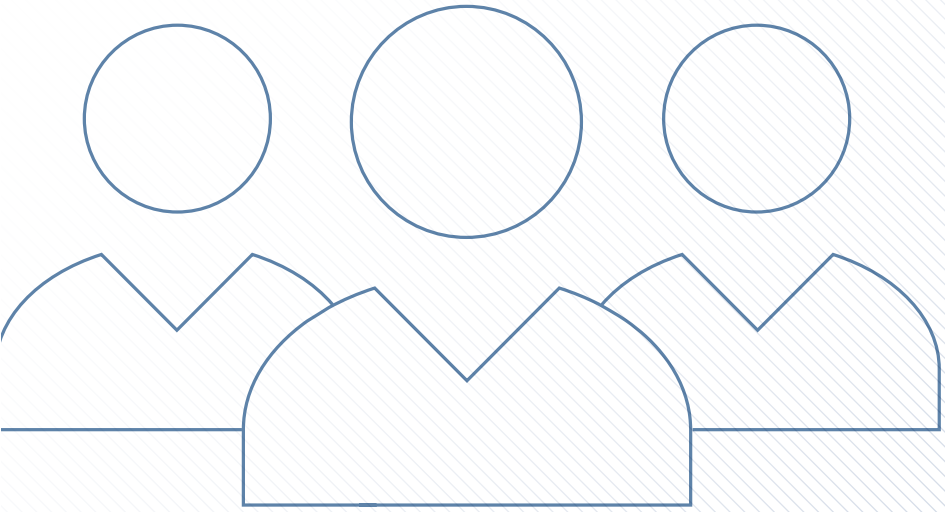
Morningstar® Managed Portfolios℠

Select Equity Portfolios

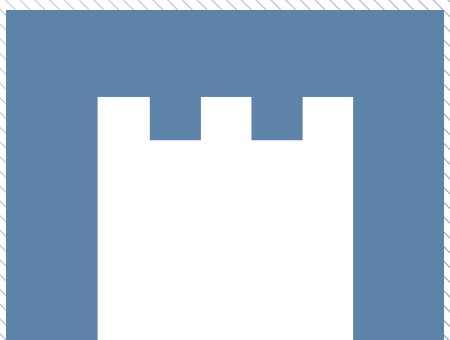
Separately Managed Accounts

Grounded in fundamental research and professionally managed, each portfolio in this series concentrates on quality-centric investing.





MORNINGSTAR®



Managed equity portfolios rooted in a valuation-driven investment approach and built for the long term

Your Select Equity Portfolio combines the professional management experience of Morningstar's Investment Management group with the advantages of a separately managed account. This series of customizable portfolios spans the stock market spectrum and is designed to help meet your unique investing goals.

Independent Research

As part of their valuation-driven approach to investing, our experienced investment managers ask themselves two questions about every stock they consider: "Is this a business we'd like to own?" and "How much would we pay for it?" Their insightful answers to these questions—and the fundamental methodology that guides them through the valuation process—result in powerful analysis.

Active Portfolio Management

At Morningstar Investment Management, our goal is to help your portfolio achieve an optimal balance of risk and reward, while remaining mindful of the tax and cost implications of trading. We actively manage your portfolio to respond to changes in the market, and to help ensure that it remains in line with your objectives.

Investing with Conviction

We believe you can't beat the benchmark if you're hugging it. That's why we give you only our best ideas. We don't pad the portfolio with a bunch of securities to give the illusion of diversification. Instead, we typically pursue compelling investment opportunities in companies we believe to have strong fundamentals and underpriced stocks. Each portfolio is relatively focused, with 20 to 40 holdings (International Equity ADR 20–70 holdings). This way, we can throw the full weight of our conviction behind each stock that we purchase and closely monitor the investment.

Our Security Selection Process



Identify Opportunities
Our portfolio managers continuously screen the universe of stocks which fit their criteria. We also leverage the insights from one of the largest equity research teams in the world, right here at Morningstar.*

Analyze
In-depth research on the company and its industry dynamics. We assess the firm's economic moat, financial health, and sterwardship which culminates in an estimate of a stock's intrinsic value.

Validate Thesis
Our portfolio managers debate and document the investment opportunities and risks as well as the valuation assessment of each security.

Peer Review
Vet the security with the team to help ensure the investment idea aligns with the portfolio's objectives and parameters. We select only the highest-conviction stock ideas for our concentrated portfolios.

*Investment research is produced and issued by subsidiaries of Morningstar, Inc. including, but not limited to, Morningstar Research Services LLC, registered with and governed by the U.S. Securities and Exchange Commission.

Select Equity Portfolios

Our Select Equity Portfolios are designed to put your needs front and center—where they belong.

To select a portfolio, talk to your financial advisor, who can help you build a wealth strategy focused on your long-term goals.

Portfolio	Goal
All-Cap Equity	Seeks long-term capital appreciation by investing in select securities of what we believe are undervalued and typically fundamentally strong companies with durable competitive advantages and growth potential, regardless of size, style (value/growth), or geographic locale.
Tortoise	Seeks long-term capital appreciation by investing in select securities of undervalued companies with durable competitive advantages and strong balance sheets.
Hare	Seeks long-term capital appreciation by investing in select securities, focusing on companies with strong and growing competitive advantages. Hare uses a "growth at a reasonable price" approach, seeking companies with above-average earnings growth whose shares are trading at reasonable prices.
Dividend	Seeks a large, reliable, and growing dividend income stream and long-term capital appreciation by investing in select securities of dividend-paying companies and other businesses. Dividend typically seeks to invest in common stocks of large, high-yielding, U.S. companies that tend to have attractive to modest long-term growth potential.
Small/Mid-Cap Equity	Seeks long-term capital appreciation by investing in select securities of what we believe are undervalued, typically fundamentally strong, small- and mid-cap companies with durable competitive advantages and growth potential.
International Equity ADR	Seeks long-term capital appreciation by investing in select securities of what we believe are undervalued, fundamentally strong, non-U.S. companies with durable competitive advantages and growth potential. International Equity ADR typically invests in non-U.S. stocks trading as American Depository Receipts (ADRs), which are shares of a foreign company that trade on U.S. exchanges in U.S. dollars. The strategy may invest in companies of all sizes, styles (value/growth), or geographic locales.

Customization Feature

Each Select Equity Portfolio is managed at the individual account level and can be customized with your objectives and risk tolerance in mind—as well as incorporate your existing individual stock holdings.

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About Morningstar's Investment Management group

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

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

Important Information

It is important to note that investments in securities (e.g., mutual funds, exchange-traded funds, common stocks) involve risk and will not always be profitable. ETFs, like all investments, carry certain risks that may adversely affect their net asset value, market price, and/or performance.

An ETF's net asset value (NAV) will fluctuate in response to market activity. Because ETFs are traded throughout the day and the price is determined by market forces, the market price you pay for an ETF may be more or less than the net asset value. Because ETFs are not actively managed, their value may be affected by a general decline in the U.S. market segments relating to their underlying indexes. Similarly, an imperfect match between an ETF's holdings and those of its underlying index may cause its performance to not match the performance of its underlying index. Like other concentrated investments, an ETF with concentrated holdings may be more vulnerable to specific economic, political, or regulatory events than an ETF that mirrors the general U.S. market.

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

Morningstar® Managed Portfolios℠ are offered by the entities within Morningstar's Investment Management group, which includes subsidiaries of Morningstar, Inc. that are authorized in the appropriate jurisdiction to provide consulting or advisory services in North America, Europe, Asia, Australia, and Africa. In the United States, Morningstar Managed Portfolios are offered by Morningstar Investment Services LLC or Morningstar Investment Management LLC, both registered investment advisers, as part of a discretionary investment advisory service or as model portfolios to third-party advisory programs on a discretionary or non-discretionary basis.

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

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