing prices, or information furnished by a pricing vendor are not readily available or are otherwise deemed unreliable or not representative of the fair value of such security because of market- or issuer-specific events, a security will be valued at its fair value as determined in good faith by the Trustees. The Trustees are assisted in their responsibility to fair value securities by the fund's Pricing Committee, and the actual calculation of a security's fair value may be made by the Pricing Committee acting pursuant to the procedures established by the Trustees. In certain instances, therefore, the Pricing Committee may determine that a reported valuation does not reflect fair value, based on additional information available or other factors, and may accordingly determine in good faith the fair value of the assets, which may differ from the reported valuation.

Fair value pricing of securities is intended to help ensure that a fund's NAV reflects the fair market value of the fund's portfolio securities as of the close of regular trading on the NYSE (as opposed to a value that no longer reflects market value as of such close), thus limiting the opportunity for aggressive traders or market timers to purchase shares of the fund at deflated prices reflecting stale security valuations and promptly sell such shares at a gain, thereby diluting the interests of long-term shareholders. However, a security's valuation may differ depending on the method used for determining value, and no assurance can be given that fair value pricing of securities will successfully eliminate all potential opportunities for such trading gains.

The use of fair value pricing has the effect of valuing a security based upon the price the fund might reasonably expect to receive if it sold that security in an orderly transaction between market participants, but does not guarantee that the security can be sold at the fair value price. Further, because of the inherent uncertainty and subjective nature of fair valuation, a fair valuation price may differ significantly from the value that would have been used had a readily available market price for the investment existed and these differences could be material.

Regarding the fund's investment in an underlying fund that is not an ETF, which (as noted above) is valued at such underlying fund's NAV, the prospectus for such underlying fund explains the circumstances and effects of fair value pricing for that underlying fund.

Buy and sell prices

When you buy shares, you pay the NAV, plus any applicable sales charges, as described earlier. When you sell shares, you receive the NAV, minus any applicable deferred sales charges.

Execution of requests

The fund is open for business when the NYSE is open, typically 9:30 A.M. to 4:00 P.M. Eastern time, Monday through Friday. A purchase or redemption order received in good order by the fund prior to the close of regular trading on the NYSE, on a day the fund is open for business, will be effected at that day's NAV. An order received in good order after the fund close will generally be effected at the NAV determined on the next business day. In case of emergency or other disruption resulting in the NYSE not opening for trading or the NYSE closing at a time other than the regularly scheduled close, the time until which orders are accepted may vary to the extent permitted by the Securities and Exchange Commission and applicable regulations. This may result in the fund closing for business prior to the time at which the fund's NAV is determined. In this case, orders submitted after the fund closing may receive the NAV determined on the next business day.

At times of peak activity, it may be difficult to place requests by telephone, if available for your share class. During these times, consider using EASI-Line, accessing jhinvestments.com, or sending your request in writing.

The fund typically expects to mail or wire redemption proceeds between 1 and 3 business days following the receipt of the shareholder's redemption request. Processing time is not dependent on the chosen delivery method. In unusual circumstances, the fund may temporarily suspend the processing of sell requests or may postpone payment of proceeds for up to three business days or longer, as allowed by federal securities laws.

Under normal market conditions, the fund typically expects to meet redemption requests through holdings of cash or cash equivalents or through sales of portfolio securities, and may access other available liquidity facilities. In unusual or stressed market conditions, such as, for example, during a period of time in which a foreign securities exchange is closed, in addition to the methods used in normal market conditions, the fund may meet redemption requests through the use of its line of credit, interfund lending facility, redemptions in kind, or such other liquidity means or facilities as the fund may have in place from time to time.

Telephone transactions

For your protection, telephone requests may be recorded in order to verify their accuracy. Also for your protection, telephone redemption transactions are not permitted on accounts in which a name, mailing address, or recorded bank has changed within the past 30 days. Proceeds from telephone transactions can only be sent to the address or bank on record.

Exchanges and conversions

You may exchange Class A, Class B, and Class C shares of one John Hancock fund for shares of the same class of any other John Hancock fund that is then offering that class, generally without paying any sales charges, if applicable.

You may exchange Class I and Class R6 shares, respectively, of one John Hancock fund for Class I and Class R6 shares of any other John Hancock fund or for John Hancock Money Market Fund Class A shares.

You may exchange your Class R1, Class R2, Class R3, Class R4, or Class R5 shares for shares of the same class of other John Hancock funds that are available through your plan, or John Hancock Money Market Fund Class A shares.

For all share classes, the registration for both accounts involved in an exchange must be identical.

Note: Once exchanged into John Hancock Money Market Fund Class A shares, shares may only be exchanged back into the original class from which the shares were exchanged. As applicable, shares acquired in an exchange will be subject to the CDSC rate and holding schedule of the fund in which such shares were originally purchased if and when such shares are redeemed. For purposes of determining the holding period for calculating the CDSC, shares will continue to age from their original purchase date.

Provided the fund's eligibility requirements are met, and to the extent the referenced share class is offered by the fund, an investor in the fund pursuant to a fee-based, wrap, or other investment platform program of certain firms, as determined by the fund, may be afforded an opportunity to make a conversion of (i) Class A shares and/or Class C shares (not subject to a CDSC) also owned by the investor in the same fund to Class I shares or Class R6 shares of that fund; or (ii) Class I shares also owned by the investor to Class R6 shares of the same fund. Investors that no longer participate in a fee-based, wrap, or other investment platform program of certain firms may be afforded an opportunity to make a conversion to Class A shares of the same fund. The fund may in its sole discretion permit a conversion of one share class to another share class of the same fund in certain circumstances other than those described above.

In addition, Trustees, employees of the advisor or its affiliates, employees of the subadvisor, members of the fund's portfolio management team and the spouses and children (under age 21) of the aforementioned, may make a conversion of Class A shares also owned by the investor in the same fund to Class R6 shares or, if Class R6 shares are unavailable, Class I shares of that fund.

Conversion of Class A shares and/or Class C shares to Class I shares or Class R6 shares of the same fund in these particular circumstances should not cause the investor to realize taxable gain or loss. For further details, see "Additional information concerning taxes" in the SAI for information regarding taxation upon the redemption or exchange of shares of the fund (see the back cover of this prospectus).

The fund may change or cancel its exchange policies at any time, upon 60 days' written notice to its shareholders. For further details, see "Additional services and programs" in the SAI (see the back cover of this prospectus).

Excessive trading

The fund is intended for long-term investment purposes only and does not knowingly accept shareholders who engage in market timing or other types of excessive short-term trading. Short-term trading into and out of the fund can disrupt portfolio investment strategies and may increase fund expenses for all shareholders, including long-term shareholders who do not generate these costs.

Right to reject or restrict purchase and exchange orders

Purchases and exchanges should be made primarily for investment purposes. The fund reserves the right to restrict, reject, or cancel (with respect to cancellations within one day of the order), for any reason and without any prior notice, any purchase or exchange order, including transactions representing excessive trading and transactions accepted by any shareholder's financial intermediary. For example, the fund may, in its discretion, restrict, reject, or cancel a purchase or exchange order even if the transaction is not subject to a specific limitation on exchange activity, as described below, if the fund or its agent determines that accepting the order could interfere with the efficient management of the fund's portfolio, or otherwise not be in the fund's best interest in light of unusual trading activity related to your account. In the event that the fund rejects or cancels an exchange request, neither the redemption nor the purchase side of the exchange will be processed. If you would like the redemption request to be processed even if the purchase order is rejected, you should submit separate redemption and purchase orders rather than placing an exchange order. The fund reserves the right to delay for up to one business day, consistent with applicable law, the processing of exchange requests in the event that, in the fund's judgment, such delay would be in the fund's best interest, in which case both the redemption and purchase side of the exchange will receive the fund's NAV at the conclusion of the delay period. The fund, through its agents in their sole discretion, may impose these remedial actions at the account holder level or the underlying shareholder level.

Exchange limitation policies

The Board of Trustees has adopted the following policies and procedures by which the fund, subject to the limitations described below, takes steps reasonably designed to curtail excessive trading practices.

Limitation on exchange activity

The fund or its agent may reject or cancel a purchase order, suspend or terminate the exchange privilege, or terminate the ability of an investor to invest in John Hancock funds if the fund or its agent determines that a proposed transaction involves market timing or disruptive trading that it believes is likely to be detrimental to the fund. The fund or its agent cannot ensure that it will be able to identify all cases of market timing or disruptive trading, although it attempts to have adequate procedures in place to do so. The fund or its agent may also reject or cancel any purchase order (including an exchange) from an investor or group of investors for any other reason. Decisions to reject or cancel purchase orders (including exchanges) in the fund are inherently subjective and will be made in a manner believed to be in the best interest of the fund's shareholders. The fund does not have any arrangement to permit market timing or disruptive trading.

Exchanges made on the same day in the same account are aggregated for purposes of counting the number and dollar amount of exchanges made by the account holder. The exchange limits referenced above will not be imposed or may be modified under certain circumstances. For example, these exchange limits may be modified for accounts held by certain retirement plans to conform to plan exchange limits, ERISA considerations, or U.S. Department of Labor regulations. Certain automated or preestablished exchange, asset allocation, and dollar-cost-averaging programs are not subject to these exchange limits. These programs are excluded from the exchange limitation since the fund believes that they are advantageous to shareholders and do not offer an effective means for market timing or excessive trading strategies. These investment tools involve regular and predetermined purchase or redemption requests made well in advance of any knowledge of events affecting the market on the date of the purchase or redemption.

These exchange limits are subject to the fund's ability to monitor exchange activity, as discussed under "Limitation on the ability to detect and curtail excessive trading practices" below. Depending upon the composition of the fund's shareholder accounts, and in light of the limitations on the ability of the fund to detect and curtail excessive trading practices, a significant percentage of the fund's shareholders may not be subject to the exchange limitation policy described above. In applying the exchange limitation policy, the fund considers information available to it at the time and reserves the right to consider trading activity in a single account or multiple accounts under common ownership, control, or influence.

Limitation on the ability to detect and curtail excessive trading practices

Shareholders seeking to engage in excessive trading practices sometimes deploy a variety of strategies to avoid detection and, despite the efforts of the fund to prevent excessive trading, there is no guarantee that the fund or its agent will be able to identify such shareholders or curtail their trading practices. The ability of the fund and its agent to detect and curtail excessive trading practices may also be limited by operational systems and technological limitations. Because the fund will not always be able to detect frequent trading activity, investors should not assume that the fund will be able to detect or prevent all frequent trading or other practices that disadvantage the fund. For example, the ability of the fund to monitor trades that are placed by omnibus or other nominee accounts is severely limited in those instances in which the financial intermediary, including a financial advisor, broker, retirement plan administrator, or fee-based program sponsor, maintains the records of the fund's underlying beneficial owners. Omnibus or other nominee account arrangements are common forms of holding shares of the fund, particularly among certain financial intermediaries, such as financial advisors, brokers, retirement plan administrators, or fee-based program sponsors. These arrangements often permit the financial intermediary to aggregate its clients' transactions and ownership positions and do not identify the particular underlying shareholder(s) to the fund. However, the fund will work with financial intermediaries as necessary to discourage shareholders from engaging in abusive trading practices and to impose restrictions on excessive trades. In this regard, the fund has entered into information-sharing agreements with financial intermediaries pursuant to which these intermediaries are required to provide to the fund, at the fund's request, certain information relating to their customers investing in the fund through omnibus or other nominee accounts. The fund will use this information to attempt to identify excessive trading practices. Financial intermediaries are contractually required to follow any instructions from the fund to restrict or prohibit future purchases from shareholders that are found to have engaged in excessive trading in violation of the fund's policies. The fund cannot guarantee the accuracy of the information provided to it from financial intermediaries and so cannot ensure that it will be able to detect abusive trading practices that occur through omnibus or other nominee accounts. As a consequence, the fund's ability to monitor and discourage excessive trading practices in these types of accounts may be limited.

Excessive trading risk

To the extent that the fund or its agent is unable to curtail excessive trading practices in the fund, these practices may interfere with the efficient management of the fund's portfolio and may result in the fund engaging in certain activities to a greater extent than it otherwise would, such as maintaining higher cash balances, using its line of credit, and engaging in increased portfolio transactions. Increased portfolio transactions and use of the line of credit would correspondingly increase the fund's operating costs and decrease the fund's investment performance. Maintenance of higher levels of cash balances would likewise result in lower fund investment performance during periods of rising markets.

While excessive trading can potentially occur in the fund, certain types of funds are more likely than others to be targets of excessive trading. For example:

- A fund that invests a significant portion of its assets in small- or mid-capitalization stocks or securities in particular industries that may trade infrequently or are fair valued as discussed under "Valuation of securities" entails a greater risk of excessive trading, as investors may seek to trade fund shares in an effort to benefit from their understanding of the value of those types of securities (referred to as price arbitrage).
- A fund that invests a material portion of its assets in securities of foreign issuers may be a potential target for excessive trading if investors seek to engage in price arbitrage based upon general trends in the securities markets that occur subsequent to the close of the primary market for such securities.
- A fund that invests a significant portion of its assets in below-investment-grade (junk) bonds that may trade infrequently or are fair valued as discussed under "Valuation of securities" incurs a greater risk of excessive trading, as investors may seek to trade fund shares in an effort to benefit from their understanding of the value of those types of securities (referred to as price arbitrage).

Any frequent trading strategies may interfere with efficient management of a fund's portfolio and raise costs. A fund that invests in the types of securities discussed above may be exposed to this risk to a greater degree than a fund that invests in highly liquid securities. These risks would be less significant, for example, in a fund that primarily invests in U.S. government securities, money market instruments, investment-grade corporate issuers, or large-capitalization U.S. equity securities. Any successful price arbitrage may cause dilution in the value of the fund shares held by other shareholders.

Account information

The fund is required by law to obtain information for verifying an account holder's identity. For example, an individual will be required to supply his or her name, residential address, date of birth, and Social Security number. If you do not provide the required information, we may not be able to open your account. If verification is unsuccessful, the fund may close your account, redeem your shares at the next NAV, minus any applicable sales charges, and take any other steps that it deems reasonable.

Certificated shares

The fund does not issue share certificates. Shares are electronically recorded.

Sales in advance of purchase payments

When you place a request to sell shares for which the purchase money has not yet been collected, the request will be executed in a timely fashion, but the fund will not release the proceeds to you until your purchase payment clears. This may take up to 10 business days after the purchase.

DIVIDENDS AND ACCOUNT POLICIES

Account statements

For Class A, Class B, and Class C shares, in general, you will receive account statements as follows:

- after every transaction (except a dividend reinvestment, automatic investment, or systematic withdrawal) that affects your account balance
- after any changes of name or address of the registered owner(s)
- in all other circumstances, every quarter

For Class I and Class R6 shares, in general, you will receive account statements as follows:

- after every transaction (except a dividend reinvestment) that affects your account balance
- after any changes of name or address of the registered owner(s)
- in all other circumstances, every quarter

For Class R1, Class R2, Class R3, Class R4, and Class R5 shares, you will receive account statements from your plan's recordkeeper.

Every year you should also receive, if applicable, a Form 1099 tax information statement, mailed by February 15. For Class R1, Class R2, Class R3, Class R4, and Class R5 shares, this information statement will be mailed by your plan's recordkeeper.

Dividends

Multimanager Lifestyle Balanced Portfolio, Multimanager Lifestyle Moderate Portfolio, and Multimanager Lifestyle Conservative Portfolio typically declare and pay dividends quarterly. Multimanager Lifestyle Aggressive Portfolio and Multimanager Lifestyle Growth Portfolio typically declare and pay dividends at least annually. Capital gains, if any, are typically distributed at least annually, typically at the end of each fund's fiscal year.

Dividend reinvestments

Most investors have their dividends reinvested in additional shares of the same class of the same fund. If you choose this option, or if you do not indicate any choice, your dividends will be reinvested. Alternatively, you may choose to have your dividends and capital gains sent directly to your bank account or a check may be mailed if your combined dividend and capital gains amount is $10 or more. However, if the check is not deliverable or the combined dividend and capital gains amount is less than $10, your proceeds will be reinvested. If five or more of your dividend or capital gains checks remain uncashed after 180 days, all subsequent dividends and capital gains will be reinvested. No front-end sales charge or CDSC will be imposed on shares derived from reinvestment of dividends or capital gains distributions.

Taxability of dividends

For investors who are not exempt from federal income taxes, dividends you receive from the fund, whether reinvested or taken as cash, are generally considered taxable. Dividends from the fund's short-term capital gains are taxable as ordinary income. Dividends from the fund's long-term capital gains are taxable at a lower rate. Whether gains are short term or long term depends on the fund's holding period. Some dividends paid in January may be taxable as if they had been paid the previous December.

The Form 1099 that is mailed to you every February, if applicable, details your dividends and their federal tax category, although you should verify your tax liability with your tax professional.

Returns of capital

If the fund's distributions exceed its taxable income and capital gains realized during a taxable year, all or a portion of the distributions made in the same taxable year may be recharacterized as a return of capital to shareholders. A return of capital distribution will generally not be taxable, but will reduce each shareholder's cost basis in the fund and result in a higher reported capital gain or lower reported capital loss when those shares on which the distribution was received are sold.

Taxability of transactions

Any time you sell or exchange shares, it is considered a taxable event for you if you are not exempt from federal income taxes. Depending on the purchase price and the sale price of the shares you sell or exchange, you may have a gain or a loss on the transaction. You are responsible for any tax liabilities generated by your transactions.

Small accounts

If the value of your account of Class A or Class C shares is less than $1,000, you may be asked to purchase more shares within 30 days. If you do not take action, the fund may close out your account and mail you the proceeds. Alternatively, the fund may charge you $20 a year to maintain your account. You will not be charged a CDSC if your account is closed for this reason.

ADDITIONAL INVESTOR SERVICES

Monthly Automatic Accumulation Program (MAAP)

MAAP lets you set up regular investments from paychecks or bank accounts to the John Hancock fund(s) to purchase Class A and Class C shares. Investors determine the frequency and amount of investments ($25 minimum per month), and they can terminate the program at any time. To establish, you must satisfy the minimum initial investment requirements specified in the section "Opening an account" and complete the appropriate parts of the account application.

Systematic withdrawal plan

This plan may be used for routine bill payments or periodic withdrawals from your account of Class A, Class B, and Class C shares**.** To establish:

- Make sure you have at least $5,000 worth of shares in your account.
- Make sure you are not planning to invest more money in this account (buying shares during a period when you are also selling shares of the same fund is not advantageous to you because of sales charges).
- Specify the payee(s). The payee may be yourself or any other party, and there is no limit to the number of payees you may have, as long as they are all on the same payment schedule.
- Determine the schedule: monthly, quarterly, semiannually, annually, or in certain selected months.
- Fill out the relevant part of the account application. To add a systematic withdrawal plan to an existing account, contact your financial representative or Signature Services.

Retirement plans

John Hancock funds offer a range of retirement plans, including Traditional and Roth IRAs, Coverdell ESAs, SIMPLE plans, and SEPs. Using these plans, you can invest in any John Hancock fund (except tax-free income funds). To find out more, call Signature Services at 800-225-5291.

John Hancock does not accept requests to establish new John Hancock custodial 403(b)(7) accounts, does not accept requests for exchanges or transfers into your existing John Hancock custodial 403(b)(7) accounts, and requires additional disclosure documentation if you direct John Hancock to exchange or transfer some or all of your John Hancock custodial 403(b)(7) account assets to another 403(b)(7) contract or account. In addition, the fund no longer accepts salary deferrals into 403(b)(7) accounts. Please refer to the SAI for more information regarding these restrictions.

Disclosure of fund holdings

All of the holdings of each fund will be posted to the website no earlier than 15 days after each calendar month end, and will remain posted on the website for six months. All of the funds' holdings as of the end of the third month of every fiscal quarter will be disclosed on Form N-PORT within 60 days of the end of the fiscal quarter. All of the funds' holdings as of the end of the second and fourth fiscal quarters will be disclosed on Form N-CSR within 70 days of the end of such fiscal quarters. A description of each fund's policies and procedures with respect to the disclosure of its portfolio securities is available in the SAI.

APPENDIX 1 - INTERMEDIARY SALES CHARGE WAIVERS

Intermediary sales charge waivers

Merrill Lynch, Pierce, Fenner & Smith Incorporated (Merrill Lynch)

Shareholders purchasing fund shares through a Merrill Lynch platform or account are eligible only for the following load waivers (front-end sales charge waivers and contingent deferred, or back-end, sales charge waivers) and discounts, which may differ from those disclosed elsewhere in this fund's prospectus or SAI:

Front-end Sales Load Waivers on Class A Shares available at Merrill Lynch

- Employer-sponsored retirement, deferred compensation and employee benefit plans (including health savings accounts) and trusts used to fund those plans, provided that the shares are not held in a commission-based brokerage account and shares are held for the benefit of the plan
- Shares purchased by a 529 Plan (does not include 529 Plan units or 529-specific share classes or equivalents)
- Shares purchased through a Merrill Lynch affiliated investment advisory program
- Shares exchanged due to the holdings moving from a Merrill Lynch affiliated investment advisory program to a Merrill Lynch brokerage (non-advisory) account pursuant to Merrill Lynch's policies relating to sales load discounts and waivers
- Shares purchased by third party investment advisors on behalf of their advisory clients through Merrill Lynch's platform
- Shares of funds purchased through the Merrill Edge Self-Directed platform (if applicable)
- Shares purchased through reinvestment of capital gains distributions and dividend reinvestment when purchasing shares of the same fund (but not any other fund within the fund family)
- Shares exchanged from Class C (i.e. level-load) shares of the same fund pursuant to Merrill Lynch's policies relating to sales load discounts and waivers
- Employees and registered representatives of Merrill Lynch or its affiliates and their family members
- Directors or Trustees of the fund, and employees of the fund's investment adviser or any of its affiliates, as described in the prospectus
- Eligible shares purchased from the proceeds of redemptions within the same fund family, provided (1) the repurchase occurs within 90 days following the redemption, (2) the redemption and purchase occur in the same account, and (3) redeemed shares were subject to a front-end or deferred sales load (known as Rights of Reinstatement). Automated transactions (i.e. systematic purchases and withdrawals) and purchases made after shares are automatically sold to pay Merrill Lynch's account maintenance fees are not eligible for reinstatement

CDSC Waivers on Class A and Class C Shares available at Merrill Lynch

- Death or disability of the shareholder
- Shares sold as part of a systematic withdrawal plan as described in the fund's prospectus
- Return of excess contributions from an IRA Account
- Shares sold as part of a required minimum distribution for IRA and retirement accounts pursuant to the Internal Revenue Code
- Shares sold to pay Merrill Lynch fees but only if the transaction is initiated by Merrill Lynch
- Shares acquired through a Right of Reinstatement
- Shares held in retirement brokerage accounts, that are exchanged for a lower cost share class due to transfer to certain fee based accounts or platforms (applicable to Class A and Class C shares only)
- Shares received through an exchange due to the holdings moving from a Merrill Lynch affiliated investment advisory program to a Merrill Lynch brokerage (non-advisory) account pursuant to Merrill Lynch's policies relating to sales load discounts and waivers

Front-end Load Discounts Available at Merrill Lynch; Breakpoints, Rights of Accumulation & Letters of Intent

- Breakpoints as described in this prospectus
- Rights of Accumulation (ROA) which entitle shareholders to breakpoint discounts as described in the fund's prospectus will be automatically calculated based on the aggregated holding of fund family assets held by accounts (including 529 program holdings, where applicable) within the purchaser's household at Merrill Lynch. Eligible fund family assets not held at Merrill Lynch may be included in the ROA calculation only if the shareholder notifies his or her financial professional about such assets
- Letters of Intent (LOI) which allow for breakpoint discounts based on anticipated purchases within a fund family, through Merrill Lynch, over a 13-month period of time (if applicable)

Ameriprise Financial Services, Inc. (Ameriprise Financial)

Effective June 1, 2018, shareholders purchasing fund shares through an Ameriprise Financial platform or account which is not held directly at the fund are eligible for the following front-end sales charge waivers and discounts, which may differ from those disclosed elsewhere in this fund's prospectus or SAI:

Class A Shares Front-End Sales Charge Waivers Available at Ameriprise Financial

- Employer-sponsored retirement plans (e.g., 401(k) plans, 457 plans, employer-sponsored 403(b) plans, profit sharing and money purchase pension plans and defined benefit plans). For purposes of this provision, employer-sponsored retirement plans do not include SEP IRAs, Simple IRAs or SAR-SEPs
- Shares purchased through an Ameriprise Financial investment advisory program (if an Advisory or similar share class for such investment advisory program is not available)
- Shares purchased by third party investment advisors on behalf of their advisory clients through Ameriprise Financial's platform (if an Advisory or similar share class for such investment advisory program is not available)
- Shares purchased through reinvestment of capital gains distributions and dividend reinvestment when purchasing shares of the same fund (but not any other fund within the same fund family)
- Shares exchanged from Class C shares of the same fund in the month of or following the 10-year anniversary of the purchase date. To the extent that this prospectus elsewhere provides for a waiver with respect to such shares following a shorter holding period, that waiver will apply to exchanges

following such shorter period. To the extent that this prospectus elsewhere provides for a waiver with respect to exchanges of Class C shares for load waived shares, that waiver will also apply to such exchanges

- Employees and registered representatives of Ameriprise Financial or its affiliates and their immediate family members
- Shares purchased by or through qualified accounts (including IRAs, Coverdell Education Savings Accounts, 401(k)s, 403(b) TSCAs subject to ERISA and defined benefit plans) that are held by a covered family member, defined as an Ameriprise financial advisor and/or the advisor's spouse, advisor's lineal ascendant (mother, father, grandmother, grandfather, great grandmother, great grandfather), advisor's lineal descendant (son, step-son, daughter, step-daughter, grandson, granddaughter, great grandson, great granddaughter) or any spouse of a covered family member who is a lineal descendant
- Shares purchased from the proceeds of redemptions within the same fund family, provided (1) the repurchase occurs within 90 days following the redemption, (2) the redemption and purchase occur in the same account, and (3) redeemed shares were subject to a front-end or deferred sales load (i.e. Rights of Reinstatement)

Morgan Stanley Smith Barney (Morgan Stanley)

Effective July 1, 2018, shareholders purchasing fund shares through a Morgan Stanley Wealth Management transactional brokerage account which is not held directly at the fund are eligible only for the following front-end sales charge waivers with respect to Class A shares, which may differ from and may be more limited than those disclosed elsewhere in this fund's Prospectus or SAI:

Front-end Sales Charge Waivers on Class A Shares available at Morgan Stanley Wealth Management

- Employer-sponsored retirement plans (e.g., 401(k) plans, 457 plans, employer-sponsored 403(b) plans, profit sharing and money purchase pension plans and defined benefit plans). For purposes of this provision, employer-sponsored retirement plans do not include SEP IRAs, Simple IRAs, SAR-SEPs or Keogh plans
- Morgan Stanley employee and employee-related accounts according to Morgan Stanley's account linking rules
- Shares purchased through reinvestment of dividends and capital gains distributions when purchasing shares of the same fund
- Shares purchased through a Morgan Stanley self-directed brokerage account
- Class C (i.e., level-load) shares that are no longer subject to a contingent deferred sales charge and are converted to Class A shares of the same fund by Morgan Stanley Wealth Management pursuant to its share class conversion program
- Shares purchased from the proceeds of redemptions within the same fund family, provided (i) the repurchase occurs within 90 days following the redemption, (ii) the redemption and purchase occur in the same account, and (iii) redeemed shares were subject to a front-end or deferred sales charge

Raymond James & Associates, Inc., Raymond James Financial Services, Inc. and each entity's affiliates (Raymond James)

Shareholders purchasing fund shares through a Raymond James platform or account, or through an introducing broker-dealer or independent registered investment adviser for which Raymond James provides trade execution, clearance, and/or custody services, are eligible only for the following load waivers (front-end sales charge waivers and contingent deferred, or back-end, sales charge waivers) and discounts, which may differ from those disclosed elsewhere in this fund's prospectus or SAI.

Front-end sales load waivers on Class A shares available at Raymond James

- Shares purchased in an investment advisory program
- Shares purchased within the same fund family through a systematic reinvestment of capital gains distributions and dividend reinvestment when purchasing shares of the same fund
- Employees and registered representatives of Raymond James or its affiliates and their family members as designated by Raymond James
- Shares purchased from the proceeds of redemptions within the same fund family, provided (1) the repurchase occurs within 90 days following the redemption, (2) the redemption and purchase occur in the same account, and (3) redeemed shares were subject to a front-end or deferred sales load (known as Rights of Reinstatement)
- A shareholder in the fund's Class C shares will have their shares converted at net asset value to Class A shares (or the appropriate share class) of the fund if the shares are no longer subject to a CDSC and the conversion is in line with the policies and procedures of Raymond James

CDSC Waivers on Class A and Class C shares available at Raymond James

- Death or disability of the shareholder
- Shares sold as part of a systematic withdrawal plan as described in the fund's prospectus
- Return of excess contributions from an IRA Account
- Shares sold as part of a required minimum distribution for IRA and retirement accounts due to the shareholder reaching the qualified age based on applicable IRS regulations as described in the fund's prospectus
- Shares sold to pay Raymond James fees but only if the transaction is initiated by Raymond James
- Shares acquired through a right of reinstatement

Front-end load discounts available at Raymond James: breakpoints, and/or rights of accumulation, and/or letters of intent

- Breakpoints as described in this prospectus
- Rights of accumulation which entitle shareholders to breakpoint discounts will be automatically calculated based on the aggregated holding of fund family assets held by accounts within the purchaser's household at Raymond James. Eligible fund family assets not held at Raymond James may be included in the calculation of rights of accumulation only if the shareholder notifies his or her financial professional about such assets
- Letters of intent which allow for breakpoint discounts based on anticipated purchases within a fund family, over a 13-month time period. Eligible fund family assets not held at Raymond James may be included in the calculation of letters of intent only if the shareholder notifies his or her financial professional about such assets

Janney Montgomery Scott LLC (Janney)

Effective May 1, 2020, if you purchase fund shares through a Janney Montgomery Scott LLC ("Janney") brokerage account, you will be eligible for the following load waivers (front-end sales charge waivers and contingent deferred sales charge ("CDSC"), or back-end sales charge, waivers) and discounts, which may differ from those disclosed elsewhere in this fund's Prospectus or SAI.

Front-end sales charge* waivers on Class A shares available at Janney

- Shares purchased through reinvestment of capital gains distributions and dividend reinvestment when purchasing shares of the same fund (but not any other fund within the fund family)
- Shares purchased by employees and registered representatives of Janney or its affiliates and their family members as designated by Janney
- Shares purchased from the proceeds of redemptions within the same fund family, provided (1) the repurchase occurs within ninety (90) days following the redemption, (2) the redemption and purchase occur in the same account, and (3) redeemed shares were subject to a front-end or deferred sales load (i.e., right of reinstatement)
- Employer-sponsored retirement plans (e.g., 401(k) plans, 457 plans, employer-sponsored 403(b) plans, profit sharing and money purchase pension plans and defined benefit plans). For purposes of this provision, employer-sponsored retirement plans do not include SEP IRAs, Simple IRAs, SAR-SEPs or Keogh plans
- Shares acquired through a right of reinstatement
- Class C shares that are no longer subject to a contingent deferred sales charge and are converted to Class A shares of the same fund pursuant to Janney's policies and procedures

CDSC waivers on Class A and Class C shares available at Janney

- Shares sold upon the death or disability of the shareholder
- Shares sold as part of a systematic withdrawal plan as described in the fund's Prospectus
- Shares purchased in connection with a return of excess contributions from an IRA account
- Shares sold as part of a required minimum distribution for IRA and other retirement accounts due to the shareholder reaching age 70½ as described in the fund's Prospectus
- Shares sold to pay Janney fees but only if the transaction is initiated by Janney
- Shares acquired through a right of reinstatement
- Shares exchanged into the same share class of a different fund

Front-end sales charge* discounts available at Janney: breakpoints, rights of accumulation, and/or letters of intent

- Breakpoints as described in the fund's Prospectus
- Rights of accumulation ("ROA"), which entitle shareholders to breakpoint discounts, will be automatically calculated based on the aggregated holding of fund family assets held by accounts within the purchaser's household at Janney. Eligible fund family assets not held at Janney may be included in the ROA calculation only if the shareholder notifies his or her financial professional about such assets
- Letters of intent which allow for breakpoint discounts based on anticipated purchases within a fund family, over a 13-month time period. Eligible fund family assets not held at Janney Montgomery Scott may be included in the calculation of letters of intent only if the shareholder notifies his or her financial professional about such assets

*Also referred to as an "initial sales charge."

Edward D. Jones & Co. (Edward Jones)

Effective on or after May 1, 2020, shareholders purchasing fund shares through an Edward Jones platform or account are eligible only for the following load waivers (front-end sales charge waivers and contingent deferred, or back-end sales charge waivers) and discounts, which may differ from those disclosed elsewhere in this fund's prospectus or SAI. In all instances, it is the shareholder's responsibility to inform Edward Jones at the time of purchase of any relationship, holdings of fund family or other facts qualifying the purchaser for breakpoints or waivers. Edward Jones can ask for documentation of such circumstance.

Front-end Sales Charge Waivers on Class A Shares available at Edward Jones

Sales charges are waived for the following shareholders and in the following situations:

- Associates of Edward Jones and its affiliates and their family members who are in the same pricing group (as determined by Edward Jones under its policies and procedures) as the associate. This waiver will continue for the remainder of the associate's life if the associate retires from Edward Jones in good-standing and remains eligible consistent with Edward Jones' policies
- Shares purchased in an Edward Jones fee-based program
- Shares purchased through reinvestment of capital gains distributions and dividend reinvestment
- Shares purchased from the proceeds of redeemed shares of the same fund family so long as the following conditions are met: 1) the proceeds are from the sale of shares within 60 days of the purchase, and 2) the sale and purchase are made in the same share class and the same account or the purchase is made in an individual retirement account with proceeds from liquidations in a non-retirement account
- Shares exchanged into Class A shares from another share class so long as the exchange is into the same fund and was initiated at the discretion of Edward Jones. Edward Jones is responsible for any remaining CDSC due to the fund company, if applicable. Any future purchases are subject to the applicable sales charge as disclosed in the prospectus
- Exchanges from Class C shares to Class A shares of the same fund, generally, in the 84th month following the anniversary of the purchase date or earlier at the discretion of Edward Jones

CDSC Waivers on Class A and Class C Shares available at Edward Jones

If the shareholder purchases shares that are subject to a CDSC and those shares are redeemed before the CDSC is expired, the shareholder is responsible to pay the CDSC except in the following conditions:

- Shares sold upon the death or disability of the shareholder
- Shares sold as part of a systematic withdrawal plan (limited to up to 10% per year of the account value)
- Return of excess contributions from an Individual Retirement Account (IRA)
- Shares sold as part of a required minimum distribution for IRA and retirement accounts if the redemption is taken in or after the year the shareholder reaches qualified age based on applicable IRS regulations

- Shares sold to pay Edward Jones fees or costs in such cases where the transaction is initiated by Edward Jones
- Shares exchanged at Edward Jones' discretion in an Edward Jones fee-based program. In such circumstances, Edward Jones is responsible for any remaining CDSC due to the fund company, if applicable
- Shares acquired through a right of reinstatement

Front-end Load Discounts Available at Edward Jones; Breakpoints, Rights of Accumulation & Letter of Intent

- Breakpoints as described in this prospectus
- Rights of Accumulation (ROA). The applicable sales charge on a purchase of Class A shares is determined by taking into account all share classes (except any money market funds and retirement plan share classes) of the fund family held by the shareholder or in an account grouped by Edward Jones with other accounts for the purpose of providing certain pricing considerations ("pricing groups"). This includes all share classes held on the Edward Jones platform and/or held on another platform. The inclusion of eligible fund family assets in the rights of accumulation calculation is dependent on the shareholder notifying Edward Jones of such assets at the time of calculation. ROA is determined by calculating the higher of cost or market value (current shares x NAV)
- Letter of Intent (LOI). Through a LOI, shareholders can receive the sales charge and breakpoint discounts for purchases shareholders intend to make over a 13-month period from the date Edward Jones receives the LOI. The LOI is determined by calculating the higher of cost or market value of qualifying holdings at LOI initiation in combination with the value that the shareholder intends to buy over a 13-month period to calculate the front-end sales charge and any breakpoint discounts. Each purchase the shareholder makes during that 13-month period will receive the sales charge and breakpoint discount that applies to the total amount. The inclusion of eligible fund family assets in the LOI calculation is dependent on the shareholder notifying Edward Jones of such assets at the time of calculation. Purchases made before the LOI is received by Edward Jones are not covered under the LOI and will not reduce the sales charge previously paid. Sales charges will be adjusted if LOI is not met

Other Important Information Regarding Shareholder Transactions Through Edward Jones

- 1.1 Minimum Purchase Amounts
  • $250 initial purchase minimum
  • $50 subsequent purchase minimum
- 1.2 Minimum Balances
  • Edward Jones has the right to redeem at its discretion fund holdings with a balance of $250 or less. The following are examples of accounts that are not included in this policy:
    - A fee-based account held on an Edward Jones platform
    - A 529 account held on an Edward Jones platform
    - An account with an active systematic investment plan or letter of intent (LOI)
- 1.3 Changing Share Classes
  • At any time it deems necessary, Edward Jones has the authority to exchange at NAV a shareholder's holdings in a fund to Class A shares

For more information

Two documents are available that offer further information on the funds:

Annual/semiannual reports to shareholders

Additional information about a fund's investments is available in the fund's annual and semiannual reports to shareholders. In a fund's annual report, you will find a discussion of the market conditions and investment strategies that significantly affected the fund's performance during its last fiscal year.

Statement of Additional Information (SAI)

The SAI contains more detailed information on all aspects of a fund and includes a summary of a fund's policy regarding disclosure of its portfolio holdings, as well as legal and regulatory matters. A current SAI has been filed with the SEC and is incorporated by reference into (and is legally a part of) this prospectus.

To obtain a free copy of these documents or request other information

There are several ways you can get a current annual/semiannual report, prospectus, or SAI from John Hancock, request other information, or make inquiries:

Online: jhinvestments.com

By mail:
John Hancock Signature Services, Inc.
P.O. Box 55913
Boston, MA 02205-5913

By EASI-Line: 800-338-8080 for Class A, Class B, and Class C shares; 800-597-1897 for Class I and Class R6 shares

By phone: 800-225-5291 for Class A, Class B, and Class C shares; 888-972-8696 for Class I, Class R1, Class R2, Class R3, Class R4, Class R5, and Class R6 shares

By TTY: 800-231-5469 for Class A, Class B, Class C, Class I, and Class R6 shares

You can also view or obtain copies of these documents through the SEC:

Online: sec.gov

By email (duplicating fee required): publicinfo@sec.gov

SEC file number: 811-21779

John Hancock Investment Management

John Hancock Investment Management Distributors LLC
Member FINRA, SIPC
200 Berkeley Street ▪ Boston, MA 02116
800-225-5291 ▪ jhinvestments.com