

State of Montana

High Yield Search Mid Cap Growth Search

July 2015

Presented by:
Donald R. Eibsen, CFA
Jonathan P. Slinger, CFA
Buck Consultants
1200 17th Street, Suite 1200
Denver, CO 80202
(720) 359-7700

457 Range of Investment Options

**Lower Expected Risk/
Lower Expected Return**

**Higher Expected Risk/
Higher Expected Return**

Stable Value	Fixed Income/ Bond	Target Date/ Balanced	Domestic Equity			Global/ Int'l Equity	Other
1. State of Montana Stable Value	1. Prudential Total Return Bond Q 2. Neuberger Berman High Income Bond Inv	1. Vanguard Balanced Idx I 2. T. Rowe Price Retirement Series (12)	Large Value	Large Blend	Large Growth	1. American Funds New Perspective R4 2. Franklin Mutual Global Discovery Z 3. Dodge & Cox Intl Stock 4. Artisan Intl Inv 5. Oppenheimer Developing Mkts Y	
			1. Vanguard Equity Income Adm	1. Vanguard Instl Idx I 2. Parnassus Core Equity Instl*	1. Fidelity Contrafund		
			Mid Value	Mid Blend	Mid Growth		
			1. MFS Mid Cap Value R5		1. Victory Munder Mid Cap Core Growth A		
			Small Value	Small Blend	Small Growth		
			1. Neuberger Berman Genesis Tr	1. Vanguard Small Cap Idx Adm	1. Vanguard Small Cap Growth Idx Inv		

*SRI investment option

401(a) Range of Investment Options

Lower Expected Risk/
Lower Expected Return
Higher Expected Risk/
Higher Expected Return

Stable Value	Fixed Income/ Bond	Target Date/ Balanced	Domestic Equity			Global/ Int'l Equity	Other
1. State of Montana Stable Value	1. Prudential Total Return Bond Q	1. Vanguard Balanced Idx I 2. T. Rowe Price Retirement Series (12)	Large Value	Large Blend	Large Growth	1. American Funds New Perspective A 2. Oakmark Intl I	
			1. Vanguard Equity Income Adm	1. JPMorgan US Equity R5 2. BlackRock Equity Idx - Collective F	1. Alger Capital Appreciation Z	3. Vanguard Total Intl Stock Idx Inv 4. Oppenheimer Developing Mkts Y	
			Mid Value	Mid Blend	Mid Growth		
			1. MFS Mid Cap Value R5		1. Victory Munder Mid Cap Core Growth A		
			Small Value	Small Blend	Small Growth		
			1. Prudential Small Cap Value Z	1. Vanguard Small Cap Idx Adm	1. Vanguard Small Cap Growth Idx Inv		

457 Asset Allocation

As of June 30, 2015

# of Options	Options	Plan Assets	% of Plan	# of Participants
1	State of Montana Stable Value	\$229,551,115	52.7%	5,953
	Total Stable Value Fund	\$229,551,115	53%	
2	Prudential Total Return Bond Q	\$6,280,066	1.4%	1,680
	Neuberger Berman High Income Bond Inv	\$3,152,040	<1%	568
	Total Bond Funds	\$9,432,106	2%	
13	Vanguard Balanced Index I	\$17,625,214	4.0%	1,707
	T. Rowe Price Retirement Balanced	\$541,261	<1%	55
	T. Rowe Price Retirement 2005	\$286,387	<1%	42
	T. Rowe Price Retirement 2010	\$1,136,015	<1%	81
	T. Rowe Price Retirement 2015	\$2,300,323	<1%	169
	T. Rowe Price Retirement 2020	\$6,881,242	1.6%	349
	T. Rowe Price Retirement 2025	\$3,883,661	<1%	362
	T. Rowe Price Retirement 2030	\$2,735,830	<1%	348
	T. Rowe Price Retirement 2035	\$2,337,889	<1%	379
	T. Rowe Price Retirement 2040	\$1,597,509	<1%	315
	T. Rowe Price Retirement 2045	\$757,208	<1%	243
	T. Rowe Price Retirement 2050	\$367,285	<1%	105
	T. Rowe Price Retirement 2055	\$359,981	<1%	76
		Total Target Date/Balanced Funds	\$40,809,803	9%
9	Vanguard Equity-Income Adm	\$14,498,411	3.3%	1,238
	Parnassus Core Equity Instl	\$2,099,174	<1%	306
	Vanguard Institutional Index I	\$26,883,870	6.2%	2,322
	Fidelity Contrafund	\$31,297,732	7.2%	1,971
	MFS Mid Cap Value R5	\$6,138,048	1.4%	745
	Victory Munder Mid-Cap Core Growth A	\$10,849,922	2.5%	1,853
	Neuberger Berman Genesis Tr	\$12,886,347	3.0%	1,940
	Vanguard Small Cap Index Adm	\$5,705,968	1.3%	579
	Vanguard Small Cap Growth Index Inv	\$8,956,625	2.1%	1,160
	Total U.S. Equity Funds	\$119,316,096	27%	
5	American Funds New Perspective R4	\$11,766,321	2.7%	1,225
	Franklin Mutual Global Discovery Z	\$9,969,041	2.3%	904
	Dodge & Cox International Stock	\$11,191,040	2.6%	1,690
	Artisan International Inv	\$3,193,909	<1%	557
	Oppenheimer Developing Markets Y	\$536,920	<1%	171
		Total International Equity Funds	\$36,657,231	8%
	TOTAL	\$435,766,350		

401(a) Asset Allocation

As of June 30, 2015

# of Options	Options	Plan Assets	% of Plan	# of Participants
1	State of Montana Stable Value	\$10,628,902	7.5%	376
	Total Stable Value Fund	\$10,628,902	7%	
1	Prudential Total Return Bond Q	\$2,418,032	1.7%	366
	Total Bond Funds	\$2,418,032	2%	
13	Vanguard Balanced Index I	\$60,538,742	42.5%	1,650
	T. Rowe Price Retirement Balanced	\$47,401	<1%	14
	T. Rowe Price Retirement 2005	\$360,389	<1%	60
	T. Rowe Price Retirement 2010	\$111,879	<1%	15
	T. Rowe Price Retirement 2015	\$452,517	<1%	47
	T. Rowe Price Retirement 2020	\$865,772	<1%	90
	T. Rowe Price Retirement 2025	\$1,740,894	1.2%	121
	T. Rowe Price Retirement 2030	\$1,747,003	1.2%	103
	T. Rowe Price Retirement 2035	\$2,551,093	1.8%	154
	T. Rowe Price Retirement 2040	\$1,586,241	1.1%	145
	T. Rowe Price Retirement 2045	\$2,191,553	1.5%	190
	T. Rowe Price Retirement 2050	\$1,825,856	1.3%	178
	T. Rowe Price Retirement 2055	\$929,401	<1%	113
	Total Target Date/Balanced Funds	\$74,948,741	53%	
9	Vanguard Equity-Income Adm	\$6,559,509	4.6%	429
	BlackRock Equity Idx - Collective F	\$2,199,090	1.5%	204
	JPMorgan US Equity R5	\$3,030,788	2.1%	257
	Alger Capital Appreciation Z	\$9,305,730	6.5%	500
	MFS Mid Cap Value R5	\$5,475,240	3.8%	463
	Victory Munder Mid-Cap Core Growth A	\$4,090,890	2.9%	377
	Prudential Small Cap Value Z	\$3,388,372	2.4%	325
	Vanguard Small Cap Index Adm	\$4,180,394	2.9%	372
	Vanguard Small Cap Growth Index Inv	\$4,431,162	3.1%	401
	Total U.S. Equity Funds	\$42,661,176	30%	
4	American Funds New Perspective A	\$5,732,203	4.0%	457
	Oakmark International I	\$4,248,669	3.0%	410
	Vanguard Total Intl Stock Index Inv	\$1,248,645	<1%	206
	Oppenheimer Developing Markets Y	\$431,961	<1%	95
	Total International Equity Funds	\$11,661,478	8%	
	TOTAL	\$142,318,328		

Net-of-Fee Total Returns

As of June 30, 2015

Fund/Benchmark	YTD	(periods longer than 1 year are annualized)					Expense	
	7/10/15	3 Mo	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Ratio
Neuberger Berman High Income Bond Inv	1.85	-0.44	1.91	-1.42	5.97	7.68	7.37	0.83
Neuberger Berman High Income Bond Instl	1.82	-0.29	1.98	-1.16	6.17	7.86	7.50	0.69
BlackRock High Yield Bond Instl	2.23	0.30	2.30	0.03	7.91	9.16	8.01	0.59
Eaton Vance Income Fund of Boston I	3.17	0.71	3.14	1.54	6.90	8.43	7.35	0.75
Federated Instl High Yield Bond Instl	2.99	-0.04	2.80	0.83	6.69	8.76	8.03	0.50
Loomis Sayles High Income Y	2.75	0.70	2.75	-0.14	7.73	8.30	7.32	0.85
Nomura High Yield I*	2.36	-0.12	2.58	-1.55	9.72	10.89	9.20	0.65
BofAML US HY Master II Constnd	2.38	-0.05	2.49	-0.54	6.81	8.38	7.78	-
Avg High Yield Bond	2.33	0.15	2.40	-1.12	6.02	7.61	6.53	1.10

*3, 5, and 10 year performance shown is for the Nomura High Yield Total Return Instl Composite. Gross of fee composite returns have been reduced by 0.65% to provide an estimate of net of fee returns.

Green indicates fund outperformed both benchmarks

Blue indicates fund performed between benchmarks

Red indicates fund underperformed both benchmarks

Risk Analytics

As of June 30, 2015

Fund/Benchmark	Upside/Downside Capture Ratio						Standard Deviation		
	Up - 3 Yr - Down		Up - 5 Yr - Down		Up - 10 Yr - Down		3 Yr	5 Yr	10 Yr
Neuberger Berman High Income Bond Inv	100	120	103	122	94	94	4.88	6.66	9.23
Neuberger Berman High Income Bond Instl	100	116	104	120	95	93	4.79	6.61	9.22
BlackRock High Yield Bond Instl	107	93	104	95	98	93	4.47	5.97	9.53
Eaton Vance Income Fund of Boston I	94	82	93	82	92	90	3.88	5.33	9.88
Federated Instl High Yield Bond Instl	98	96	98	88	94	85	4.27	5.69	9.23
Loomis Sayles High Income Y	119	128	113	135	102	108	5.64	7.64	10.45
Nomura High Yield I	-	-	-	-	-	-	-	-	-
BofAML US HY Master II Constnd	100	100	100	100	100	100	4.33	5.96	10.30
Avg High Yield Bond	91	96	93	99	88	96	4.35	6.09	9.43

Reported modern portfolio theory (MPT) statistics are calculated with respect to the BofAML US HY Master II Constnd Index

Annual Net-of-Fee Total Returns

Fund/Benchmark	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Neuberger Berman High Income Bond Inv	1.25	7.42	14.48	2.99	14.63	51.58	-19.09	1.61	8.00	1.62
Neuberger Berman High Income Bond Instl	1.51	7.57	14.64	3.12	14.71	52.16	-19.09	1.61	8.00	1.62
BlackRock High Yield Bond Instl	3.37	9.29	17.12	3.22	18.36	52.77	-27.80	2.80	11.67	3.91
Eaton Vance Income Fund of Boston I	2.96	7.37	13.86	4.85	15.12	57.51	-30.11	2.49	11.55	3.83
Federated Instl High Yield Bond Instl	3.08	7.31	15.16	5.68	14.78	49.50	-23.62	3.79	11.28	3.60
Loomis Sayles High Income Y	4.55	5.42	21.70	-2.53	13.99	50.44	-26.47	1.98	13.86	5.04
Nomura High Yield I*	1.48	11.16	20.71	4.73	19.19	63.75	-30.15	0.99	12.45	2.82
BofAML US HY Master II Constnd	2.51	7.41	15.55	4.37	15.07	58.10	-26.11	2.57	10.71	2.78
Avg High Yield Bond	1.11	6.90	14.67	2.83	14.24	46.70	-26.41	1.47	10.14	2.59

*Performance prior to 2013 is for the Nomura High Yield Total Return Instl Composite. Gross of fee composite returns have been reduced by 0.65% to provide an estimate of net of fee returns.

Green indicates fund outperformed both benchmarks

Blue indicates fund performed between benchmarks

Red indicates fund underperformed both benchmarks

Peer Group Rankings

As of June 30, 2015

(Percentile performance rankings within Morningstar Category)

Fund Name	Morningstar Category	3 Mo	YTD	1 Yr	3 Yr	5 Yr	10 Yr
Neuberger Berman High Income Bond Inv	High Yield Bond	85	77	66	53	50	16
Neuberger Berman High Income Bond Instl	High Yield Bond	79	74	59	44	42	12
BlackRock High Yield Bond Instl	High Yield Bond	41	55	30	8	8	5
Eaton Vance Income Fund of Boston I	High Yield Bond	18	20	9	19	19	18
Federated Instl High Yield Bond Instl	High Yield Bond	63	30	17	24	13	5
Loomis Sayles High Income Y	High Yield Bond	18	33	34	10	22	19
Nomura High Yield I	High Yield Bond	69	42	68			

Credit Quality

Fund/Benchmark	# of Holdings	YTM	Average Duration	Average Maturity
Neuberger Berman High Income Bond Inv	392	6.34	3.84	6.70
BlackRock High Yield Bond Instl	1,248	5.96	4.00	8.17
Eaton Vance Income Fund of Boston I	467	6.24	3.81	4.35
Federated Instl High Yield Bond Instl	550	6.34	3.70	4.60
Loomis Sayles High Income Y	380	5.99	4.41	6.11
Nomura High Yield I	565	7.69	-	6.24
Avg High Yield Bond	596	6.33	3.65	5.59

Fund/Benchmark	AAA	AA	A	BBB	BB	B	Below B	Not Rated/ Cash/
Neuberger Berman High Income Bond Inv	2	-	-	7	46	34	11	-
BlackRock High Yield Bond Instl	-1	-	1	4	28	42	14	12
Eaton Vance Income Fund of Boston I	-	-	-	3	33	43	19	2
Federated Instl High Yield Bond Instl	1	-	-	2	21	45	32	0
Loomis Sayles High Income Y	10	-	4	12	38	22	7	7
Nomura High Yield I	-	-	0	4	35	41	18	2
Avg High Yield Bond	2	0	1	4	34	42	14	3

Sector Breakdown

	High Yield	Investment Grade	Preferred/Equity	Convertibles	ABS/RMBS	CMBS	CLO	High Yield CDS	Securitized Products	Derivatives
Neuberger Berman High Income Bond Inv										
BlackRock High Yield Bond Instl	79.5%	2.6%	6.4%	0.5%			3.0%	2.1%	0.6%	2.8%
Eaton Vance Income Fund of Boston I	86.4%	2.5%								
Federated Instl High Yield Bond Instl										
Loomis Sayles High Income Y	54.8%	3.0%	3.1%	11.2%	3.7%	1.6%				
Nomura High Yield I										

	Term Loans	Floating Rate Loans	Bank Loans	US Treasuries	Municipals	EM Debt	Non-US Dollar	Canadian Dollar	Cash	Other
Neuberger Berman High Income Bond Inv										
BlackRock High Yield Bond Instl	8.6%			-1.8%					-4.4%	
Eaton Vance Income Fund of Boston I		5.7%							3.4%	1.9%
Federated Instl High Yield Bond Instl										
Loomis Sayles High Income Y			1.6%	0.2%		0.2%	8.9%		11.7%	
Nomura High Yield I										

Source: Fact sheets/Fund website

General Fund Information

Fund Name	Manager	Tenure (Avg/Long)	Total Assets (\$MM)	Morningstar Rating	Morningstar Analyst Rating	Ticker
Neuberger Berman High Income Bond Inv	Ann H. Benjamin (4)*	6/10	3,594,459	★★★★	Silver	NHINX
Neuberger Berman High Income Bond Instl	Ann H. Benjamin (4)*	6/10	3,594,459	★★★	Silver	NHILX
BlackRock High Yield Bond Instl	James Keenan (4)*	5/8	18,524,340	★★★★★	Bronze	BHYIX
Eaton Vance Income Fund of Boston I	Michael W. Weilheimer (2)*	10/20	5,268,001	★★★★	Silver	EIBIX
Federated Instl High Yield Bond Instl	Mark E. Durbiano	13/13	4,071,573	★★★★★		FIHBX
Loomis Sayles High Income Y	Matthew J. Eagan (2)*	11/13	180,427	★★★★		NEHYX
Nomura High Yield I	Stephen S. Kotsen (2)*	3/3	35,299			NPHIX

* Longest tenured manager listed with total number of fund managers listed in parentheses.

Fund Name	Closed	Minimum	Annual Report Expense Ratio	Prospectus Expense Ratio	Revenue Sharing	Available on Platform	Primary Prospectus Benchmark
Neuberger Berman High Income Bond Inv	Yes	2,000	0.83	0.83	0.00	Yes	BofAML US HY Master II Constnd
Neuberger Berman High Income Bond Instl	No	1,000,000	0.69	0.69	0.10	Yes	BofAML US HY Master II Constnd
BlackRock High Yield Bond Instl	No	2,000,000	0.59	0.59	0.15	Yes	Barclays US HY 2% Issuer Cap
Eaton Vance Income Fund of Boston I	No	-	0.75	0.75	0.15	Yes	BofAML US HY Master II
Federated Instl High Yield Bond Instl	No	1,000,000	0.49	0.50	0.05	Yes	Barclays US HY 2% Issuer Cap
Loomis Sayles High Income Y	No	100,000	0.89	0.85	0.20	Yes	Barclays US Corporate High Yield
Nomura High Yield I	No	250,000	0.85	0.65	-	No*	BofAML US HY Master II Constnd

*Nomura is working with Empower to add the fund to their platform

Net-of-Fee Performance

As of June 30, 2015

Fund/Benchmark	YTD	(periods longer than 1 year are annualized)					Expense	
	7/10/15	3 Mo	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Ratio
Victory Munder Mid-Cap Core Growth A	4.86	-0.80	5.15	10.03	17.96	17.47	8.91	1.37
Victory Munder Mid-Cap Core Growth R6	5.12	-0.68	5.37	10.51	18.49	17.89	9.25	0.95
Akre Focus Instl*	6.14	2.01	4.56	10.39	19.33	20.06	10.68	1.11
Buffalo Discovery	8.85	1.72	9.35	12.25	20.25	19.86	12.09	1.01
Vanguard Mid Cap Growth Inv	7.02	-0.35	6.52	13.15	18.40	19.10	10.59	0.46
Russell Mid Cap Growth	4.69	-1.14	4.18	9.45	19.24	18.69	9.69	-
Avg Mid-Cap Growth	6.04	0.44	5.88	8.92	17.53	16.81	8.89	1.32

*Note: Hennessy Focus Investor from 12/31/1996 - 6/10/2008,
 Hennessy Focus Institutional from 6/11/2008 - 8/21/2009,
 Vanguard Mid-Cap Growth Index Adm from 8/22/2009 - 8/30/2009,
 Akre Focus Instl from 8/31/2009 to present.

Green indicates fund outperformed both benchmarks

Blue indicates fund performed between benchmarks

Red indicates fund underperformed both benchmarks

Risk Analytics

As of June 30, 2015

Fund/Benchmark	Upside/Downside Capture Ratio						Standard Deviation		
	Up - 3 Yr - Down		Up - 5 Yr - Down		Up - 10 Yr - Down		3 Yr	5 Yr	10 Yr
Victory Munder Mid-Cap Core Growth A	95	97	94	95	94	95	9.70	13.89	16.95
Victory Munder Mid-Cap Core Growth R6	96	95	95	93	94	94	9.70	13.91	16.95
Akre Focus Instl*	94	78	81	45	80	67	9.92	10.65	15.56
Buffalo Discovery	100	87	102	97	102	91	11.41	15.62	17.99
Vanguard Mid Cap Growth Inv	102	116	100	96	98	93	10.34	13.94	16.74
Russell Mid Cap Growth	100	100	100	100	100	100	9.92	14.46	17.90
Avg Mid-Cap Growth	96	109	97	108	96	101	10.68	14.94	17.83

Reported modern portfolio theory (MPT) statistics are calculated with respect to the Russell Mid Cap Growth Index

*Note: Hennessy Focus Investor from 12/31/1996 - 6/10/2008,

Hennessy Focus Institutional from 6/11/2008 - 8/21/2009,

Vanguard Mid-Cap Growth Index Adm from 8/22/2009 - 8/30/2009,

Akre Focus Instl from 8/31/2009 to present.

Calendar Year Performance

Fund/Benchmark	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Victory Munder Mid-Cap Core Growth A	9.90	33.38	15.72	-1.04	25.18	32.45	-43.57	20.64	11.58	12.79
Victory Munder Mid-Cap Core Growth R6	10.40	33.93	16.15	-0.77	25.48	32.80	-43.45	20.97	11.82	13.11
Akre Focus Instl*	10.86	39.19	16.45	11.39	19.45	27.77	-33.81	2.30	28.49	2.31
Buffalo Discovery	10.68	36.61	19.73	-0.69	22.96	51.62	-36.87	8.15	11.96	6.91
Vanguard Mid Cap Growth Inv	10.86	34.15	14.84	1.17	23.83	38.42	-39.59	14.69	12.72	9.13
Russell Mid Cap Growth	11.90	35.74	15.81	-1.65	26.38	46.29	-44.32	11.43	10.66	12.10
Avg Mid-Cap Growth	7.00	34.93	14.07	-3.96	24.61	39.11	-43.77	15.09	9.00	9.84

*Note: Hennessy Focus Investor from 12/31/1996 - 6/10/2008,
 Hennessy Focus Institutional from 6/11/2008 - 8/21/2009,
 Vanguard Mid-Cap Growth Index Adm from 8/22/2009 - 8/30/2009,
 Akre Focus Instl from 8/31/2009 to present.

Green indicates fund outperformed both benchmarks
 Blue indicates fund performed between benchmarks
 Red indicates fund underperformed both benchmarks

Peer Group Rankings

As of June 30, 2015

(Percentile performance rankings within Morningstar Category)

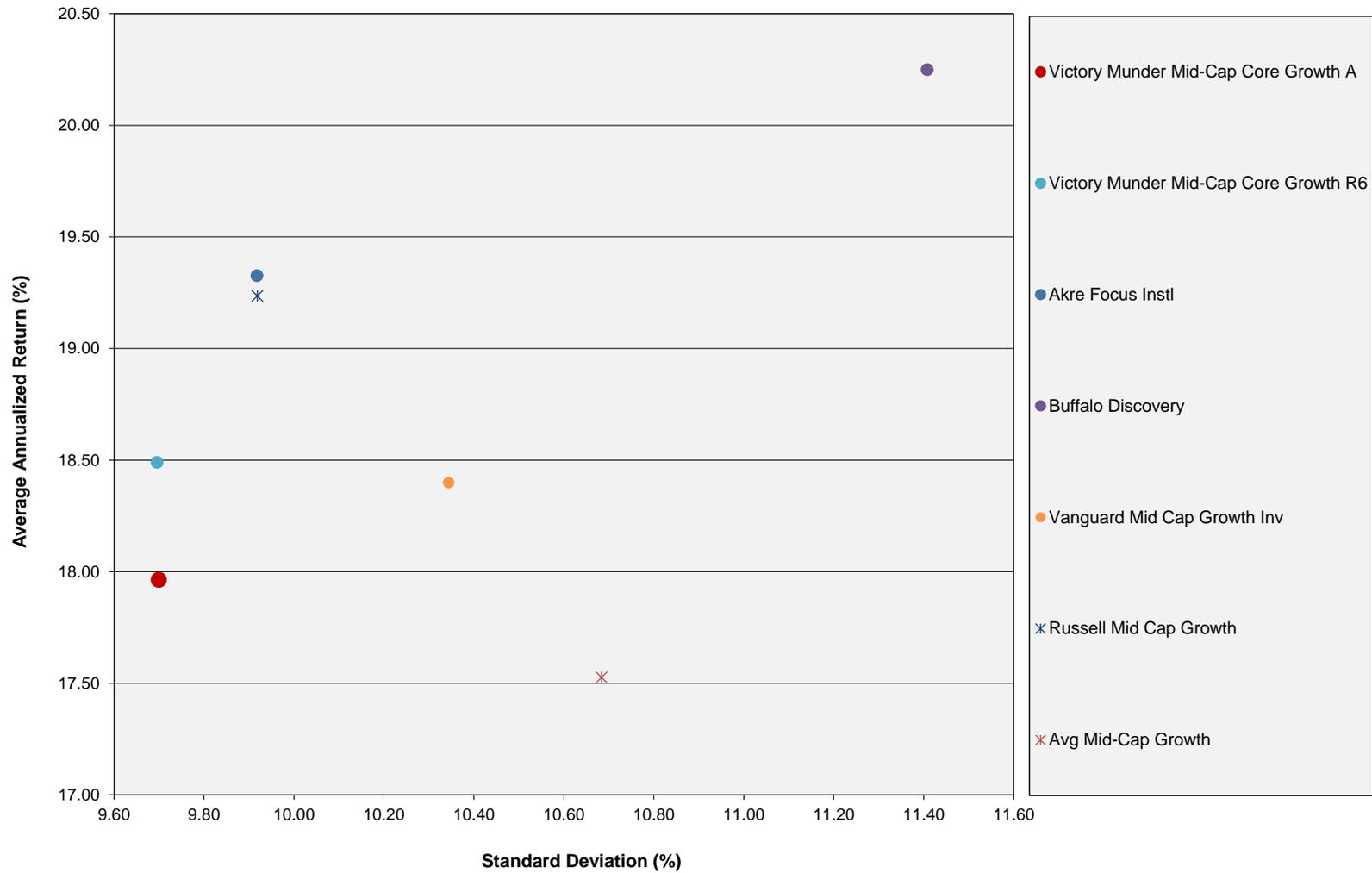
Fund Name	Morningstar Category	3 Mo	YTD	1 Yr	3 Yr	5 Yr	10 Yr
Victory Munder Mid-Cap Core Growth A	Mid-Cap Growth	74	58	40	39	35	52
Victory Munder Mid-Cap Core Growth R6	Mid-Cap Growth	71	54	35	33	29	43
Akre Focus Instl	Mid-Cap Growth	18	68	37	22	5	
Buffalo Discovery	Mid-Cap Growth	21	10	22	14	6	2
Vanguard Mid Cap Growth Inv	Mid-Cap Growth	63	38	15	35	14	17

Portfolio Turnover

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Victory Munder Mid-Cap Core Growth A	45	60	46	56	65	52	65	48	25	43
Akre Focus Instl*	20	3	5	17	-	12	25	13	23	30
Buffalo Discovery	25	46	35	52	51	35	38	52	53	48
Vanguard Mid Cap Growth Inv	80	159	70	85	125	88	127	97	83	82
Avg Mid-Cap Growth	109	111	103	117	122	90	87	77	69	68

*Note: Hennessy Focus Investor from 12/31/1996 - 6/10/2008,
 Hennessy Focus Institutional from 6/11/2008 - 8/21/2009,
 Vanguard Mid-Cap Growth Index Adm from 8/22/2009 - 8/30/2009,
 Akre Focus Instl from 8/31/2009 to present.

Risk/Return for 3 Years Ending June 30, 2015



Equity Fund Analytics

Fund/Benchmark	5 - Year						10 Year	
	Sharpe Ratio	Alpha	Beta	Tracking Error	Information Ratio	Upside Capture	Downside Capture	Batting Average
Victory Munder Mid-Cap Core Growth A	1.23	-0.07	0.94	2.88	-0.43	94	95	43
Victory Munder Mid-Cap Core Growth R6	1.26	0.28	0.94	2.88	-0.28	95	93	43
Akre Focus Instl	1.78	7.37	0.63	7.58	0.18	81	45	-
Buffalo Discovery	1.24	0.68	1.03	4.92	0.24	102	97	53
Vanguard Mid Cap Growth Inv	1.33	1.27	0.95	2.86	0.14	100	96	51
Avg Mid-Cap Growth	1.12	-1.76	1.00	1.72	-1.24	97	108	38

Reported modern portfolio theory (MPT) statistics are calculated with respect to the Russell Mid Cap Growth Index

Equity Funds Style Analysis

**Victory Munder
Mid-Cap Core
Growth A**

3	1	21
12	25	30
3	4	1

Akre Focus Instl

0	1	44
0	2	47
0	3	4

**Buffalo
Discovery**

2	5	21
0	11	41
1	6	14

**Vanguard Mid
Cap Growth Inv**

0	4	23
1	13	50
1	4	5

Style Legend

54	>50%	Large Value	Large Core	Large Growth
27	>25%	Mid Value	Mid Core	Mid Growth
19	>10%	Small Value	Small Core	Small Growth

Equity Fund Characteristics

Fund Name	Geo Avg Market Cap \$MM	P/E Ratio	P/B Ratio	Total Number of Holdings	% Assets in Top 10 Holdings	% Non- US Equity	% Emerging Mkts Equity
Victory Munder Mid-Cap Core Growth A	\$9,990	20.9	3.0	86	20	3	2
Akre Focus Instl	\$17,525	25.5	3.6	40	63	3	0
Buffalo Discovery	\$10,941	25.8	3.9	75	20	3	0
Vanguard Mid Cap Growth Inv	\$9,653	25.7	3.9	121	18	6	2
Russell Mid Cap Growth	\$11,529	25.0	5.4	507	8	1	0
Avg Mid-Cap Growth	\$9,661	25.7	4.3	593	23	5	1

Equity Funds Sector Allocation

	Energy	Materials	Industrials	Consumer Discretionary	Consumer Staples	Healthcare	Financials	Information Technology	Telecom Services	Utilities
Victory Munder Mid-Cap Core Growth A	4.8	5.5	14.7	16.7	5.3	13.0	18.9	15.4	2.0	3.7
Akre Focus Instl	0.0	0.0	19.1	25.0	0.0	0.0	34.3	17.5	4.1	0.0
Buffalo Discovery	3.6	6.2	20.1	10.7	3.7	24.8	3.5	27.5	0.0	0.0
Vanguard Mid Cap Growth Inv	4.6	0.9	14.1	25.1	3.6	17.3	13.3	19.3	1.7	0.0
Russell Mid Cap Growth	1.2	5.3	15.6	24.5	7.4	14.4	11.1	20.0	0.4	0.1
Avg Mid-Cap Growth	3.8	2.8	14.6	21.2	4.7	15.9	13.1	22.0	0.9	0.9

Fund Size

	2005	2006	2007	2008	2009
Victory Munder Mid-Cap Core Growth A	1,151,143,263	2,748,195,524	4,895,244,028	3,075,311,890	3,936,375,331
Akre Focus Instl	-	-	-	-	166,962,595
Buffalo Discovery	88,555,759	134,029,172	194,278,003	96,746,896	191,383,233
Vanguard Mid Cap Growth Inv	582,168,721	811,299,712	1,270,838,526	823,033,022	1,360,339,180

	2010	2011	2012	2013	2014
Victory Munder Mid-Cap Core Growth A	4,571,136,643	4,094,206,199	4,648,200,651	6,142,040,048	6,295,186,899
Akre Focus Instl	298,973,183	403,076,093	1,205,453,102	2,816,672,459	3,475,512,822
Buffalo Discovery	313,778,290	329,094,927	443,644,572	613,659,676	688,814,682
Vanguard Mid Cap Growth Inv	1,733,020,969	1,799,015,575	2,180,256,243	3,089,289,149	3,507,001,519

General Characteristics

Fund Name	Manager	Tenure (Avg/Long)	Total Assets (\$MM)	Morningstar Rating	Morningstar Analyst Rating	Ticker
Victory Munder Mid-Cap Core Growth A	Tony Y. Dong (7)*	7/14	6,343,171	★★★		MGOAX
Victory Munder Mid-Cap Core Growth R6	Tony Y. Dong (7)*	7/14	6,343,171	★★★★		MGOSX
Akre Focus Instl	Charles T. Akre, Jr. (3)*	3/6	3,720,708	★★★★★	Silver	AKRIX
Buffalo Discovery	Clay Brethour (3)*	12/12	791,405	★★★★★		BUFTX
Vanguard Mid Cap Growth Inv	Robert C. Lanphier, IV (3)*	8/9	3,954,286	★★★★	Bronze	VMGRX

* Longest tenured manager listed with total number of fund managers listed in parentheses.

Fund Name	Closed	Minimum	Annual Report Expense Ratio	Prospectus Expense Ratio	Revenue Sharing	Available on Platform	Primary Prospectus Benchmark
Victory Munder Mid-Cap Core Growth A	No	2,500	1.32	1.37	0.50	Yes	Russell Mid Cap
Victory Munder Mid-Cap Core Growth Y	No	1,000,000	1.07	1.13	0.25	Yes	Russell Mid Cap
Victory Munder Mid-Cap Core Growth R6	No	-	0.89	0.95	0.00	Yes	Russell Mid Cap
Akre Focus Instl	No	250,000	1.10	1.11	-	No*	S&P 500
Buffalo Discovery	No	2,500	1.01	1.01	0.40	Yes	Russell 3000 Growth
Vanguard Mid Cap Growth Inv	No	3,000	0.44	0.46	0.00	Yes	Russell Mid Cap Growth

*Akre is working with Empower to add the fund to their platform

BlackRock High Yield Bond Instl BHYIX

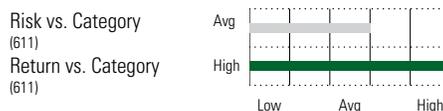
Morningstar Analyst Rating
Bronze

NAV \$ 7.84 NAV Day Change % ↑0.01 | 0.13 Yield TTM % 5.42 Total Assets \$ Bil 17.9 Status Open Min. Inv. \$2 mil Load None Expenses 0.59% Morningstar Rating™ ★★★★★ Category High Yield Bond Investment Style Mid Blend

Growth of 10,000 07-12-2005 - 07-12-2015



3 Year Average Morningstar Risk Measures



Investment Strategy

The investment seeks to maximize total return, consistent with income generation and prudent investment management. The fund invests primarily in non-investment grade bonds with maturities of ten years or less. It normally invests at least 80% of its assets in high yield bonds. The fund may invest up to 30% of its assets in non-dollar denominated bonds of issuers located outside of the United States. Its investment in non-dollar denominated bonds may be on a currency hedged or unhedged basis. The fund may also invest in convertible and preferred securities.

Pillars

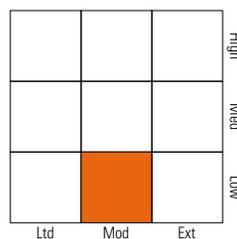
Process	+	Positive
Performance	+	Positive
People	+	Positive
Parent	○	Neutral
Price	+	Positive
Rating		Bronze

Performance 07-10-2015

	YTD	1 Mo	1 Yr	3Yr Ann	5Yr Ann	10Yr Ann
Growth of 10,000	10,223	9,959	10,017	12,473	15,387	21,506
Fund	2.23	-0.41	0.17	7.64	9.00	7.96
+/- Barclays US Agg Bond TR USD	2.65	-0.72	-1.50	6.20	5.70	3.50
+/- Category	-0.10	0.16	1.23	1.89	1.60	1.47
% Rank in Cat	59	40	32	9	7	5
# of Funds in Cat	791	801	746	612	515	361

* Currency is displayed in BASE

Style Map 03-31-2015



Top Holdings 05-31-2015

	Weight %	Maturity Date	Amount Mil	Value Mil
⊕ iShares iBoxx \$ High Yield Corporate Bd Hd Sply 7.5%	2.17	—	4.43	402.57
Amaya Cv	0.90	07-15-2020	152.28	166.05
Blackstone Cqp Holdco Lp Prvt	0.90	12-31-2049	0.13	165.88
New Lightsquared Llc TI	0.83	03-31-2019	152.10	152.89
	0.77	12-16-2020	142.14	142.14
% Assets in Top 5 Holdings	5.56			

⊕ Increase ⊖ Decrease ✱ New to Portfolio

Bond Statistics

	Value
Average Effective Duration (Years)	4.00
Average Effective Maturity (Years)	8.17
Average Credit Quality	B
Average Weighted Coupon	6.11
Average Weighted Price	105.73

Asset Allocation

	% Net	% Short	% Long	Bench mark	Cat Avg
Cash	-4.50	5.01	0.51	—	3.46
US Stock	3.51	0.00	3.51	—	1.17
Non US Stock	0.77	0.00	0.77	—	0.07
Bond	91.45	0.00	91.45	—	94.08
Other	8.77	0.03	8.80	—	1.21

Management

	Start Date
James Keenan	12-31-2007
Mitchell S. Garfin	05-08-2009
Derek Schoenhofen	05-08-2009
David Delbos	03-20-2014

Dividend and Capital Gains Distributions

Distribution Date	Distribution NAV	Long-Term Capital Gain	Long-Term Short Gain	Return of Capital	Dividend Income	Distribution Total
06-30-2015	7.86	0.0000	0.0000	0.0000	0.0300	0.0300
05-29-2015	8.01	0.0000	0.0000	0.0000	0.0400	0.0400
04-30-2015	8.01	0.0000	0.0000	0.0000	0.0300	0.0300
03-31-2015	7.94	0.0000	0.0000	0.0000	0.0300	0.0300
02-27-2015	8.02	0.0000	0.0000	0.0000	0.0300	0.0300

BlackRock High Yield Bond Instl BHYIX

Analysis

A strong performer, but not a pure-play high-yield bond fund.

By Sumit Desai, CFA 11/17/2014

BlackRock High Yield Bond fund benefits from well-run management and a willingness to take on risk.

Lead portfolio manager, James Keenan, has the flexibility to invest outside the traditional high-yield bond space. At times, this fund carries sizable positions in both equities and bank loans. The fund's 8% equity allocation as of Sept. 30, 2014, is on the high side of historical averages. Keenan sticks to the equities of high-yield firms that his analysts cover, because he believes that much of the same fundamental research done on a firm's ability to pay back debt can also be used to pinpoint promising equity investments. The fund's bank-loan exposure has ranged between 1% at the end of 2010 to as high as 18% in early 2013. That allocation dropped as Keenan found better valuations elsewhere, and it was 9% of total assets as of Sept 30, 2014.

The fund's overall profile tends to be riskier than its peers' because of the equities and a tendency to hold more lower-rated junk bonds. The fund's 21% position in lower-quality CCC bonds and loans was much higher than the Morningstar Category average of 12.6% at the end of September 2014. That said, Keenan has kept volatility in check.

This risk profile has helped the fund consistently stay ahead of peers since he took over in 2009. This portfolio's returns land in the top decile of high-yield bond funds over the trailing one-, three-, and five-year periods ending Oct. 31, 2014, all while maintaining volatility levels in line with the category average. Still, the fund is not perfect. Its 2.9% return in 2011 was worse than 80% of its peer group as equity holdings held it back.

While the team has shown a knack for managing the fund during the risk-based rally during the last few years, it has yet to be fully tested through a

full market cycle. Going forward, the fund's riskier holdings could hold back performance in a sustained sell-off, unless Keenan and team are able to adjust the portfolio in advance of any future downturns. All in all, the fund's deep resources and admirable track record warrant a Bronze Morningstar Analyst Rating.

Process Pillar: Positive

Lead portfolio manager James Keenan works with a team of analysts and sector portfolio managers to generate investment ideas. Keenan guides the overall direction of the fund, including macro themes, and also makes the final investment decisions on any changes to the portfolio. The firm's analysts look at individual holdings based on their competitive positions within an industry, management quality, and fundamentals. The team prefers stable firms with free cash flow to reduce debt, pricing power to expand margins, and prudent capital structures and covenants in place. For example, many banking firms have unstable cash flows that can be difficult to predict, so Keenan tends to tread lightly in that sector.

Analysts conduct upside and downside scenario analysis and meet with the management of the fund's top holdings at least twice a year. If Keenan or an analyst find any negative information on a bond, or if a bond experiences a large price movement, the team must reassess the position within 24 hours and decide to maintain, sell, or add to the holding. A risk committee regularly reviews the fund's holdings to understand where it may be taking on too much risk in terms of macro-level correlations, weightings to industries and individual securities, as well as overall beta of the portfolio.

This fund is not a pure-play high-yield bond fund, as it carries sizable positions in both equities and bank loans. The fund's 8% equity allocation as of Sept. 30, 2014, which includes the stock of high-yield firms, has increased slightly during 2014. James Keenan believes that much of the same

Morningstar's Take

Morningstar Analyst Rating



Morningstar Pillars

Process	 Positive
Performance	 Positive
People	 Positive
Parent	 Neutral
Price	 Positive

Morningstar Analyst Rating

Morningstar evaluates mutual funds based on five key pillars, which its analysts believe lead to funds that are more likely to outperform over the long term on a risk-adjusted basis.

Analyst Rating Spectrum



Fund Performance

	Total Return %	+/- Category
YTD	2.23	-0.10
2014	3.37	2.26
2013	9.29	2.40
2012	17.12	2.45
2011	3.22	0.39

BlackRock High Yield Bond Instl BHYIX

Analysis

fundamental research done on a firm's ability to pay back debt can also be used to pinpoint promising equity investments. Prior to Keenan taking over as lead manager in 2009, the fund's equity exposure was negligible. The fund's bank-loan exposure has ranged between 1% at the end of 2010 to as high as 18% in early 2013, and was at 9% of total assets as of Sept. 30, 2014.

The fund's 20.6% allocation to CCC rated bonds was higher than both its benchmark (17%) and the category average (12.6%). On a sector basis, the fund's largest overweight positions were in gaming and technology firms, while its most significant sector underweightings were in financials and health care. The fund's second-largest position is in Caesars Entertainment (2%), the financially troubled casino operator, but Keenan indicates that its holdings in Caesars have not held back the fund's performance.

Performance Pillar: + Positive

This fund is a top performer, landing in the top decile of high-yield bond funds over the trailing one-, three-, and five-year periods ending Oct. 31, 2014. During the past year, the fund returned 6.4%, helped by its position in equities and a bias toward lower-quality high-yield fare, as both performed well in the first half of 2014. The fund also benefited from a shift out of bank loans in early 2014, as this asset class underperformed high-yield bonds during the past year.

While the fund has performed admirably under Keenan's five-year tenure as lead manager, it isn't perfect. For example, the fund's larger-than-average equity stake held back returns in 2011, and the fund fared worse than 80% of its peers. Keenan did pare back some of his lower-quality names that year (a group that performed particularly poorly that year), but it wasn't enough.

Still, Keenan and his team deserve credit for their ability to navigate this fund toward the top of the pack, all without significantly higher volatility. Its one-year standard deviation of 4.2% is higher than

the average of 3.8%, but it's been in line with the average for the group over the past three and five years.

People Pillar: + Positive

James Keenan is head of BlackRock's head of global credit and a named portfolio manager on several of the firm's credit oriented funds. Keenan joined BlackRock's high-yield team in 2004 and this fund's management team in 2007. He is also head of Americas Credit, overseeing global high-yield, leveraged-loan, investment-grade, and distressed products. Keenan was named lead portfolio manager in early 2009 following the departure of previous manager Jeff Gary.

Keenan works with two dedicated high-yield managers, Mitchell Garfin and David Delbos. Garfin joined BlackRock in 1997 and served in various capacities before moving to the portfolio manager team in 2005. He has been responsible for managing U.S. high-yield strategies for BlackRock since 2007. Delbos joined BlackRock in 2002 as an analyst and moved into his portfolio manager role in 2012.

The portfolio managers are supported by a team of 32 analysts with an average of eight years of experience. The team includes 11 analysts focused on corporate bonds and loans, nine covering European bonds, and five focused on Asian issues. There are also four analysts covering distressed names and another three covering aviation bonds.

Parent Pillar: ○ Neutral

BlackRock has become the world's largest asset manager via acquisitions. The firm, with \$4.3 trillion in assets, only runs money, and its executives stress its fiduciary duty. Communication with clients and employees is clear, and its funds' boards of trustees are independent.

BlackRock's size can work against it, though. It's still culling hundreds of acquired strategies. Its iShares ETF lineup is responsible, but it has some

niche funds and others that could be cheaper. It has cut some mutual funds' fees, but they're still no bargain. Manager ownership of funds has improved but could be higher. It has made progress in revamping its actively managed fixed-income funds but not as much in active equities. Fund manager tenure and retention still rank behind most top 25 U.S.-based fund families. BlackRock doesn't chase every fad, but there are few trends in which it's not involved. Not one of its regulatory issues in recent years amounts to much, but it's had more than other top U.S.-based fund families. And BlackRock must balance the interests of its clients with its public shareholders' growth expectations.

BlackRock's culture deserves an upgrade for its unparalleled scale and resources, reputation for operational competence, and disciplined, experienced, and competitive leadership. It still gets a C Parent pillar score overall, though, because there's still progress to make on fees, manager incentives, and regulatory history.

Price Pillar: + Positive

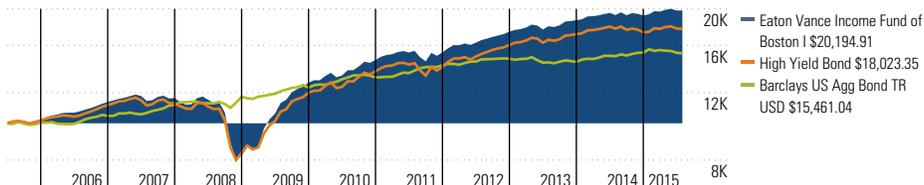
Almost 60% of this fund's assets are housed in its Institutional share class, which charges a low fee of 0.60%. This is slightly lower than its fees last year. And while its 0.92% expense ratio for the A shares (22% of assets) may not conjure notions of "cheap" for a bond fund, it too is considered low relative to high-yield offerings with similar distribution.

Eaton Vance Income Fund of Boston I EIBIX

Morningstar Analyst Rating
Silver

NAV \$	NAV Day Change %	Yield TTM %	Total Assets \$ Bil	Status	Min. Inv.	Load	Expenses	Morningstar Rating™	Category	Investment Style
5.86	↓0.00 0.00	6.30	4.9	Open	\$250,000	None	0.75%	★★★★	High Yield Bond	

Growth of 10,000 07-12-2005 - 07-12-2015



3 Year Average Morningstar Risk Measures



Investment Strategy

The investment seeks to provide a high level of current income; the fund's secondary objectives are to seek growth of income and capital. The fund currently invests primarily in high yield, high risk corporate bonds (commonly referred to as "junk bonds") which are rated lower than investment grade (i.e., bonds rated lower than Baa by Moody's Investors Service, Inc. ("Moody's") or lower than BBB by Standard & Poor's Ratings Services ("S&P")) or are unrated and of comparable quality as determined by the investment adviser.

Performance 07-10-2015

	YTD	1 Mo	1 Yr	3Yr Ann	5Yr Ann	10Yr Ann
Growth of 10,000 Fund	10,317	9,987	10,158	12,137	14,846	20,252
+/- Barclays US Agg Bond TR USD	3.17	-0.13	1.58	6.67	8.22	7.31
+/- Category	3.60	-0.44	-0.09	5.22	4.92	2.85
% Rank in Cat	0.85	0.45	2.64	0.91	0.82	0.82
# of Funds in Cat	17	14	12	20	20	18
	791	801	746	612	515	361

* Currency is displayed in BASE

Top Holdings 05-31-2015

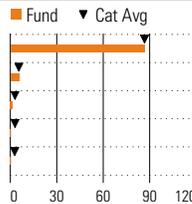
	Weight %	Maturity Date	Amount Mil	Value Mil
Laureate Educ 144A 9.25%	1.43	09-01-2019	77.40	75.18
Xpo Logistics 144A 7.875%	0.76	09-01-2019	36.98	39.85
Chrysler Grp Llc / Cg Co-Iss 8.25%	0.73	06-15-2021	34.91	38.65
Alcatel-Lucent Usa 144A 8.875%	0.72	01-01-2020	34.33	37.81
Reynolds Grp Issuer 9.875%	0.69	08-15-2019	33.92	36.06

% Assets in Top 5 Holdings 4.32

⊕ Increase ⊖ Decrease ✱ New to Portfolio

Top Sectors 05-31-2015

	Fund	BMark	Cat Avg
Corporate Bond	86.57	—	84.12
Bank Loan	5.66	—	2.88
Convertible	1.38	—	0.43
Non-Agency Residential MBS	0.11	—	0.44
Preferred	0.09	—	0.22



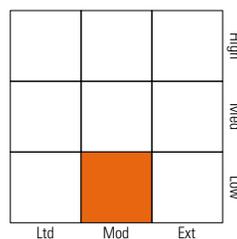
Dividend and Capital Gains Distributions

Distribution Date	Distribution NAV	Long-Term Capital Gain	Long-Term Short Gain	Return of Capital	Dividend Income	Distribution Total
06-30-2015	5.87	0.0000	0.0000	0.0000	0.0300	0.0300
05-29-2015	5.96	0.0000	0.0000	0.0000	0.0300	0.0300
04-30-2015	5.96	0.0000	0.0000	0.0000	0.0300	0.0300
03-31-2015	5.92	0.0000	0.0000	0.0000	0.0300	0.0300
02-27-2015	5.97	0.0000	0.0000	0.0000	0.0300	0.0300

Pillars

Process	⊕ Positive
Performance	⊕ Positive
People	⊕ Positive
Parent	⊖ Neutral
Price	⊖ Neutral
Rating	Silver

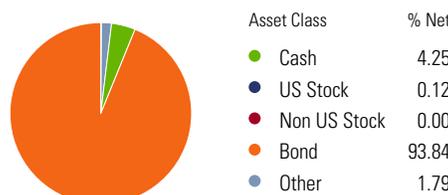
Style Map 03-31-2015



Bond Statistics

Average Effective Duration (Years)	3.81
Average Effective Maturity (Years)	4.35
Average Credit Quality	B
Average Weighted Coupon	6.73
Average Weighted Price	103.97

Asset Allocation



Management

Michael W. Weilheimer	Start Date
Stephen C. Concannon	01-01-1996
	11-03-2014

Eaton Vance Income Fund of Boston I EIBIX

Analysis

This fund doesn't just play offense.

By Cara Esser 3/24/2015

Historically, Eaton Vance Income Fund of Boston favored the lower-quality reaches of the high-yield market, investing heavily in B and CCC rated bonds. After a shellacking in the 2008 credit sell-off, manager Mike Weilheimer and his veteran team have taken a more nuanced approach, incorporating a macro overlay and paying more attention to liquidity. For example, the fund swapped CCC rated bonds for higher-rated ones in 2011 when credit spreads narrowed but has since added to short-dated CCC bonds, partly to keep duration short. Given the lower risk profile, the fund tends to underperform in bond market rallies but tends to hold up better during flights to quality, including 2014. The fund earns a Morningstar Analyst Rating of Silver.

Central to this fund's appeal is its experienced management team and sensible approach. Weilheimer, a 20-year high-yield bond veteran, began managing this fund in 1996. His team built a reputation as a topnotch credit shop with its focus on deep fundamental analysis. Analysts identify the key drivers of a credit and take into account the issuer's competitive strength, growth trends, potential threats to the business, and cyclical, as well as the issuer's financial strength. Analysts also scrutinize covenant packages and assess valuation. Even with a greater focus on downside protection, Weilheimer is still willing to invest heavily in the middle and lower-rated reaches of the junk-bond markets when valuations and his market outlook warrant. He tends to hold overweight positions in bonds rated below B versus the benchmark and favors short-dated CCC rated bonds. He's also waded into less-liquid issues when the deals look attractive.

During Weilheimer's tenure, this fund's 7.5% return topped its high-yield peers' average return by close to 100 basis points, annualized, with moderate volatility.

Process Pillar: Positive

This team built its reputation as a topnotch credit

shop with its focus on deep fundamental analysis. Each analyst is responsible for covering firms in three sectors. They focus on identifying the key drivers of a credit, taking into account the issuer's competitive strength, growth trends, potential threats to the business, and cyclical. They scrutinize financial indicators (including leverage ratios, margins, and free cash flows) and covenant packages. Analysts also assess limits on a company's ability to take on additional debt that would rank senior to the bond debt as well its flexibility to pay dividends to equityholders. The final component is valuation, with conversations often led by the fund's two traders and portfolio managers.

Prior to the credit crunch in 2008, this fund was consistently one of the more aggressive offerings in the high-yield Morningstar Category, with a heavy emphasis on B rated bonds. Big losses in 2008 led the team to refine its process to include an explicit macro overlay, looking to spread and yield levels, leverage trends, and economic trends to dial up or dial down risk. Mike Weilheimer has also paid increasing attention to liquidity, de-emphasizing smaller deals in most cases and purchasing more-liquid, shorter-dated paper.

After riding the bond market recovery in 2009 and 2010, the fund took a more defensive posture starting in 2011. Low absolute yields and increased leverage ratios led the team to add to its stake in bonds rated BB or higher (the fund topped 40% in those bonds in mid-2012) while reducing its stake in CCCs.

Manager Mike Weilheimer continues to favor short-dated CCC paper and has increased the fund's stake over the past few years. The fund's total exposure to CCC rated debt stood at 19% at 2014 year-end. But downside protection remains a focus for the team, which is why the fund has kept its duration shorter than the Bank of American Merrill Lynch High Yield Index for some time. To that end, he built a position in floating-rate bank loans, which reached 10% at its peak in mid-2013. More recently, he lightened the fund's stake in bank loans to 6% as of Dec. 31, arguing that these

Morningstar's Take

Morningstar Analyst Rating



Morningstar Pillars

Process	 Positive
Performance	 Positive
People	 Positive
Parent	 Neutral
Price	 Neutral

Morningstar Analyst Rating

Morningstar evaluates mutual funds based on five key pillars, which its analysts believe lead to funds that are more likely to outperform over the long term on a risk-adjusted basis.

Analyst Rating Spectrum



Fund Performance

	Total Return %	+/- Category
YTD	3.17	0.85
2014	2.96	1.85
2013	7.37	0.48
2012	13.86	-0.81
2011	4.85	2.02

Eaton Vance Income Fund of Boston | EIBIX

Analysis

loans can get hurt in weak credit markets because high-yield managers often sell their bank loans quickly in those environments.

After holding 10% in cash in mid-2012, Weilheimer had cut this position to 3% by the end of 2014. He put it to use during market shocks, including the first quarter of 2015, when oil prices stabilized following 2014's sell-off in high-yield energy bonds. The fund's energy stake was on par with the index last year, but a focus on fundamentals led to higher-quality firms and an avoidance of oil drillers, which were hard-hit.

Performance Pillar: + Positive

During Mike Weilheimer's nearly two-decade tenure, built in large part with ex-manager Tom Huggins, this fund's 7.5% return topped its high-yield peers' average return by close to 100 basis points on an annualized basis. Intensive credit research combined with a focus on bonds rated B and below helped for much of the strong high-yield market of the mid-2000s. Its aggressive portfolio suffered a steep 30% drop in 2008, however, which was worse than two thirds of its peers.

Following the crisis, the team added a macro overlay to adjust the fund's risk profile depending on valuations and the macro outlook and placed more emphasis on downside protection. This defensive approach helped the fund beat its category average in 2011 but held back returns in 2012, mostly because of its larger-than-average cash stake. The fund fared well in 2013 (landing in the top third of its peer group) after it added to CCCs and reduced cash significantly. Careful credit selection (particularly in the hard-hit energy sector) helped the fund outperform its average peer in 2014, as did a few under-the-radar issues. For example, a small stake in a Canadian firm that rents water heaters to homeowners, which yielded a generous 6.5% at issuance, was a positive. Weilheimer acknowledges that the name has some liquidity risk but argues that he's getting paid for that risk and is willing to hold the bond over a market cycle.

People Pillar: + Positive

Mike Weilheimer has led this fund since 1996, and comanager Linda Carter is a long-tenured portfolio

manager on the firm's institutional high-yield accounts. Longtime comanager and trader Tom Huggins left the fund for personal reasons in late June 2012. Huggins and Weilheimer worked together closely for more than a decade on this fund and at sibling fund Eaton Vance High Income Opportunities EVHIX. Originally hired at Eaton Vance as head trader for high yield in 1997, Huggins was responsible for a significant portion of the fund's trading activity.

Following Huggins' departure, the firm made hires to build portfolio management and trading capacity. Stephen Concannon, one of the fund's longtime analysts, took over Huggins' portfolio-management responsibilities on the institutional accounts, and an experienced bond trader from outside the firm joined the team's remaining trader to take on Huggins' trading responsibilities. Eight sector-specific high-yield analysts back the three managers.

This is a veteran team with industry experience averaging two decades across the group. It's also a relatively stable team: Weilheimer reports losing just three investment professionals (including Huggins) over the past decade.

Parent Pillar: ○ Neutral

Eaton Vance has grown from its reputation managing tax-advantaged strategies to currently managing \$286 billion across equity (33%), fixed income (31%), and alternatives (4%). Eaton Vance's implementation business, which provides portfolio overlay strategies to institutional investors, makes up another 32% of assets. The firm's \$25 billion in closed-end fund assets also makes it the third-largest player in this space. The firm has grown organically and through acquisitions, such as the purchase of \$48 billion in assets under management in 2012 through two separate deals.

Overall, the firm's funds have performed in the middle of the road. While its floating-rate strategies have seen significant inflows following 2013's "taper tantrum," its flagship Eaton Vance Large Cap Value continues to see sizable outflows—about \$3 billion over the past year. That fund saw

changes at the top in 2014, as 14-year lead portfolio manager Michael Mach retired and was replaced by outsider Edward Perkin, who is also the firm's chief equity investment officer.

The fund's fees are about average overall. Portfolio manager investment in their funds could be higher: Only 15% of assets are in funds in which at least one manager has more than \$1 million invested. Investment personnel are also compensated through Eaton Vance's publicly traded stock.

Price Pillar: ○ Neutral

At 75 basis points, expenses on the fund's I shares, which account for 62% of assets, earn a Morningstar Fee Level rating of Average relative to other similarly distributed peers. The 1.00% expense ratio on the fund's A shares (31% of assets) ranks Below Average relative to similarly distributed peers.

Federated Instl High Yield Bond Instl FIHBX

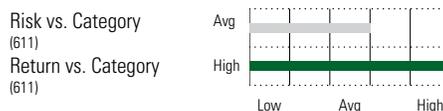
Morningstar Analyst Rating

NAV \$	NAV Day Change %	Yield TTM %	Total Assets \$ Bil	Status	Min. Inv.	Load	Expenses	Morningstar Rating™	Category	Investment Style
9.86	↑0.02 0.20	6.13	4.3	Open	\$1 mil	None	0.49%	★★★★★	High Yield Bond	

Growth of 10,000 07-12-2005 - 07-12-2015



3 Year Average Morningstar Risk Measures



Investment Strategy

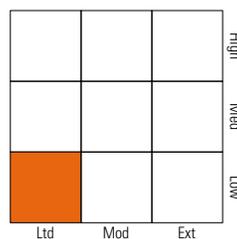
The investment seeks high current income. The fund pursues its investment objective by investing primarily in a diversified portfolio of high yield corporate bonds (also known as "junk bonds"), including debt securities issued by U.S. or foreign businesses (including emerging market debt securities). The Adviser does not limit the fund's investments to securities of a particular maturity range. It may invest in derivative contracts (for example, futures contracts, option contracts and swap contracts) to implement its investment strategies as more fully described in the fund's Prospectus.

Performance 07-10-2015

	YTD	1 Mo	1 Yr	3Yr Ann	5Yr Ann	10Yr Ann
Growth of 10,000	10,299	9,981	10,125	12,083	15,107	21,618
Fund	2.99	-0.19	1.25	6.51	8.60	8.01
+/- Barclays US Agg Bond TR USD	3.41	-0.50	-0.42	5.07	5.30	3.55
+/- Category	0.66	0.38	2.31	0.75	1.20	1.52
% Rank in Cat	22	19	16	23	12	5
# of Funds in Cat	791	801	746	612	515	361

* Currency is displayed in BASE

Style Map 03-31-2015



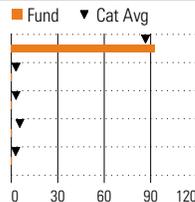
Top Holdings 03-31-2015

	Weight %	Maturity Date	Amount Mil	Value Mil
High Yield Bond Portfolio	7.80	—	49.48	317.65
First Data 144A 8.75%	0.82	01-15-2022	30.73	33.22
⊕ Crimson Merger Sub / Ortho-C 144A 6.625%	0.59	05-15-2022	27.00	24.00
Reynolds Grp Issuer 8.25%	0.59	02-15-2021	22.23	23.89
⊕ Anna Merger Sub 144A 7.75%	0.58	10-01-2022	22.88	23.70
% Assets in Top 5 Holdings	10.38			

⊕ Increase ⊖ Decrease ✱ New to Portfolio

Top Sectors 03-31-2015

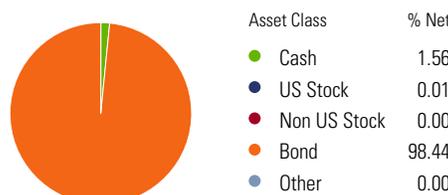
	Fund	BMark	Cat Avg
Corporate Bond	92.81	—	84.12
Commercial MBS	0.28	—	0.41
Convertible	0.17	—	0.43
Bank Loan	0.00	—	2.88
Preferred	0.00	—	0.22



Bond Statistics

	Value
Average Effective Duration (Years)	3.70
Average Effective Maturity (Years)	4.60
Average Credit Quality	B
Average Weighted Coupon	6.58
Average Weighted Price	102.32

Asset Allocation



Management

Mark E. Durbiano Start Date 11-01-2002

Dividend and Capital Gains Distributions

Distribution Date	Distribution NAV	Long-Term Capital Gain	Long-Term Short Gain	Return of Capital	Dividend Income	Distribution Total
06-30-2015	9.86	0.0000	0.0000	0.0000	0.0500	0.0500
05-29-2015	10.04	0.0000	0.0000	0.0000	0.0500	0.0500
04-30-2015	10.05	0.0000	0.0000	0.0000	0.0500	0.0500
03-31-2015	10.01	0.0000	0.0000	0.0000	0.0500	0.0500
02-27-2015	10.08	0.0000	0.0000	0.0000	0.0500	0.0500

Federated Instl High Yield Bond Instl FIHBX

Analysis

Morningstar's Take		
Morningstar Analyst Rating		—
Morningstar Pillars		
Process	—	—
Performance	—	—
People	—	—
Parent	—	—
Price	—	—

Morningstar Analyst Rating

Morningstar evaluates mutual funds based on five key pillars, which its analysts believe lead to funds that are more likely to outperform over the long term on a risk-adjusted basis.

Analyst Rating Spectrum

 Gold
  Silver
  Bronze
 Neutral
 Negative

Fund Performance		
	Total Return %	+/- Category
YTD	2.99	0.66
2014	3.08	1.98
2013	7.31	0.41
2012	15.16	0.49
2011	5.68	2.85

We do not currently publish an Analyst Report for this company.

Loomis Sayles High Income Y NEHYX

Morningstar Analyst Rating

NAV \$	NAV Day Change %	Yield TTM %	Total Assets \$ Mil	Status	Min. Inv.	Load	Expenses	Morningstar Rating™	Category	Investment Style
4.30	↑0.02 0.47	4.54	191.7	Open	\$100,000	None	0.89%	★★★★	High Yield Bond	Large Value

Growth of 10,000 07-12-2005 - 07-12-2015



3 Year Average Morningstar Risk Measures



Investment Strategy

The investment seeks high current income plus the opportunity for capital appreciation to produce a high total return. The fund invests at least 65% of its assets in below investment grade fixed-income securities. It normally invests at least 65% of its assets in U.S. corporate or U.S. dollar-denominated foreign fixed-income securities. The fund may also invest up to 20% of its assets in foreign currency-denominated fixed-income securities, including those in emerging markets and related currency hedging transactions. It may also invest in structured notes, zero-coupon securities, pay-in-kind securities, Rule 144A securities, futures and swaps.

Performance 07-10-2015

	YTD	1 Mo	1 Yr	3Yr Ann	5Yr Ann	10Yr Ann
Growth of 10,000	10,275	9,927	10,008	12,389	14,738	20,272
Fund	2.75	-0.73	0.08	7.40	8.07	7.32
+/- Barclays US Agg Bond TR USD	3.17	-1.04	-1.59	5.96	4.76	2.86
+/- Category	0.42	-0.16	1.14	1.65	0.67	0.83
% Rank in Cat	32	68	33	11	23	—
# of Funds in Cat	791	801	746	612	515	361

* Currency is displayed in BASE

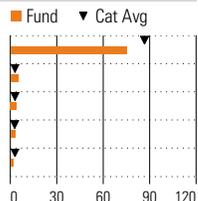
Top Holdings 05-31-2015

	Weight %	Maturity Date	Amount Mil	Value Mil
✳ Us 10yr Note(Cbt) Sep15 Xcvt 20150921	-4.67	09-21-2015	6.60	-8.43
✳ Us Long Bond(Cbt) Sep15 Xcvt 20150921	-1.98	09-21-2015	2.30	-3.58
Philippines Rep 6.25%	1.72	01-14-2036	120.00	3.11
Lucent Tech 6.45%	1.49	03-15-2029	2.50	2.69
✳ Allergan Plc Preferred Stock 03/18 5.5	1.16	—	0.00	2.10
% Assets in Top 5 Holdings	-2.28			

⊕ Increase ⊖ Decrease ✳ New to Portfolio

Top Sectors 05-31-2015

	Fund	BMark	Cat Avg
Corporate Bond	75.09	—	84.12
Convertible	5.11	—	0.43
Non-Agency Residential MBS	3.88	—	0.44
Preferred	3.02	—	0.22
Commercial MBS	1.82	—	0.41



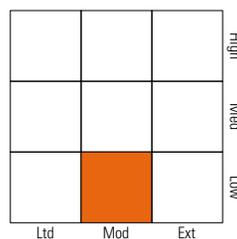
Dividend and Capital Gains Distributions

Distribution Date	Distribution NAV	Long-Term Capital Gain	Long-Term Short Gain	Return of Capital	Dividend Income	Distribution Total
06-23-2015	4.35	0.0000	0.0000	0.0000	0.0200	0.0200
05-22-2015	4.38	0.0000	0.0000	0.0000	0.0200	0.0200
04-23-2015	4.38	0.0000	0.0000	0.0000	0.0100	0.0100
03-25-2015	4.31	0.0000	0.0000	0.0000	0.0200	0.0200
02-25-2015	4.37	0.0000	0.0000	0.0000	0.0100	0.0100

Pillars

Process	—	—
Performance	—	—
People	—	—
Parent	—	—
Price	—	—
Rating	—	—

Style Map 05-31-2015



Bond Statistics

	Value
Average Effective Duration (Years)	4.41
Average Effective Maturity (Years)	6.11
Average Credit Quality	BB
Average Weighted Coupon	5.41
Average Weighted Price	103.85

Asset Allocation

	% Net	% Short	% Long	Bench mark	Cat Avg
Cash	0.81	0.02	0.82	—	3.46
US Stock	2.87	0.00	2.87	—	1.17
Non US Stock	0.00	0.00	0.00	—	0.07
Bond	80.36	6.66	87.01	—	94.08
Other	15.97	0.00	15.97	—	1.21

Management

	Start Date
Matthew J. Eagan	05-31-2002
Elaine M. Stokes	02-01-2007

Loomis Sayles High Income Y NEHYX

Analysis

Morningstar's Take

Morningstar Analyst Rating —

Morningstar Pillars

Process	—	—
Performance	—	—
People	—	—
Parent	—	—
Price	—	—

Morningstar Analyst Rating

Morningstar evaluates mutual funds based on five key pillars, which its analysts believe lead to funds that are more likely to outperform over the long term on a risk-adjusted basis.

Analyst Rating Spectrum

 Gold
  Silver
  Bronze
  Neutral
  Negative

Fund Performance

	Total Return %	+/- Category
YTD	2.75	0.42
2014	4.55	3.44
2013	5.42	-1.47
2012	21.70	7.03
2011	-2.53	-5.36

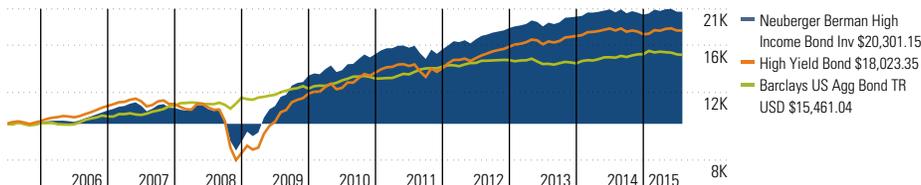
We do not currently publish an Analyst Report for this company.

Neuberger Berman High Income Bond Inv NHINX

Morningstar Analyst Rating
Silver

NAV \$	NAV Day Change %	Yield TTM %	Total Assets \$ Bil	Status	Min. Inv.	Load	Expenses	Morningstar Rating™	Category	Investment Style
8.84	↑0.01 0.11	5.50	3.5	Limited	\$2,000	None	0.83%	★★★★	High Yield Bond	

Growth of 10,000 07-12-2005 - 07-12-2015



3 Year Average Morningstar Risk Measures



Performance 07-10-2015

	YTD	1 Mo	1 Yr	3Yr Ann	5Yr Ann	10Yr Ann
Growth of 10,000	10,185	9,925	9,880	11,798	14,319	20,332
Fund	1.85	-0.75	-1.20	5.67	7.44	7.35
+/- Barclays US Agg Bond TR USD	2.27	-1.06	-2.87	4.22	4.14	2.89
+/- Category	-0.48	-0.17	-0.14	-0.09	0.04	0.86
% Rank in Cat	75	71	62	55	50	16
# of Funds in Cat	791	801	746	612	515	361

* Currency is displayed in BASE

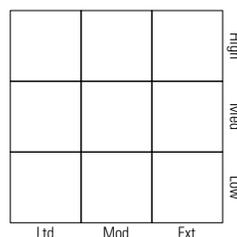
Dividend and Capital Gains Distributions

Distribution Date	Distribution NAV	Long-Term Capital Gain	Long-Term Short Gain	Return of Capital	Dividend Income	Distribution Total
06-30-2015	8.86	0.0000	0.0000	0.0000	0.0400	0.0400
05-29-2015	9.06	0.0000	0.0000	0.0000	0.0400	0.0400
04-30-2015	9.08	0.0000	0.0000	0.0000	0.0400	0.0400
03-31-2015	9.02	0.0000	0.0000	0.0000	0.0400	0.0400

Pillars

Process	+	Positive
Performance	+	Positive
People	+	Positive
Parent	+	Positive
Price	+	Positive
Rating		Silver

Style Map



Bond Statistics

Value

Asset Allocation

Asset Class % Net

02-27-2015	9.14	0.0000	0.0000	0.0000	0.0400	0.0400
------------	------	--------	--------	--------	--------	--------

Management

	Start Date
Ann H. Benjamin	10-03-2005
Thomas P. O'Reilly	10-03-2005
Russ Covode	02-28-2011
Daniel J. Doyle	02-28-2014

Neuberger Berman High Income Bond Inv NHINX

Analysis

Veteran managers and strong resources give this fund a leg up.

By Sumit Desai, CFA 3/9/2015

Neuberger Berman's long-term returns stand out near the top of the high-yield Morningstar Category. The fund's track record, along with long-tenured managers, a deep analyst team, and a highly structured process, justify its Morningstar Analyst Rating of Silver.

Lead manager Ann Benjamin and comanager Tom O'Reilly have managed high-yield bonds together for more than 18 years and took over this fund in late 2005. Benjamin recently announced her plans to retire at the end of 2015, and investors should expect minimal disruption as O'Reilly transitions into the lead manager role. The team is supported by 22 analysts. Since taking over the fund, the portfolio managers have instilled a systematic investment process. Analysts start with a credit checklist that focuses on cash flow generation, repayment capabilities, management quality, and valuation, along with other factors. The team will often search for mispriced bonds that are likely to experience an upgrade and avoids bonds with poor fundamentals that may default. Accordingly, the portfolio is typically dominated by B and BB rated bonds, but will include both BBB and CCC bonds when the team views relative valuations as attractive.

The portfolio's most noteworthy position was an 18% stake in the energy sector as of Nov. 30, 2014, compared with 14% for the Bank of America Merrill Lynch High Yield Master Constrained Index. As oil prices plunged in the second half of the year, bonds issued by energy firms fell swiftly and dramatically. However, the team's energy analysts have run models assuming oil prices remain at \$50 per barrel, are comfortable that their positions can withstand low energy prices, and are considering adding to the portfolio's energy stake as valuations have become more attractive following the sell-off. Many of the fund's energy holdings have rebounded in early 2015.

The fund's longer-term performance is impressive. Since the current management team took over in October 2005 through Feb. 28, 2015, the fund's 8% annualized return landed in the top 13% of its category, beating its average peer by 150 basis points annualized during the period.

Process Pillar: Positive

The fund's portfolio managers and massive analyst team use fundamental research and relative valuations in an effort to minimize downside risk while still participating in upside appreciation during strong high-yield markets. The team looks for potential upgrade candidates and avoids credits with declining fundamentals in order to minimize the likelihood of defaults. As a result, holdings are biased toward B and BB rated bonds but will occasionally veer toward both BBB and CCC bonds if relative valuations look attractive. Up to 20% of the fund can be invested in bank loans, which helps limit interest-rate risk. This is a diversified fund, and it will generally maintain exposure to anywhere between 100 and 150 different issuers, and portfolio managers will also rotate across industries based on valuation and fundamentals.

Analysts use a thorough credit checklist to guide their analysis and ensure consistency across different holdings. Security selection begins by screening out illiquid bonds as well as low-quality names that the team views as susceptible to downgrades. The credit checklist requires a focus on cash flows, repayment options, and valuation, including a scenario analysis to project upside and downside cases. Analysts assign a proprietary credit rating to each bond and then compare its valuation with other bonds in similar industries or of similar credit quality.

The fund's most noteworthy position as of Nov. 30, 2014, was an 18% stake in the energy sector, compared with 14% for its benchmark, the Bank of America Merrill Lynch High Yield Master Constrained Index. The fund's top 10 issuer over-

Morningstar's Take

Morningstar Analyst Rating



Morningstar Pillars

Process	 Positive
Performance	 Positive
People	 Positive
Parent	 Positive
Price	 Positive

Morningstar Analyst Rating

Morningstar evaluates mutual funds based on five key pillars, which its analysts believe lead to funds that are more likely to outperform over the long term on a risk-adjusted basis.

Analyst Rating Spectrum



Fund Performance

	Total Return %	+/- Category
YTD	1.85	-0.48
2014	1.25	0.14
2013	7.42	0.53
2012	14.48	-0.19
2011	2.99	0.16

Neuberger Berman High Income Bond Inv NHINX

Analysis

weightings include energy names like Linn Energy LINE (2.0% overweighting), Newfield Exploration NFX (1.3%), and SandRidge Energy SD (1.3%). These positions all detracted significantly from performance in 2014. That said, the team has been watching the energy sector closely following the sell-off and is beginning to find opportunities in higher-quality exploration and production and pipeline-related names. The fund's energy analysts have run models assuming oil prices remain at \$50 per barrel and are comfortable that their positions can withstand sustained low energy prices.

Aside from the energy sector, other overweight positions relative to the benchmark include gaming/lodging (3.0% overweighting), telecom (2.7%), and media (3.6%). The fund tends to avoid traditional banking firms and is 3% underweight that sector relative to its benchmark.

On a credit-quality basis, the majority of assets are equally invested in BB and B rated bonds, at around 38% each. The fund's CCC stake has remained steady since last year around 20%, compared with 17% for the benchmark and 15% on average for the category.

Performance Pillar: + Positive

This fund consistently lands in the top half of the high-yield bond category. Since the current management team took over in October 2005, the fund's 8% annualized return through Feb. 28, 2015, is in the top 13% of the high-yield bond category and beat its average peer by 150 basis points annualized during the period. The team has managed to do so by protecting investor capital on the downside while still keeping up when the junk-bond market performs well. For example, a well-timed shift toward higher-quality bonds helped the fund outperform 90% of its category peers during the 2008 financial crisis. The fund's trailing three- and five-year returns of 6.9% and 8.5%, respectively, are both just above average relative to its peers.

A 1.3% return in 2014 put the fund right in the

middle of its peers, as a large energy overweighting hurt returns. A steep sell-off in oil prices and the bonds of high-yield energy firms caused the category to suffer in the back half of 2014. This fund dropped 3.3% in the second half of last year due in part to its 18% stake in energy-related bonds. This sector declined 13% during this time, but manager Ann Benjamin and team were able to avoid the hardest-hit areas, including oil-services firms. The fund's decline in the second half of 2014 was still better than the 3.6% drop for the average peer and many of its energy holdings have bounced back in early 2015.

People Pillar: + Positive

The fund is managed with a team-based approach, which helps to minimize disruptions and provide management continuity without dramatic changes to process. These benefits are evident in Ann Benjamin's recently announced plans to retire at the end of 2015. Comanager Tom O'Reilly will take over Benjamin's lead-manager responsibilities following her retirement and investors should expect a seamless transition. Benjamin and O'Reilly have managed this fund since late 2005 and have managed portfolios together since the mid-1990s. They are also charged with managing Neuberger Berman Floating Rate Income NFIIX and Neuberger Berman Short Duration High Income NHSIX. In total, the two oversee almost \$38 billion in assets.

Benjamin and O'Reilly are joined by comanagers Russ Covode and Dan Doyle, both experienced investors. Patrick Flynn, a manager in Neuberger Berman's distressed-debt group, will join as another comanager following Benjamin's retirement. Manager ownership in the fund is also strong, with Benjamin investing more than \$1 million, O'Reilly between \$500,000 and \$1 million, and Covode between \$100,000 and \$500,000.

The managers are supported by a team of 22 credit and portfolio analysts, five traders, and one risk-management specialist. The analyst team has an average of 10 years' investment experience, and each analyst is assigned specific sectors to cover.

Parent Pillar: + Positive

Unlike fund shops that tightly control risk, resulting in a lineup of bland index-huggers, Neuberger Berman lets its managers invest with conviction. Neuberger funds tend to be concentrated, with relatively low turnover and significant sector bets. That leads to more-volatile returns, but the funds have mostly performed quite well over time, with few duds and several standouts.

This culture faced a threat in 2008 when then-parent Lehman Brothers collapsed, but a group of Neuberger insiders eventually took the firm private. It's now owned by about 300 employees, including most portfolio managers and many analysts, providing good incentives for them to stick around. Neuberger is focused solely on investment management, though its retail mutual funds only make up a fraction of assets under management (about 15% as of 2014). Since 2008, it gradually has been shifting its distribution emphasis to advisor-sold share classes with sales charges, though existing shareholders can still buy no-load shares.

Neuberger has made a handful of acquisitions during the past decade and launched a flurry of new funds in recent years, including some trendy ones such as absolute-return, long-short, and China funds. Such moves are potential causes for concern that bear watching, but at heart, Neuberger remains a boutique with a nicely distinctive investing culture.

Price Pillar: + Positive

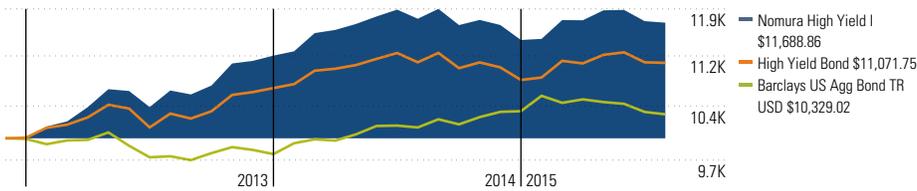
Sixty percent of the fund's assets are held in the Institutional share class, which charges a below-average 0.70% expense ratio. The fund's Investor share class also costs less than competitor funds, as its 0.84% expense ratio is below the 0.90% median for similarly distributed funds. And expenses have fallen slightly as the fund has grown in the past few years, passing on some benefit from economies of scale to investors.

Nomura High Yield I NPHIX

Morningstar Analyst Rating

NAV \$	NAV Day Change %	Yield TTM %	Total Assets \$ Mil	Status	Min. Inv.	Load	Expenses	Morningstar Rating™	Category	Investment Style
9.60	↑0.01 0.10	6.59	35.8	Open	\$250,000	None	0.85%		High Yield Bond	

Growth of 10,000 12-28-2012 - 07-12-2015



3 Year Average Morningstar Risk Measures



Performance 07-10-2015

	YTD	1 Mo	1 Yr	3Yr Ann	5Yr Ann	10Yr Ann
Growth of 10,000	10,236	9,910	9,843	—	—	—
Fund	2.36	-0.90	-1.57	—	—	—
+/- Barclays US Agg Bond TR USD	2.78	-1.22	-3.24	—	—	—
+/- Category	0.04	-0.33	-0.51	—	—	—
% Rank in Cat	51	82	68	—	—	—
# of Funds in Cat	791	801	746	612	515	361

* Currency is displayed in BASE

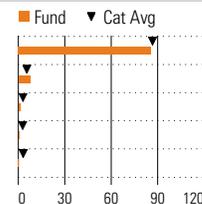
Top Holdings 05-31-2015

	Weight %	Maturity Date	Amount Mil	Value Mil
Sprint Cap 8.75%	0.94	03-15-2032	0.33	0.33
Shelf Drilling Hldgs 144A 8.625%	0.76	11-01-2018	0.30	0.27
Constellation Nv 144A 5.75%	0.67	05-15-2024	0.25	0.24
⊖ Sprint 7.875%	0.65	09-15-2023	0.23	0.23
Jbs Investments 144a	0.63	10-28-2020	0.20	0.22
% Assets in Top 5 Holdings	3.65			

⊕ Increase ⊖ Decrease ✱ New to Portfolio

Top Sectors 05-31-2015

	Fund	BMark	Cat Avg
Corporate Bond	85.61	—	84.12
Bank Loan	7.70	—	2.88
Convertible	1.23	—	0.43
Preferred	0.60	—	0.22
Asset-Backed	0.38	—	0.56



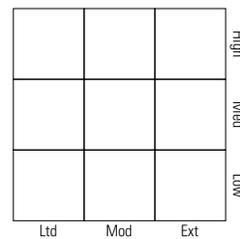
Dividend and Capital Gains Distributions

Distribution Date	Distribution NAV	Long-Term Capital Gain	Long-Term Short Gain	Return of Capital	Dividend Income	Distribution Total
06-29-2015	9.62	0.0000	0.0000	0.0000	0.0500	0.0500
05-28-2015	9.82	0.0000	0.0000	0.0000	0.0600	0.0600
04-29-2015	9.86	0.0000	0.0000	0.0000	0.0500	0.0500
03-30-2015	9.78	0.0000	0.0000	0.0000	0.0600	0.0600
02-26-2015	9.84	0.0000	0.0000	0.0000	0.0500	0.0500

Pillars

Process	—	—
Performance	—	—
People	—	—
Parent	—	—
Price	—	—
Rating	—	—

Style Map 05-31-2015



Bond Statistics

	Value
Average Effective Duration (Years)	—
Average Effective Maturity (Years)	6.24
Average Credit Quality	B
Average Weighted Coupon	6.77
Average Weighted Price	98.76

Asset Allocation

	% Net	% Short	% Long	Bench mark	Cat Avg
Cash	-0.28	1.23	0.95	—	3.46
US Stock	0.60	0.00	0.60	—	1.17
Non US Stock	0.00	0.00	0.00	—	0.07
Bond	96.57	0.00	96.57	—	94.08
Other	3.10	0.00	3.10	—	1.21

Management

	Start Date
Stephen S. Kotsen	12-28-2012
David Owen Crall	12-28-2012

Nomura High Yield I NPHIX

Analysis

Morningstar's Take

Morningstar Analyst Rating —

Morningstar Pillars

Process	—	—
Performance	—	—
People	—	—
Parent	—	—
Price	—	—

Morningstar Analyst Rating

Morningstar evaluates mutual funds based on five key pillars, which its analysts believe lead to funds that are more likely to outperform over the long term on a risk-adjusted basis.

Analyst Rating Spectrum

 Gold
  Silver
  Bronze
  Neutral
  Negative

Fund Performance

	Total Return %	+/- Category
YTD	2.36	0.04
2014	2.13	1.02
2013	11.81	4.91

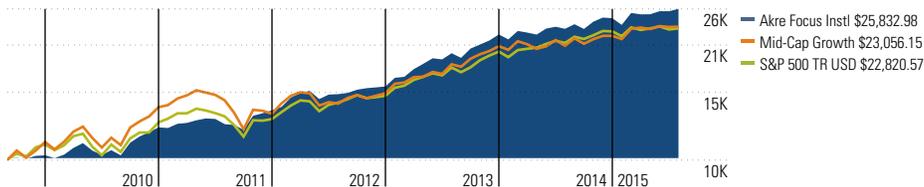
We do not currently publish an Analyst Report for this company.

Akre Focus Instl AKRIX

Morningstar Analyst Rating
Silver

NAV \$	NAV Day Change %	Yield TTM %	Total Assets \$ Bil	Status	Min. Inv.	Load	Expenses	Morningstar Rating™	Category	Investment Style
24.20	↑0.30 1.26	0.00	4.0	Open	\$250,000	None	1.10%	★★★★★	Mid-Cap Growth	Large Growth

Growth of 10,000 08-31-2009 - 07-12-2015



3 Year Average Morningstar Risk Measures



Investment Strategy

The investment seeks long-term capital appreciation. The fund invests primarily in securities of companies listed on U.S. stock exchanges. Investments consist primarily of common stocks of companies of any capitalization range. It may also invest in preferred stocks, warrants, options, and other equity-like instruments, such as partnership interests, limited liability company interests, business trust shares and rights and other securities that are convertible into equity securities. The fund is non-diversified.

Performance 07-10-2015

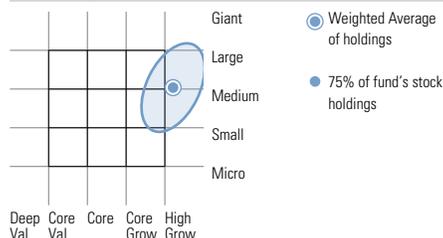
	YTD	1 Mo	1 Yr	3Yr Ann	5Yr Ann	10Yr Ann
Growth of 10,000	10,614	10,008	11,176	17,282	24,863	—
Fund	6.14	0.08	11.76	20.00	19.98	—
+/- S&P 500 TR USD	4.19	1.28	3.88	1.84	3.53	—
+/- Category	0.10	1.19	1.10	1.67	4.00	—
% Rank in Cat	46	13	41	25	3	—
# of Funds in Cat	762	767	749	649	580	445

* Currency is displayed in BASE

Pillars

Process	Positive
Performance	Positive
People	Positive
Parent	Positive
Price	Negative
Rating	Silver

Style Map



Top Holdings 04-30-2015

	Weight %	Last Price	Day Chg %	52 Week Range
Moody's Corporation	8.83	111.08 BASE	0.52 ↑	85.50 - 111.70
Market Corporation	8.48	868.12 BASE	0.16 ↑	623.90 - 880.59
American Tower Corp	8.13	95.63 BASE	0.21 ↑	90.20 - 105.20
MasterCard Inc Class A	8.04	95.28 BASE	0.69 ↑	69.64 - 96.31
Colfax Corp	6.53	44.06 BASE	1.06 ↑	42.86 - 73.61

% Assets in Top 5 Holdings: 40.01

⊕ Increase ⊖ Decrease ✦ New to Portfolio

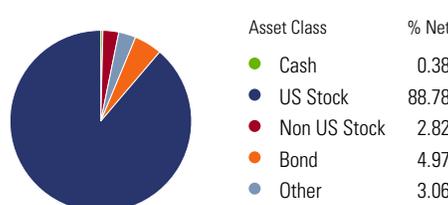
Top Sectors 04-30-2015

	Fund	3 Yr High	3 Yr Low	Cat Avg
Financial Services	28.99	34.00	28.73	8.97
Industrials	28.71	28.71	25.59	17.96
Consumer Cyclical	18.29	18.68	14.61	19.36
Real Estate	8.88	9.66	8.19	4.01
Consumer Defensive	6.73	8.95	5.63	5.45

Dividend and Capital Gains Distributions

Distribution Date	Distribution NAV	Long-Term Capital Gain	Long-Term Short Gain	Return of Capital	Dividend Income	Distribution Total
12-12-2014	22.20	0.4700	0.0000	0.0000	0.0000	0.4700
12-13-2013	20.13	0.3500	0.0500	0.0000	0.0000	0.4000
12-14-2012	15.18	0.1700	0.0800	0.0000	0.0900	0.3400
12-15-2011	13.17	0.0000	0.0000	0.0000	0.0300	0.0300

Asset Allocation



Management

	Start Date
Charles T. Akre, Jr.	08-31-2009
John H. Neff	08-01-2014
Thomas D. Saberhagen	08-01-2014

Akre Focus Instl AKRIX

Analysis

A bigger team and a bright future.

By Alec Lucas 1/13/2015

Akre Focus now boasts a three-person management team. Lead manager Chuck Akre named Tom Saberhagen and John Neff as comanagers in August 2014. Saberhagen and Neff joined the firm as analysts in late 2009, shortly after this fund's inception. Saberhagen has more of a value orientation while Neff gravitates toward strong business models. Their complementary strengths have helped this fund carve out a stellar record. Its 18.8% five-year annualized gain through year-end 2014 beat all but a few peers in the mid-cap growth Morningstar Category.

The fund's compact portfolio of roughly 20-30 stocks won't always fare so well from year to year. Akre used the same approach with prior all-cap charge FBR Focus (now Hennessy Focus HFCSX), and it lagged the Russell 2000 Index six out of 12-plus years from 1997 to late 2009. On the whole, though, that fund crushed its benchmark, returning 343% versus the bogy's 89%, thanks in part to investing in gaming stocks rather than tech during the dot-com era.

Its success stems from focusing on competitively advantaged and cash-generating businesses that have strong management and good reinvestment opportunities. Core positions in such firms can reach 10% of assets, and the top 10 holdings regularly hold half or more of the fund's assets. To mitigate security-specific risk, Akre and his comanagers keep a close watch on investments and are quick to sell if signs of deterioration emerge. They exited a position in Ross Stores ROST in mid-2014, concerned that Ross' strategy of increasing margins through inventory reduction had seen its best days. If they like a name, they'll take advantage of share-price declines to initiate or increase a position. Last year they bought a stake in Ubiquiti Networks UBNT, a global leader in providing wireless hardware to rural areas, after its shares suffered unduly because of fears about business prospects in emerging markets.

Akre's past record breeds confidence in such moves over the long haul. With an expanded management team, this Silver-rated fund is poised to remain competitive well into the future.

Process Pillar: Positive

Lead manager Chuck Akre and his team aim to compound capital at an above-average rate while incurring a below-average level of risk. Akre does so by looking for what he calls compounding machines or three-legged stools: sturdy firms that can grow capital over long periods. The first leg is a business model that produces high free cash flow and has sustainable competitive advantages. The second leg is strong shareholder-oriented management, and the third is the ability to reinvest cash at a superior rate of return.

While valuations play an important role in purchasing such companies, Akre usually won't sell based on valuations alone because he believes compounding machines come through in the long run. However, if a firm is more cyclical than his typical holding or its margins are less dependable, he's quicker to sell.

With one foot in value and the other in growth, the fund's best-fit index is the all-cap Morningstar US Market Index. Even in this case, the R-squared is only 77.6 during the past three years through year-end 2014. The fund's focused portfolio leads it to behave differently than any index. The fund also sets itself apart with a big cash stake. Akre keeps cash, or substitutes like bonds, in the low teens so that he won't be forced to sell to meet redemptions and so that he can buy stocks that dip to attractive prices. The cash stake also moderates the portfolio's ups and downs.

Since few firms meet manager Chuck Akre's stringent standards, his funds have always had concentrated portfolios. Following this fund's late August 2009 start date, the number of stocks in the portfolio steadily climbed to 26 by July 2010. Since then, the portfolio has ranged between 20 and 33 stocks, with top-10 holdings often exceeding 10% of assets each. As of Oct. 31, 2014, the portfolio held 27 stocks, with the top 10 holdings account-

Morningstar's Take

Morningstar Analyst Rating



Morningstar Pillars

Process	 Positive
Performance	 Positive
People	 Positive
Parent	 Positive
Price	 Negative

Morningstar Analyst Rating

Morningstar evaluates mutual funds based on five key pillars, which its analysts believe lead to funds that are more likely to outperform over the long term on a risk-adjusted basis.

Analyst Rating Spectrum

 Gold  Silver  Bronze **Neutral**  Negative

Fund Performance

	Total Return %	+/- Category
YTD	6.14	0.10
2014	10.86	3.86
2013	39.19	4.27
2012	16.45	2.38
2011	11.39	15.35

Akre Focus Instl AKRIX

Analysis

ing for nearly 67% of assets.

Several of the fund's top 10 holdings have been in the portfolio since early 2010. Each reflects Akre's emphasis on investing in firms that are well-positioned and have sustainable competitive advantages. He believes that business models designed to help consumers stretch each dollar will flourish. That's in part why he's kept a big position in Dollar Tree Stores DLTR. MasterCard MA and American Tower AMT, on the other hand, have real pricing power, the former because of network effects and the latter because of the geographic advantage that comes from building and then leasing cell towers.

All told, Akre's search for firms able to compound capital shines through. The portfolio's average 26% return on equity during the past year is 50% higher than the mid-cap growth norm. While investors face significant security-specific and sector risk here, Akre has proved over the long haul to be an excellent judge of businesses and the people who run them.

Performance Pillar: + Positive

Chuck Akre's high-conviction approach leads to concentrated portfolios and often a large cash stake as he searches for the few firms that meet his criteria. As a result, his funds do not hug their benchmarks and may go through periods of underperformance while still outperforming over the long haul. Prior all-cap charge FBR Focus (now Hennessy Focus HFCSX) lagged its Russell 2000 Index six out of Akre's 12-plus years, including a three-year stretch from 1998 to 2000. In 2000, for example, FBR Focus lagged by 5.8 percentage points, largely due to a lack of tech exposure. Yet that same lack of tech exposure proved to be a boon in 2001-02 as gaming stocks further helped the fund trounce the index. During Akre's tenure, FBR Focus' lumpy results led to a 343% cumulative return versus 89% for the index.

This fund started slowly in late 2009 and 2010 as Akre took time putting the fund's cash to work. Since 2011, however, the fund has excelled. Over the trailing five years through year-end 2014, the

fund's 18.8% annualized gain beats the Russell 3000 Index by 3.1 percentage points and ranks in the mid-growth category's third percentile. Don't expect this fund always to perform so well. Stocks of high-quality firms like the ones in this portfolio may not soar in liquidity-driven rallies, but they tend to hold up well in down markets and over the long term. That has proved to be a stellar combination.

People Pillar: + Positive

Lead manager Chuck Akre has a wealth of experience and a strong track record. In 1968, he joined Johnston, Lemon & Co. and eventually became CEO of the firm's asset management division and director of research. In 1989, he founded Akre Capital Management, which was associated with FBR Group from 1993 to 2009. Over 12-plus years managing FBR Focus, Akre guided the fund to stellar returns with below-average volatility. After his departure, Akre's former analysts became the fund's comanagers. Now called Hennessy Focus, these analysts have used the same process to deliver strong returns.

Upon separating from FBR, Akre started this fund in late August 2009 and rebuilt his analyst team. He hired Tom Saberhagen, who had worked at Aegis Financial since 2002, and John Neff, who had worked at William Blair since 2002 and before that at First Chicago NBD and Merrill Lynch. In August 2014, Saberhagen and Neff became comanagers. Analyst Chris Cerrone joined in April 2012. He had been a retail sell-side analyst at Goldman Sachs for two years and prior to that worked at Century Capital Management. Saberhagen, Neff, and Cerrone are all now partners in the firm. Two other analysts, Deanna McGreevy and Ben Fox, started in 2014. The combined six-person team shares analytical responsibilities.

Akre has more than \$1 million in the fund while Saberhagen and Neff invest at least \$500,000 and \$100,000, respectively.

Parent Pillar: + Positive

Akre Capital Management has adeptly navigated several changes since the early 2000s. Founded in 1989 by Chuck Akre, the firm entered into a part-

nership with FBR Group from 1993 to 2001. As an employee of FBR, Akre became manager of FBR Focus in late December 1996 and developed an outstanding track record. In 2002, Akre re-established as an independent firm Akre Capital Management, which became the subadvisor to FBR Focus. This relationship lasted until August 2009, when changes in FBR caused the two firms to part ways.

Five-plus years later, Akre Capital Management has a strong and stable investment culture centered on the Akre Focus Fund. Its retail (AKREX) and institutional (AKRIX) share classes account for most of the firm's \$4 billion in assets under management. The firm has also taken steps to prepare for the future as firm partners Tom Saberhagen and John Neff, both hired as analysts in 2009, were named portfolio managers in August 2014. Fees, while still above average, have come down as assets have increased. US Bancorp provides the fund's board as part of a package that includes other services. These boards have pluses and minuses: While trustees are experienced and thus have less loyalty to the fund manager, they often serve on fund boards of multiple and varied fund complexes.

All told, the firm keeps investors squarely in mind and thus merits a Positive Parent rating.

Price Pillar: - Negative

The 1.35% expense ratio charged for this fund's retail shares in fiscal 2014 was 25 basis points above the median for similarly distributed mid-cap peers, while the 1.10% expense ratio charged for Institutional shares was 15 basis points above its peer median. The fund earns an Above Average Morningstar Fee Level rating as a result.

Both expense ratios, however, have steadily decreased since 2010 as the fund's assets have grown. And thanks to low turnover, the fund has consistently had below-average brokerage costs. In fiscal 2014, these costs amounted to only 2 basis points, 16 basis points below the category norm. With such minimal brokerage costs, the fund may become competitive from a price standpoint if

Akre Focus Instl AKRIX

Analysis

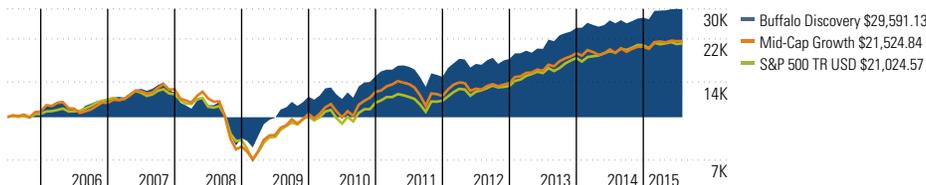
the expense ratio continues its downward trend.

Buffalo Discovery BUFTX

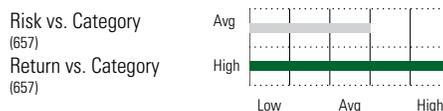
Morningstar Analyst Rating

NAV \$	NAV Day Change %	Yield TTM %	Total Assets \$ Mil	Status	Min. Inv.	Load	Expenses	Morningstar Rating™	Category	Investment Style
21.77	↑0.22 1.02	0.00	804.6	Open	\$2,500	None	1.01%	★★★★★	Mid-Cap Growth	Mid Growth

Growth of 10,000 07-12-2005 - 07-12-2015



3 Year Average Morningstar Risk Measures



Investment Strategy

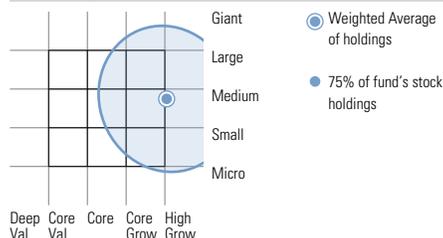
The investment seeks long-term growth of capital. The fund principally invests in equity securities, consisting of domestic common stock, preferred stock, convertible securities, warrants and rights of companies whose securities may increase in value due to the development, advancement or commercial application of innovative strategies. The fund's investments in equity securities will consist primarily of domestic securities, it may invest up to 20% of its net assets in sponsored or unsponsored ADRs and securities of foreign companies that are traded on U.S. stock exchanges.

Performance 07-10-2015

	YTD	1 Mo	1 Yr	3Yr Ann	5Yr Ann	10Yr Ann
Growth of 10,000	10,885	9,864	11,348	17,874	23,763	30,000
Fund	8.85	-1.36	13.48	21.36	18.90	11.61
+/- S&P 500 TR USD	6.90	-0.16	5.60	3.20	2.45	3.83
+/- Category	2.81	-0.25	2.82	3.03	2.92	2.97
% Rank in Cat	17	59	28	13	8	4
# of Funds in Cat	762	767	749	649	580	445

* Currency is displayed in BASE

Style Map

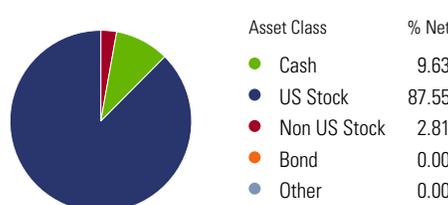


Top Holdings 03-31-2015

	Weight %	Last Price	Day Chg %	52 Week Range
Apple Inc	3.32	125.29 BASE	1.64 ↑	92.57 - 134.54
Perrigo Co PLC	1.99	183.64 BASE	1.63 ↑	135.00 - 215.73
Chart Industries Inc	1.91	34.49 BASE	2.80 ↑	27.34 - 81.98
Hexcel Corp	1.89	49.62 BASE	0.75 ↑	36.85 - 52.89
AthenaHealth Inc	1.88	113.85 BASE	-0.71 ↓	107.88 - 153.25
% Assets in Top 5 Holdings	10.98			

⊕ Increase ⊖ Decrease ✱ New to Portfolio

Asset Allocation



Top Sectors 03-31-2015

	Fund	3 Yr High	3 Yr Low	Cat Avg
Technology	29.52	37.00	29.52	19.33
Healthcare	24.50	27.97	24.31	15.67
Industrials	18.57	18.57	11.42	17.90
Consumer Cyclical	12.21	12.49	6.09	19.31
Basic Materials	6.17	7.15	4.31	3.09

Dividend and Capital Gains Distributions

Distribution Date	Distribution NAV	Long-Term Capital Gain	Long-Term Short Gain	Return of Capital	Dividend Income	Distribution Total
12-18-2014	19.86	1.7500	0.3000	0.0000	0.0000	2.0600
12-18-2013	19.44	0.9900	0.5200	0.0000	0.0000	1.5100
12-18-2012	15.87	1.1900	0.0000	0.0000	0.0300	1.2200
12-20-2011	14.08	0.9000	0.0900	0.0000	0.0000	0.9900
12-20-2010	15.25	0.0000	0.3200	0.0000	0.0000	0.3200

Management

	Start Date
Clay Brethour	01-01-2004
Dave Carlsen	01-01-2004
Elizabeth Jones	01-01-2004

Buffalo Discovery BUFTX

Analysis

Morningstar's Take

Morningstar Analyst Rating —

Morningstar Pillars

Process	—	—
Performance	—	—
People	—	—
Parent	—	—
Price	—	—

Morningstar Analyst Rating

Morningstar evaluates mutual funds based on five key pillars, which its analysts believe lead to funds that are more likely to outperform over the long term on a risk-adjusted basis.

Analyst Rating Spectrum

 Gold
  Silver
  Bronze
  Neutral
  Negative

Fund Performance

	Total Return %	+/- Category
YTD	8.85	2.81
2014	10.68	3.68
2013	36.61	1.69
2012	19.73	5.65
2011	-0.69	3.27

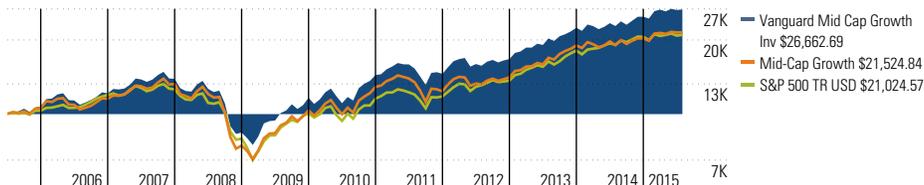
We do not currently publish an Analyst Report for this company.

Vanguard Mid Cap Growth Inv VMGRX

Morningstar Analyst Rating
Bronze

NAV \$	NAV Day Change %	Yield TTM %	Total Assets \$ Bil	Status	Min. Inv.	Load	Expenses	Morningstar Rating™	Category	Investment Style
25.92	↑0.33 1.29	0.13	4.1	Open	\$3,000	None	0.44%	★★★★	Mid-Cap Growth	Mid Growth

Growth of 10,000 07-12-2005 - 07-12-2015



3 Year Average Morningstar Risk Measures



Investment Strategy

The investment seeks to provide long-term capital appreciation. The fund invests at least 80% of its assets in common stocks of mid-size companies. In selecting investments, each advisor invests in those mid-size companies that it believes have the best prospects for future growth. The fund uses multiple investment advisors.

Performance 07-10-2015

	YTD	1 Mo	1 Yr	3Yr Ann	5Yr Ann	10Yr Ann
Growth of 10,000	10,702	9,886	11,501	16,995	23,214	26,828
Fund	7.02	-1.14	15.01	19.34	18.35	10.37
+/- S&P 500 TR USD	5.06	0.05	7.14	1.18	1.90	2.59
+/- Category	0.98	-0.03	4.36	1.00	2.36	1.73
% Rank in Cat	37	51	17	33	14	16
# of Funds in Cat	762	767	749	649	580	445

* Currency is displayed in BASE

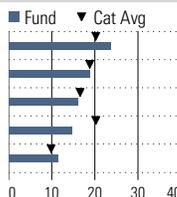
Top Holdings 03-31-2015

	Weight %	Last Price	Day Chg %	52 Week Range
⊕ Biomarin Pharmaceutical Inc	2.55	143.43 BASE	1.23 ↑	55.36 - 144.93
⊕ Vantiv Inc	1.95	38.98 BASE	-0.03 ↓	29.35 - 41.09
⊕ Hilton Worldwide Holdings Inc	1.82	28.24 BASE	1.26 ↑	20.72 - 31.60
⊕ Towers Watson & Co Class A	1.80	130.99 BASE	0.99 ↑	98.10 - 141.88
⊕ Dollar General Corp	1.65	79.88 BASE	0.50 ↑	53.78 - 80.35
% Assets in Top 5 Holdings	9.76			

⊕ Increase ⊖ Decrease ✱ New to Portfolio

Top Sectors 03-31-2015

	Fund	3 Yr High	3 Yr Low	Cat Avg
🏠 Consumer Cyclical	23.73	23.73	22.80	19.31
⚙️ Industrials	18.88	24.14	18.88	17.90
🏥 Healthcare	15.98	15.98	10.83	15.67
💻 Technology	14.55	17.78	13.39	19.33
🏦 Financial Services	11.53	13.43	9.95	8.95



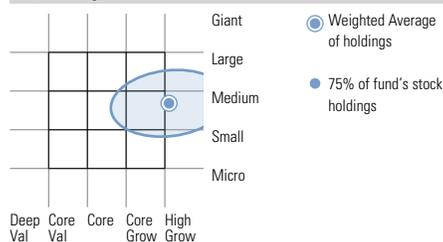
Dividend and Capital Gains Distributions

Distribution Date	Distribution NAV	Long-Term Capital Gain	Long-Term Short Gain	Return of Capital	Dividend Income	Distribution Total
12-22-2014	24.32	2.5400	0.6300	0.0000	0.0400	3.2100
12-17-2013	23.80	1.7200	0.7800	0.0000	0.0100	2.5000
12-17-2012	20.20	0.8500	0.3200	0.0000	0.0700	1.2400
12-16-2011	18.39	0.3500	0.0000	0.0000	0.0300	0.3800
12-16-2010	18.95	0.0000	0.0000	0.0000	0.0200	0.0200

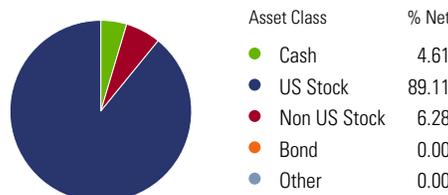
Pillars

Process	⊖ Neutral
Performance	⊕ Positive
People	⊖ Neutral
Parent	⊕ Positive
Price	⊕ Positive
Rating	🏅 Bronze

Style Map



Asset Allocation



Management

Manager	Start Date
Robert C. Lanphier, IV	06-08-2006
David P. Ricci	06-08-2006
John A. Heffern	02-27-2009

Vanguard Mid Cap Growth Inv VMGRX

Analysis

Low fees make this active fund a competitive option for exposure to mid-cap stocks.

By Alex Bryan 3/18/2015

Vanguard Mid-Cap Growth offers low-cost exposure to two reasonable growth strategies. William Blair and Chartwell have subadvised this fund since mid-2006, and each manages half of the portfolio. The William Blair team targets well-managed, fast-growing companies with strong returns on capital, low debt, and durable competitive advantages. It favors firms it thinks will grow faster than the market expects. Chartwell also looks for firms with the potential to exceed the market's growth expectations, focusing on each firm's ability to execute. But it pays more attention to quarterly results and tends to trade more frequently than William Blair.

The two strategies complement each other. William Blair's approach is more defensive than Chartwell's and held up a little better in the bear market from October 2007 through March 2009. Chartwell's strategy fared better in the strong bull market over the trailing five years through December 2014. Together, they allowed the fund to edge out the Russell Midcap Growth Index by 0.3% annually from July 2006 through February 2015 with slightly less volatility. Vanguard adjusts its subadvisors' compensation based on their performance against this benchmark to encourage them to make active bets.

The fund isn't a closet indexer. Both teams rely on bottom-up stock selection and only hold a fraction of the number of holdings in the Russell Midcap Growth Index. At the end of 2014, the fund's active share--or divergence from the index--was 76%. While the fund doesn't have much overlap with its benchmark, many of its sector weightings are similar. However, the portfolio is fluid. In each of the past five years, its turnover was 82% or more. Such turnover can create high transaction costs and reduce tax efficiency.

Low fees help offset these costs and give the fund a durable advantage over its peers. At just 0.44%,

the fund's expense ratio is 66 basis points less than the median for no-load mid-cap funds. This cost advantage, the subadvisors' complementary strategies, and the fund's solid risk/reward profile support its Morningstar Analyst Rating of Bronze.

Process Pillar: Neutral

In order to make the cut for William Blair's portion of the portfolio, a business must have a durable competitive advantage, a strong balance sheet, and attractive returns on capital or the potential to generate attractive returns on capital in the future. As such, the William Blair team will invest in emerging leaders but generally avoids speculative names. These managers look for stocks that have the potential to grow faster than the market expects with attractive valuations relative to their estimates of future earnings power. They are willing to invest in stocks they think have good long-term growth potential but are undervalued because of short-term issues. This team targets between 40 and 60 names and limits individual positions to 5% of the portfolio, though it rarely approaches that limit.

The Chartwell team is led by John Heffern and targets firms that can meet or exceed the market's growth expectations through superior business execution. It looks for business momentum, or an inflection in expected growth rates, and competitive valuations relative to expectations. Heffern uses quarterly financial results to reassess his view of each holding. If a holding disappoints, he may trim the position.

Because both William Blair and Chartwell keep positions small and have very little holdings overlap, the success of the portfolio does not hinge on a handful of ideas.

In 2014, William Blair added Mednax MD to the portfolio and it typifies their approach. This physician-services company specializes in maternal, newborn, pediatric, and anesthesia care. William Blair's managers like the firm's potential for profitable growth, a characteristic they seek in all of their holdings.

Morningstar's Take

Morningstar Analyst Rating



Morningstar Pillars

Process	 Neutral
Performance	 Positive
People	 Neutral
Parent	 Positive
Price	 Positive

Morningstar Analyst Rating

Morningstar evaluates mutual funds based on five key pillars, which its analysts believe lead to funds that are more likely to outperform over the long term on a risk-adjusted basis.

Analyst Rating Spectrum

 Gold  Silver  Bronze **Neutral**  Negative

Fund Performance

	Total Return %	+/- Category
YTD	7.02	0.98
2014	10.86	3.86
2013	34.15	-0.78
2012	14.84	0.76
2011	1.17	5.13

Vanguard Mid Cap Growth Inv VMGRX

Analysis

The Chartwell team tends to turn over its portfolio at a faster rate in its search for firms with the potential to accelerate earnings growth, or otherwise beat expectations. Synovus Financial Corp SNV was one of the new holdings that made the cut in 2014.

At the end of December 2014, the fund was overweight financial services stocks and underweight the basic-materials, energy, and technology sectors relative to the Russell Midcap Growth Index. Big sector bets are not the norm because both the Chartwell and William Blair teams constrain their sector tilts away from their benchmark. The financial-services sector is currently the only one whose weighting deviates from the benchmark by more than 4 percentage points.

The average market capitalization of the fund's holdings tends to be lower than the benchmark's, as smaller companies tend to have better growth prospects. On average, at the end of 2014, the fund's holdings were trading at a comparable multiple of forward earnings to the Russell Midcap Growth Index and generated slightly higher returns on invested capital.

Performance Pillar: + Positive

The fund has tended to slightly underperform in strong bull markets, but it has generated reasonably attractive risk-adjusted performance over time.

From July 2006, after both of the fund's current subadvisors started to manage the portfolio, through February 2015, the fund outpaced the Russell Midcap Growth Index by 0.3% annualized with slightly less volatility. It held up better than this benchmark during the bear market from Oct. 9, 2007, through March 9, 2009. During that time, it beat the index by 3.1% annualized, because of both stock selection and its cash balance. However, it lagged in the early part of the recovery and during the most recent three-year period where William Blair's relatively defensive approach hurt performance in a buoyant market.

Over the trailing five years through February 2015,

the fund nearly matched the performance of its benchmark, slightly beating by 0.1% annualized. That was good enough to rank it in the top quintile of the mid-cap growth Morningstar Category. Cash created a drag on the fund's performance, which was partially offset by stock selection in the technology, industrials, and financial-services sectors. In aggregate, sector tilts did not have a big impact on the fund's performance relative to the benchmark.

People Pillar: ○ Neutral

Robert Lanphier and David Ricci lead William Blair's mid-cap growth team. They have served as portfolio managers with William Blair since 1996 and 2005, respectively, and each has been at the firm for more than two decades. Lanphier co-founded William Blair's mid-cap growth strategy in 1997, while Ricci joined the mid-cap growth team as a manager in 2005.

Both Lanphier and Ricci have been named managers on this fund since William Blair started sub-advising for Vanguard in June 2006. They are supported by 15 research analysts, most of whom are industry specialists. The team meets weekly to discuss investment ideas, but Ricci and Lanphier must both sign off on a new idea in order for it to enter the portfolio. William Blair Mid Cap Growth WCGIX is identical to the strategy they run for Vanguard Mid-Cap Growth.

John Heffern leads the Chartwell mid-cap growth team, which includes seven analysts. He has been with Chartwell Investment Partners since 2005 and has been a named manager on this fund since 2009. Before joining Chartwell, Heffern served as a senior vice president and senior portfolio manager at Delaware Investment Advisers. He also helps manage Vanguard Explorer VEXPX. His comanager, Edward Antoian, stepped down from the fund in February 2015. Antoian is still with the firm, serving as its chief investment officer.

Parent Pillar: + Positive

Vanguard has one of the mutual fund industry's strongest corporate cultures. Its consistent messages to investors to keep costs low, diversify, and stay the course are illustrated by the firm's own

behavior. Vanguard's fundholders own the firm through small investments by each mutual fund, eliminating potential conflicts of interest that can exist at other firms that are serving two masters. Fund performance is strong overall: Over the past three-, five-, and 10-year periods, its Morningstar Success Ratios and Morningstar Risk-Adjusted Success Ratios, which measure what percentage of a firm's funds have both survived and outperformed a given time period, check in at greater than 70%--high among large, diversified fund families.

Over the past year, the firm has collected more than \$200 billion in net inflows, thanks in large part to investors' interest in passive investing. The firm's indexing and ETF prowess, low costs, and success in penetrating the financial-advisor sales channel all have fueled growth. These fund flows, as well as market appreciation, have brought total assets under management to more than \$3 trillion. In this number is a nearly 20% market share of U.S. mutual funds, roughly double its next-closest competitor's.

Fees are very often the industry's lowest, but manager investment, particularly by index and in-house fixed-income managers, could be better. Vanguard earns a Positive Parent rating.

Price Pillar: + Positive

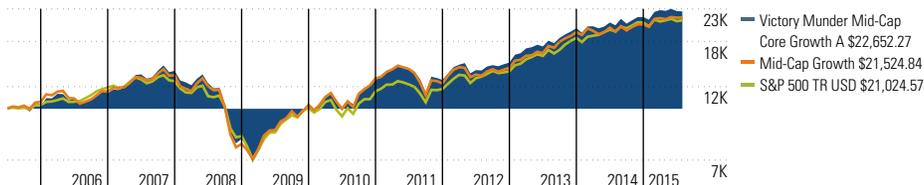
Vanguard charges a low 0.44% expense ratio for the fund's Investor share class, which requires a \$3,000 minimum investment. That gives it a considerable edge over the median no-load mid-cap fund, which charges 1.1%. Vanguard adjusts the fee it pays to the fund's subadvisors based on their performance relative to the Russell Midcap Growth Index. As a result, the fund's expense ratio may increase when its performance relative to this benchmark improves and decrease when its relative performance weakens.

Victory Munder Mid-Cap Core Growth A MGOAX

Morningstar Analyst Rating

NAV \$	NAV Day Change %	Yield TTM %	Total Assets \$ Bil	Status	Min. Inv.	Load	Expenses	Morningstar Rating™	Category	Investment Style
43.19	↑0.50 1.17	0.00	6.4	Open	\$2,500	5.75	1.32%	★★★	Mid-Cap Growth	Mid Growth

Growth of 10,000 07-12-2005 - 07-12-2015



3 Year Average Morningstar Risk Measures



Investment Strategy

The investment seeks long-term capital appreciation. The fund normally invests at least 80% of the fund's assets in equity securities (i.e., common stocks, preferred stocks, convertible securities and rights and warrants) of mid-capitalization companies. Mid-capitalization companies means those companies with market capitalizations within the range of companies included in the S&P MidCap 400® Index. Although the fund will primarily be invested in domestic securities, up to 25% of the fund's assets may be invested in foreign securities.

Performance 07-10-2015

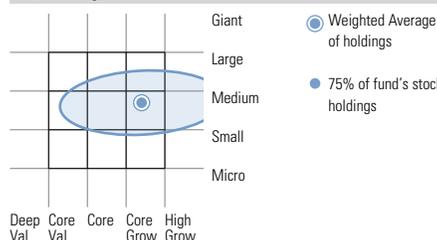
	YTD	1 Mo	1 Yr	3Yr Ann	5Yr Ann	10Yr Ann
Growth of 10,000	10,486	9,796	11,007	16,653	21,438	22,827
Fund	4.86	-2.04	10.07	18.53	16.48	8.60
+/- S&P 500 TR USD	2.90	-0.84	2.20	0.37	0.03	0.82
+/- Category	-1.19	-0.93	-0.58	0.20	0.49	-0.04
% Rank in Cat	66	83	56	43	39	53
# of Funds in Cat	762	767	749	649	580	445

* Currency is displayed in BASE

Pillars

Process	—	—
Performance	—	—
People	—	—
Parent	—	—
Price	—	—
Rating	—	—

Style Map

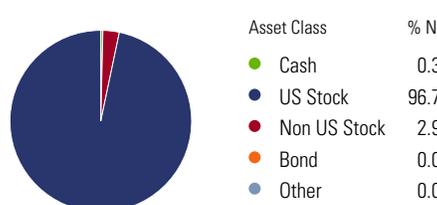


Top Holdings 06-30-2015

	Weight %	Last Price	Day Chg %	52 Week Range
⊕ SPDR® S&P MidCap 400 ETF	2.46	275.32 BASE	0.75 ↑	230.81 - 282.41
⊖ Biomarin Pharmaceutical Inc	2.22	143.77 BASE	1.47 ↑	55.36 - 144.93
⊖ Affiliated Managers Group Inc	2.02	216.03 BASE	1.06 ↑	174.43 - 230.63
⊖ NiSource Inc	1.98	16.70 BASE	-1.24 ↓	14.15 - 19.32
⊖ SBA Communications Corp	1.95	116.09 BASE	-0.50 ↓	102.56 - 126.65
% Assets in Top 5 Holdings	10.64			

⊕ Increase ⊖ Decrease ✱ New to Portfolio

Asset Allocation



Top Sectors 06-30-2015

	Fund	3 Yr High	3 Yr Low	Cat Avg	Fund	Cat Avg
🏠 Consumer Cyclical	19.87	19.87	19.34	—	19.87	19.34
💻 Technology	17.75	17.75	14.69	—	17.75	14.69
🏦 Financial Services	14.47	15.34	14.09	—	14.47	14.09
🏥 Healthcare	11.70	11.70	7.65	—	11.70	7.65
⚙️ Industrials	9.51	13.64	9.51	—	9.51	9.51

Dividend and Capital Gains Distributions

Distribution Date	Distribution NAV	Long-Term Capital Gain	Long-Term Short Gain	Return of Capital	Dividend Income	Distribution Total
12-29-2014	41.79	4.6300	0.2000	0.0000	0.0000	4.8300
12-27-2013	41.60	0.7400	0.0400	0.0000	0.0000	0.7900
12-29-2009	22.55	0.0000	0.0000	0.0000	0.0300	0.0300

Management

	Start Date
Tony Y. Dong	02-01-2001
Brian S. Matuszak	12-31-2005
George L. Sanders II	09-30-2006
Madan Gopal	10-31-2009
Gavin Hayman	02-18-2010
Robert E. Crosby	02-14-2012
Sean D. Wright	01-09-2014

Victory Munder Mid-Cap Core Growth A MGOAX

Analysis

Morningstar's Take		
Morningstar Analyst Rating	—	
Morningstar Pillars		
Process	—	—
Performance	—	—
People	—	—
Parent	—	—
Price	—	—

Morningstar Analyst Rating

Morningstar evaluates mutual funds based on five key pillars, which its analysts believe lead to funds that are more likely to outperform over the long term on a risk-adjusted basis.

Analyst Rating Spectrum

 Gold
  Silver
  Bronze
  Neutral
  Negative

Fund Performance		
	Total Return %	+/- Category
YTD	4.86	-1.19
2014	9.90	2.90
2013	33.38	-1.55
2012	15.72	1.65
2011	-1.04	2.92

We do not currently publish an Analyst Report for this company.