



Form ADV Part 2A – Disclosure Brochure
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This brochure provides information about the qualifications and business practices of Equitable Investment Management Group, LLC. Throughout this brochure and related materials, Equitable Investment Management Group, LLC may refer to itself as a “registered investment adviser” or “being registered.” These statements do not imply a certain level of skill or training. If you have any questions about the contents of this brochure, please contact us at 212-314-5051. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about Equitable Investment Management Group, LLC is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2: Summary of Material Changes

The following is a brief summary of only the material changes we made to the Firm Brochure of Equitable Investment Management Group, LLC (the “Registrant”) since the annual update on March 30, 2023. We updated Items 4, 5, 7, 8, 10 and 12 and Appendix A to remove references to EQ Premier VIP Trust, which was a registered investment company for which the Registrant served as investment adviser until November 12, 2023; the trust has since been deregistered as an investment company. We also updated: Item 4 to reflect the Registrant’s assets under management and the number of portfolios advised as of December 31, 2023; and Item 8 to reflect updated information regarding the risks involved in the Registrant’s investment strategies and methods of analysis. In addition, we updated Appendix A as it relates to Item 5, for existing Portfolios of EQ Advisors Trust. This brochure will be updated at least annually. We will ensure that you receive a summary of any material changes to this and subsequent brochures within 120 days of the close of our business’s fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

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Item 4: Advisory Business

The Registrant currently serves as the investment adviser to one investment company that is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), and two private investment trusts established in the Cayman Islands. Each investment company and private investment trust is a “series” type of trust with multiple portfolios (each, a “Portfolio,” and together, the “Portfolios”). The Registrant provides discretionary investment management services to the Portfolios, including, among other things: (1) portfolio management services for the Portfolios; (2) selecting investment sub-advisers for sub-advised Portfolios; and (3) developing and executing asset allocation strategies for multi-advised Portfolios and Portfolios structured as funds-of-funds. In its role as investment adviser, the Registrant has a variety of responsibilities for the general management and administration of its investment company clients. One of the Registrant’s primary responsibilities is to provide clients with portfolio management and investment advisory evaluation services, principally by reviewing whether to appoint, dismiss or replace sub-advisers to each Portfolio, and thereafter monitoring and reviewing each sub-adviser’s performance through qualitative and quantitative analysis, as well as periodic in-person, telephonic and written consultations with the sub-advisers. Currently, the Registrant has entered into sub-advisory agreements with numerous different sub-advisers, including AllianceBernstein L.P. (“AB”), an affiliate of the Registrant. Other primary responsibilities of the Registrant are to develop and monitor the investment program of each Portfolio, including Portfolio investment objectives, policies and asset allocations for the Portfolios; select investments for Portfolios (or portions thereof) for which it provides direct investment selection services; allocate and reallocate assets of a Portfolio (or a portion thereof) managed by multiple sub-advisers; ensure that investments and asset allocations are consistent with the guidelines that have been approved by clients; select brokers or dealers to execute transactions for Portfolios (or portions thereof) for which it provides direct investment selection services and monitor portfolio transactions where sub-advisers provide investment selection services; and develop, evaluate and implement strategic initiatives for the Portfolios, including changes to Portfolio investment objectives and policies.

The Registrant may tailor its advisory services to the individual needs of its clients and, as a result, the Registrant may be instructed by a client to limit or restrict certain investments for that client. Any such limitations or restrictions are generally set forth in the applicable investment advisory agreement, registration statement, or prospectus for that client.

The Registrant is a Delaware limited liability company that commenced operations effective as of May 1, 2011. The Registrant is a wholly-owned subsidiary of Equitable Financial Life Insurance Company (“Equitable Financial”), which is a New York life insurance company and one of the largest life insurance companies in the U.S. Equitable Financial is an indirect subsidiary of Equitable Holdings, Inc. (“Equitable Holdings”), which is a publicly-owned company. The Registrant was organized in April 2011.

As of December 31, 2023, the Registrant had approximately \$156.5 billion in assets under management (includes amounts cross-invested through fund-of-fund investments). All of the assets were discretionary assets.

EQ Advisors Trust

The Registrant is the investment adviser to EQ Advisors Trust, an investment company that is formed as a Delaware statutory trust and that is registered under the 1940 Act. EQ Advisors Trust currently consists of 110 Portfolios, which are listed in Appendix A.

EQ Allocation Funds Trust

The Registrant is the investment adviser to the EQ Allocation Funds Trust, an investment trust established under the laws of the Cayman Islands. The Portfolios of the EQ Allocation Funds Trust include: (i) Allocation Fund 20; (ii) Allocation Fund 40; (iii) Allocation Fund 50; (iv) Allocation Fund 60; and (v) Allocation Fund 80 (each, an “EQ Cayman Fund,” and together, the “EQ Cayman Funds”). Currently, only Allocation Fund 20, Allocation Fund 50 and Allocation Fund 80 are operational.

EQ Offshore Multimanager Funds Trust (“EQ Offshore Trust”)

The Registrant is the investment adviser to the EQ Offshore Trust, an investment trust established under the laws of the Cayman Islands. The Portfolios of the EQ Offshore Trust include: (i) EQ Offshore Conservative Multimanager Fund; (ii) EQ Offshore Moderate Multimanager Fund; and (iii) EQ Offshore Aggressive Multimanager Fund (each, an “EQ Offshore Fund,” and together, the “EQ Offshore Funds”).

Model Programs

In connection with certain programs pursuant to which independent investment advisers and other financial institutions (“Model Program Sponsors”) provide advisory services to their clients (“Model Programs”), the Registrant provides to the Model Program Sponsors model investment portfolios for use in the Model Programs (“Model Portfolios”). The Registrant also provides periodic or ongoing advice with respect to updates to the Model Portfolios. The Model Portfolios may consist of a portfolio of mutual funds advised by the Registrant or its affiliates, or other mutual funds, securities and investment products. The Registrant generally creates the Model Portfolios with investment objectives specified by the Model Program Sponsor. As a general matter, an investor in the Model Program or the investor's adviser has the responsibility to (i) determine whether a Model Portfolio is suitable and appropriate for the investor and (ii) tailor the Model Portfolio, as necessary, to fit an investor's individual financial situation and objectives. Under the terms of the Model Programs, the Model Program Sponsor or an investor's adviser generally has the ability to modify the Model Portfolios. Currently, the Registrant receives no direct fees for providing these services to Model Program Sponsors but may in the future receive fees for providing Model Portfolios to Model Program Sponsors. The Registrant may receive indirect compensation from fees earned through investments in the underlying funds that are managed or administered by the Registrant or an affiliate and that are included in the Model Portfolios. The Registrant or the Model Program Sponsor may impose a minimum account size in connection with a Model Program.

The Registrant provides investment advisory services to accounts over which it does not have investment discretion (“Non-Discretionary Accounts”). Non-Discretionary Accounts will typically be notified of recommended changes to a model at the same time as the accounts over which the Registrant has investment discretion (“Discretionary Accounts”). Even though the Registrant may provide its recommended changes to a model to Non-Discretionary Accounts and Discretionary Accounts at the same time, the Registrant may have already commenced trading before the manager of a Non-Discretionary Account has received or had the opportunity to fully evaluate or to act on the

Registrant's recommendations. In this circumstance, the manager of a Non-Discretionary Account may not be able to buy or sell investments in Non-Discretionary Accounts at an advantageous time or price or in sufficient amounts to achieve the desired level of exposure, which could negatively impact performance and could result in Non-Discretionary Accounts underperforming Discretionary Accounts. On the other hand, a manager of a Non-Discretionary Account may initiate trading based on the Registrant's recommendations before or at the same time the Registrant is also trading for its Discretionary Accounts, which could result in the Registrant's Discretionary Accounts receiving prices that are less favorable than prices that might otherwise have been obtained absent the other manager's trading activity, particularly with large orders where the securities are thinly traded. Because the Registrant does not control a manager's execution of transactions for Non-Discretionary Accounts, the Registrant cannot control the market impact of such transactions.

Item 5: Fees and Compensation

EQ Advisors Trust and EQ Offshore Trust

For the Registrant's advisory services, each Portfolio of EQ Advisors Trust and EQ Offshore Trust pays the Registrant an investment advisory fee that is computed daily and paid monthly at the annual rate indicated in the applicable prospectuses (which are incorporated herein by reference) and based on the value of the average daily net assets of that Portfolio. The investment advisory fee schedules for the Portfolios of EQ Advisors Trust are set forth in Appendix A. The effective annual rate of the investment advisory fee for each EQ Offshore Fund (as a percentage of that EQ Offshore Fund's average daily net assets) is 1.00%. Investment advisory fees are deducted directly from each Portfolio's assets.

The Registrant pays each sub-adviser to a sub-advised Portfolio (or portion thereof) a sub-advisory fee based on the average daily net assets allocated to the sub-adviser. No Portfolio is responsible for the sub-advisory fees paid to any of its sub-advisers.

The Registrant may enter into an Expense Limitation Agreement with a Portfolio whereby the Registrant may waive or limit the fees payable to it or certain of its affiliates or assume certain expenses of the Portfolio. Fees payable by each Portfolio may be negotiated from time to time, but any changes to such fees are subject to compliance with applicable law.

Certain Portfolios of EQ Advisors Trust are structured as funds-of-funds that invest in portfolios of investment companies in the same fund complex as the Portfolios (such investee portfolios referred to herein as affiliated "Underlying Portfolios") and/or in series of investment companies outside the fund complex (unaffiliated "Underlying Portfolios") and/or in exchange-traded securities of investment companies or investment vehicles ("ETFs") ("Underlying ETFs"), subject to applicable law. EQ Advisors Trust is part of a fund complex that also includes 1290 Funds, for which Equitable Investment Management, LLC, an affiliate of the Registrant, currently serves as investment adviser. Prior to January 1, 2023, the Registrant served as the investment adviser to 1290 Funds. Like EQ Advisors Trust, 1290 Funds is an investment company that is formed as a Delaware statutory trust and that is registered under the 1940 Act.

In addition to the fees and expenses directly associated with the Portfolios, including as described below under "Other Fees or Expenses," an investor in a Portfolio that is structured as a fund-of-funds indirectly bears the fees of the Underlying Portfolios and Underlying ETFs in which the Portfolio

invests. In managing a Portfolio that invests in Underlying Portfolios and/or Underlying ETFs (that is, a “fund-of-funds” Portfolio), the Registrant will have the authority to select and substitute the Underlying Portfolios and Underlying ETFs. The Registrant is subject to conflicts of interest in selecting, and allocating a fund-of-funds Portfolio’s assets among, Underlying Portfolios and Underlying ETFs because the Registrant and its affiliates earn fees for managing, administering, and providing other services to the affiliated Underlying Portfolios, but not the unaffiliated Underlying Portfolios or Underlying ETFs. In addition, the Registrant is subject to conflicts of interest in selecting, and allocating a fund-of-funds Portfolio’s assets among, various affiliated Underlying Portfolios because the revenue and/or profits the Registrant and its affiliates receive from some of the affiliated Underlying Portfolios is higher than the revenue and/or profits received from other affiliated Underlying Portfolios for the services the Registrant and its affiliates provide; however, as a fiduciary of each Portfolio, the Registrant is required to act in each fund-of-funds Portfolio’s best interest when selecting the underlying investments for that fund-of-funds Portfolio.

The Registrant also may be subject to potential conflicts of interest when selecting ETFs for an affiliated Underlying Portfolio; however, as a fiduciary of the affiliated Underlying Portfolio, the Registrant is required to act in the affiliated Underlying Portfolio’s best interest when selecting investments for that Portfolio.

EQ Allocation Funds Trust

No compensation is paid to the Registrant by EQ Allocation Funds Trust for the services provided under the Investment Management Agreement with respect to the EQ Cayman Funds. In addition, the Registrant may enter into an Expense Limitation Agreement with EQ Allocation Funds Trust with respect to an EQ Cayman Fund whereby the Registrant may waive or limit its fees or assume certain expenses of the EQ Cayman Fund.

In addition to the fees and expenses directly associated with the EQ Cayman Funds as described below under “Other Fees or Expenses,” an investor in an EQ Cayman Fund indirectly bears the fees of the underlying funds in which the EQ Cayman Fund invests, which may include advisory and other fees paid to the Registrant by an EQ Offshore Fund in which the EQ Cayman Fund is invested (such EQ Offshore Fund in which the EQ Cayman Fund is invested referred to herein as an affiliated “Underlying Portfolio”) and, in certain instances, sub-advisory fees paid by the Registrant to its affiliates. The Registrant has the authority to select and substitute the underlying funds in which each EQ Cayman Fund invests, including investments in an affiliated Underlying Portfolio. The Registrant is subject to conflicts of interest in selecting, and allocating an EQ Cayman Fund’s assets among, such affiliated Underlying Portfolios because the revenue and/or profits the Registrant and its affiliates receive with respect to some of these underlying funds may be higher than the revenue and/or profits received with respect to others; however, as a fiduciary of the EQ Allocation Funds Trust, the Registrant is required to act in each EQ Cayman Fund’s best interest when selecting the underlying investments for that EQ Cayman Fund.

The Registrant also may be subject to potential conflicts of interest when selecting ETFs for an affiliated Underlying Portfolio; however, as a fiduciary of the affiliated Underlying Portfolio, the Registrant is required to act in the affiliated Underlying Portfolio’s best interest when selecting investments for that Portfolio.

Other Fees or Expenses

Clients may pay other fees and expenses in addition to the fees paid to the Registrant. For example, clients may pay costs such as brokerage commissions, transaction fees, custodial fees, administration fees, sales charges, distribution and/or service (12b-1) fees, transfer agency and sub-transfer agency fees, professional fees, operating expenses, transfer taxes, transition manager fees and commissions, regulatory-related expenses and other fees and taxes charged to brokerage accounts and securities transactions, which are unrelated to the fees collected by the Registrant. Certain Portfolios pay administration fees to Equitable Investment Management, LLC, an affiliate of the Registrant. Certain Portfolios pay 12b-1 fees to Equitable Distributors, LLC ("Equitable Distributors"), also an affiliate of the Registrant. (Item 10 provides more information about Equitable Investment Management, LLC and Equitable Distributors, and Item 12 provides more information on the Registrant's brokerage practices.)

Certain Conflicts Related to Fees and Compensation

The Registrant and certain of its affiliates provide services, including investment management, investment advisory, investment sub-advisory, administration, shareholder servicing, distribution, distribution support, and transfer agency services, to the Portfolios and earn fees from these relationships with the Portfolios. The Registrant and its affiliates face conflicts of interest when the Portfolios select affiliated service providers because the Registrant and its affiliates receive greater compensation when they are used. Although these fees are generally based on asset levels, the fees are not directly contingent on Portfolio performance and the Registrant and its affiliates would still receive significant compensation from the Portfolios even if shareholders lose money. In addition, the Registrant and certain of its affiliates manage or advise funds or accounts, including the Portfolios, with different fee rates and/or fee structures. Differences in fee arrangements could create an incentive for the Registrant and/or its affiliates to favor higher-fee funds or accounts. The Registrant and its affiliates also face conflicts of interest when the Portfolios select affiliated service providers because services provided by an affiliated service provider may not be equal to services that could be provided by an unaffiliated service provider.

The Registrant also could have a financial incentive to implement (or not to implement) certain changes to the Portfolios. For example, the Registrant may, from time to time, rebalance a Portfolio or recommend a Portfolio combination or other restructuring. The Registrant will benefit to the extent that a restructuring results in a Portfolio's having a higher net advisory fee and/or administration fee payable to the Registrant or certain of its affiliates and/or a Portfolio's being sub-advised by an affiliate of the Registrant (or a greater portion of a Portfolio's assets being allocated to an affiliated sub-adviser). In addition, the profits derived from the fees payable to the Registrant by a Portfolio after a restructuring could be higher than the profits derived from the fees payable to the Registrant by the Portfolio prior to the restructuring. The Registrant will further benefit to the extent that a Portfolio restructuring eliminates or reduces the Registrant's obligations under an Expense Limitation Agreement currently in effect for a Portfolio. In addition, in certain cases, the Registrant and/or its affiliates may own a significant amount of shares of a Portfolio representing the Registrant's and/or its affiliates' investment of seed money to facilitate the investment operations of the Portfolio. A Portfolio restructuring could increase the size of a Portfolio such that the Registrant and/or its affiliates could redeem shares held in the Portfolio representing such seed money investments. Redeeming seed money from a Portfolio could enable the Registrant or an affiliate to

reduce its costs associated with providing seed money and/or use the proceeds to provide seed money for other funds and products that it manages or is developing or realize other benefits. In addition, since the Registrant pays fees to a sub-adviser from the advisory fee that it earns from a sub-advised Portfolio, the Registrant will benefit to the extent that a Portfolio restructuring leads to changes to a sub-advisory fee that result in an increase in the amount of the advisory fee retained by the Registrant. Any Portfolio rebalancing or recommendation to a Portfolio's board of trustees concerning a Portfolio combination or other restructuring is subject to the Registrant's fiduciary duty to act in the best interests of an affected Portfolio and its shareholders.

The Registrant may have interests that conflict with the interests of investors investing in a Model Portfolio pursuant to a Model Program. The Registrant and its affiliates receive asset-based and other fees for providing advisory and other services to mutual funds that it manages, including those mutual funds that it may select to form a part of a Model Portfolio. The advisory and other fees charged by such mutual funds will be indirectly borne by investors in the Model Portfolios and are in addition to any fees charged by the Model Program and Model Program Sponsor. In addition, the Registrant is subject to conflicts of interest in selecting mutual funds managed by the Registrant or its affiliate for the Model Portfolios because the revenue and/or profits the Registrant (or its affiliates) receive with respect to some of the mutual funds may be higher than the revenue and/or profits received with respect to other mutual funds for the services the Registrant and its affiliates provide. Because the Registrant's selection of mutual funds for a Model Portfolio could have a positive or negative impact on its (or its affiliates') revenues and/or profits, the Registrant has an incentive to select affiliated mutual funds for inclusion in the Model Portfolio.

In addition, subject to applicable law, the Registrant or its affiliates may, from time to time and without notice to the Portfolios' shareholders, in-source or outsource certain processes or functions in connection with a variety of services that they provide to the Portfolios in various capacities. Such in-sourcing or outsourcing could give rise to additional conflicts of interest.

Item 6: Performance-Based Fees and Side-By-Side Management

The Registrant does not receive any performance-based fees from any client.

Item 7: Types of Clients

The Registrant provides investment advisory and certain related administration services to an investment company that is registered under the 1940 Act and to investment trusts that are exempt from such registration. The Registrant also provides asset allocation models and advice to affiliated and unaffiliated third-party intermediaries for their use in managing assets of their clients.

EQ Advisors Trust

Shares of the Portfolios of EQ Advisors Trust may be sold only to insurance company separate accounts in connection with variable life insurance contracts and variable annuity certificates and contracts ("Contracts") issued by Equitable Financial and other affiliated or unaffiliated insurance companies; tax-qualified retirement plans; other Portfolios of EQ Advisors Trust that sell their shares to such accounts and plans; and other investors eligible under applicable tax regulations. The Portfolios of EQ Advisors Trust do not have minimum initial or subsequent investment requirements.

EQ Allocation Funds Trust and EQ Offshore Trust

Units of the EQ Cayman Funds are issued in connection with a private offering to certain institutional investors made available through insurance products offered by AXA Life Insurance Co., Ltd. Units of the EQ Offshore Funds are available only as investment options for the EQ Cayman Funds.

Item 8: Methods of Analysis, Investment Strategies and Risk of Loss

Portfolio Management. The Registrant is responsible for providing a continuous investment program for each Portfolio and has authority to determine what securities and other investments will be purchased, retained, sold or loaned by each Portfolio and what portion of such assets will be invested or held uninvested as cash in accordance with each Portfolio's investment objectives, policies and restrictions as stated in the registration statement or other disclosure document for the Portfolio. The Registrant has authority to exercise full discretion and act for each Portfolio with respect to purchases, sales, or other transactions, as well as with respect to all other things necessary or incidental to such purchases, sales, or other transactions.

The Registrant also is responsible for monitoring the implementation of each Portfolio's investment program and assessing each Portfolio's investment objectives and policies, composition, investment style and investment process. From time to time, the Registrant will (i) develop and evaluate strategic initiatives with respect to a Portfolio; (ii) make recommendations to a client regarding the investment program of a Portfolio, including any changes to Portfolio investment objectives and policies; (iii) coordinate and/or implement strategic initiatives approved by the client; and (iv) prepare and provide reports to the client on the impact of such strategic initiatives on a Portfolio.

The Registrant generally may delegate its duties with respect to one or more Portfolios to an investment sub-adviser, including a sub-adviser affiliated with the Registrant, subject to compliance with applicable legal requirements. In these cases, the Registrant retains overall supervisory responsibility for the general management and investment of each Portfolio's assets; full discretion to select new or additional sub-advisers for each Portfolio; full discretion to enter into and materially modify existing sub-advisory agreements with sub-advisers; and full discretion to terminate and replace any sub-adviser. In connection with the delegation of responsibilities to a sub-adviser, the Registrant will: (i) oversee the performance of delegated functions by each sub-adviser, assess each Portfolio's investment focus and furnish the client with periodic reports concerning the performance of delegated responsibilities by the sub-adviser; (ii) allocate and reallocate the assets of a Portfolio (or a portion thereof) to be managed by one or more sub-advisers for such Portfolio and coordinate the activities of all sub-advisers; (iii) monitor the sub-adviser's implementation of the investment program established by the Registrant with respect to a Portfolio (or a portion thereof) under the management of such sub-adviser; (iv) cause the appropriate sub-adviser(s) to furnish to the client statistical information with respect to the investments that a Portfolio (or a portion thereof) may hold or contemplate purchasing, as the client may reasonably request; (v) cause the appropriate sub-adviser(s) to furnish to the client such periodic and special reports as the client may reasonably request; (vi) cause the appropriate sub-adviser(s) to apprise the client of important developments materially affecting a Portfolio (or a portion thereof) and furnish the client, from time to time, with such information as may be appropriate for this purpose; (vii) take reasonable steps to ensure that the appropriate sub-adviser(s) furnish(es) to third-party data reporting services all currently available standardized performance information and other customary data; and (viii) be responsible

for compensating the sub-adviser(s) in the manner specified by the sub-advisory agreement(s). As described in more detail below, the Registrant has delegated certain responsibilities with respect to certain Portfolios to one or more sub-advisers.

The Registrant offers a suite of fund-of-funds investment options in its retirement, insurance and other products, the investment decisions for which are made directly by the Registrant. With respect to these Portfolios (or portions thereof), the Registrant formulates and implements a continuous investment program, manages the investment operations and composition of the Portfolios and renders investment advice, including among other things, the purchase, retention and disposition of the investments, securities and cash contained in the Portfolios, in accordance with the Portfolios' investment objectives, policies and restrictions. Each such Portfolio (or portion thereof) seeks to achieve its investment objective by investing in Underlying Portfolios and/or Underlying ETFs, in accordance with a pre-established asset allocation target. This target is the approximate percentage of a Portfolio's assets that is invested in equity securities or fixed income securities or, where applicable, alternative investments. The Registrant's Investment Management Services Team ("IMS") provides the day-to-day portfolio management for these Portfolios (or portions thereof) and is responsible for rebalancing the Underlying Portfolios and/or Underlying ETFs on a periodic basis to bring a Portfolio's asset allocation back into alignment with its asset allocation target. Similarly, IMS selects the Underlying Portfolios and/or Underlying ETFs for these Portfolios (or portions thereof). The Registrant establishes asset allocation ranges and specific percentage targets for each asset class and asset category and identifies the specific Underlying Portfolios and/or Underlying ETFs to be held by a Portfolio using its proprietary investment process, based on a variety of factors that include fundamental research regarding the investment characteristics of the asset classes, asset categories and Underlying Portfolios and/or Underlying ETFs, as well as the Registrant's outlook for the economy and financial markets. The Registrant will rebalance each Portfolio's holdings through its selection of Underlying Portfolios and/or Underlying ETFs as deemed necessary to maintain the desired level of exposure.

The Registrant also may implement with respect to a Portfolio a variety of investment techniques that are intended to manage risk in the Portfolio by managing the Portfolio's equity or debt exposure. For example, during periods when quantitative market indicators indicate that market volatility is high or is likely to increase above specific thresholds, the Registrant may implement strategies that are intended to reduce the Portfolio's equity exposure and, therefore, manage the risk of market losses from investing in such securities. The Registrant may use a variety of instruments, including derivatives, to implement these strategies.

More detailed information relating to the methods and strategies and their associated risks are set forth in each Portfolio's prospectus and registration statement filed with the SEC or other applicable offering document.

Model Portfolios. In connection with certain programs pursuant to which independent investment advisers and other financial institutions ("Model Program Sponsors") provide advisory services to their clients ("Model Programs"), the Registrant provides to the Model Program Sponsors model investment portfolios for use in the Model Programs ("Model Portfolios"). The Registrant also provides periodic or ongoing advice with respect to updates to the Model Portfolios. The Model Portfolios may consist of a portfolio of mutual funds advised by the Registrant or its affiliates, or other mutual funds, securities and investment products. The Registrant generally creates the Model Portfolios with investment objectives specified by the Model Program Sponsor. As a general matter,

an investor in a Model Program or the investor's adviser has the responsibility to (i) determine whether a Model Portfolio is suitable and appropriate for the investor and (ii) tailor the Model Portfolio, as necessary, to fit an investor's individual financial situation and objectives. Under the terms of the Model Programs, the Model Program Sponsor or an investor's adviser generally has the ability to modify the Model Portfolios.

Investment Sub-Adviser Selection. In connection with the delegation of responsibilities to a sub-adviser, the Registrant is responsible for identifying suitable investment sub-advisers for the sub-advised Portfolios. The Registrant conducts due diligence reviews of both existing and prospective investment sub-advisers prior to selection and retention. The Registrant's due diligence reviews are designed to recognize, assess and mitigate risks associated with the selection and oversight of sub-advisers to such Portfolios. The Registrant's investment sub-adviser selection process is a comprehensive program that has been developed to identify investment management organizations that the Registrant believes will be capable of adding value to the Portfolios on a consistent basis. When a potential sub-adviser has been identified, the due diligence process examines factors including the quality of the sub-adviser's organization, its personnel, ownership structure, performance history, and viability, and the investment process that generated this performance and reputation. The potential sub-adviser must have an established reputation across several dimensions of firm performance. It is important that the potential sub-adviser has a demonstrated track record of consistent good performance in the asset class being considered. This performance should have been obtained through a well-developed and rigorously applied investment management process, including defined investment selection, portfolio construction and risk management techniques. Consistency of investment style also is an important element of the sub-adviser selection and retention process.

The Registrant seeks sub-advisers with a strong reputation, including a reputation for quality in operations, compliance and ethical matters. The Registrant seeks sub-advisers that make a serious commitment to their relationship with the relevant Portfolio(s), in particular, through a willingness to provide sufficient resources in both investment management and marketing, and at the same time offer a competitive sub-advisory fee. It should be noted that certain sub-advisers or affiliates of the sub-advisers provide distribution and marketing support and funding to the Registrant and its affiliates, and may reimburse the Registrant for certain operational expenses, and the ability of a potential sub-adviser to provide similar support could be considered as a factor in the selection process.

A Portfolio may have one or more sub-advisers that furnish an investment program for an allocated portion of the Portfolio pursuant to an investment sub-advisory agreement between the sub-adviser and the Registrant. Each sub-adviser is responsible for selecting portfolio investments on behalf of its allocated portion of the Portfolio, placing orders for the purchase and sale of investments for its allocated portion of the Portfolio's account with brokers or dealers selected by the sub-adviser, and performing certain limited related administrative functions.

Performance Monitoring and Review. The Registrant tracks portfolio performance and assesses results and strategy. The Registrant compares the results of each Portfolio to benchmarks and peer groups. The Portfolios are monitored on a monthly, quarterly, and annual multi-year cycle, and more regularly as the Registrant deems appropriate. In the case of newer Portfolios, the focus is on assessing each sub-adviser's progress toward developing a favorable three-year performance history. For Portfolios with longer-term track records, three- and five-year performance is the

primary basis for evaluation. The analysis and evaluation process will be based on a variety of considerations, including: (i) total returns of each Portfolio compared against appropriate market benchmarks, which are determined jointly by the Registrant and each sub-adviser; (ii) peer group rankings based on a universe of funds with similar investment parameters and styles; (iii) other style-oriented benchmarks, which may provide insight into a sub-adviser's performance against a benchmark more closely related to the sub-adviser's particular style of investment; and (iv) in cases where a sub-adviser manages one or more mutual funds (or separately managed accounts) in a similar manner to the Portfolio, the performance of the other funds or accounts. The Registrant's Portfolio Analytics team conducts ongoing reviews with key members of each sub-adviser's portfolio management team. Detailed performance profiles are prepared on a quarterly basis, including key statistical and qualitative data pertaining to each Portfolio. The Registrant's Portfolio Analytics team also employs various analytical tools to provide performance attribution, to measure style consistency and risk adjusted returns, and to prepare product risk profiles. These analyses serve as a basis for discussion with sub-advisers regarding their investment activities over selected reporting periods, and also serve as a means for evaluating the effectiveness of their overall investment processes and disciplines.

Ongoing Monitoring of Investment Sub-Advisers. The Registrant conducts periodic formal on-site and virtual due diligence meetings with its sub-advisers. These visits typically follow a prescribed agenda and include mandatory receipt of a completed questionnaire from, and delivery of relevant documents by, the sub-advisers, as deemed necessary by the Registrant. The Registrant also conducts an ongoing monitoring and review process for each sub-adviser. In addition to the investment review, the Registrant looks at, among other things, (i) whether there have been key personnel or investment process changes or restructuring within the sub-adviser's organization; (ii) the sub-adviser's adherence to legal and compliance procedures; (iii) the sub-adviser's operations, including controls and processes in place; and (iv) the sub-adviser's success in attracting and maintaining assets under management.

Changes in Investment Objectives and Principal Investment Strategies. The investment objective of each Portfolio may be changed without prior notice or shareholder approval. All investment policies and strategies that are not specifically designated as fundamental also may be changed without prior notice or shareholder approval. In addition, to the extent a Portfolio is new or is undergoing a transition (such as a merger, reorganization, conversion, rebalancing or experiencing large inflows or outflows) or takes a temporary defensive position, it may not be pursuing its investment objective or executing its principal investment strategies.

Risk of Loss. Investment in securities (as well as commodities, derivatives, investment contracts, bank loans and other similar instruments) involves risk of loss of the principal of such investments. Multiple factors contribute to investment risk for all investment strategies, and additional factors contribute to investment risk for specific strategies. Risks of investing include, but are not limited to, the following:

General Investment Risks

Affiliated Portfolio Risk: In managing a Portfolio that invests in Underlying Portfolios, the Registrant will have the authority to select and substitute the Underlying Portfolios. The Registrant is subject to conflicts of interest in selecting, and allocating a Portfolio's assets among, the various Underlying Portfolios because the revenue and/or profits the Registrant and its affiliates receive

from some of the Underlying Portfolios is higher than the revenue and/or profits received from other Underlying Portfolios for the services the Registrant and its affiliates provide. The board of trustees and the officers of a Portfolio also may have conflicting interests in fulfilling their fiduciary duties to both a Portfolio and the affiliated Underlying Portfolios in which it invests.

A Portfolio investing in Underlying Portfolios may from time to time own or control a significant percentage of an Underlying Portfolio's shares. Accordingly, an Underlying Portfolio is subject to the potential for large-scale inflows and outflows as a result of purchases and redemptions of its shares by such a Portfolio. These inflows and outflows may be frequent and could negatively affect an Underlying Portfolio's and, in turn, a Portfolio's net asset value ("NAV") and performance and could cause an Underlying Portfolio to purchase or sell securities at a time when it would not normally do so. It would be particularly disadvantageous for an Underlying Portfolio if it experiences outflows and needs to sell securities at a time of volatility in the markets, when values could be falling. These inflows and outflows also could negatively affect an Underlying Portfolio's and, in turn, a Portfolio's ability to meet shareholder redemption requests or could limit an Underlying Portfolio's and, in turn, a Portfolio's ability to pay redemption proceeds within the time period stated in its prospectus because of unusual market conditions, an unusually high volume of redemption requests, or other reasons. During periods of declining or illiquid markets, the Registrant also could be subject to conflicts of interest in selecting shares of Underlying Portfolios for redemption and in deciding whether and when to redeem such shares. In addition, these inflows and outflows could increase an Underlying Portfolio's and, in turn, a Portfolio's brokerage or other transaction costs, and large-scale outflows could cause an Underlying Portfolio's and, in turn, a Portfolio's, actual expenses to increase, or could result in an Underlying Portfolio's current expenses being allocated over a smaller asset base, which, depending on any applicable expense caps, could lead to an increase in the Underlying Portfolio's and, in turn, a Portfolio's expense ratio. Consistent with its fiduciary duties, the Registrant seeks to implement each Portfolio's and each Underlying Portfolio's investment program in a manner that is in the best interest of that Portfolio and Underlying Portfolio and that is consistent with its investment objective, policies, and strategies.

Alternative Investment Risk: To the extent a Portfolio invests in Underlying Portfolios and Underlying ETFs that invest in alternative investments, it will be subject to the risks associated with such investments. Alternative investments may involve a different approach to investing than do traditional investments (stocks, bonds, and cash) and the performance of alternative investments is not expected to correlate closely with more traditional investments; however, it is possible that alternative investments will decline in value along with equity or fixed income markets, or both, or that they may not otherwise perform as expected. Alternative investments can be highly volatile, are often less liquid, particularly in periods of stress, and are generally more complex and less transparent than traditional investments. Alternative investments also may have more complicated tax considerations than traditional investments, which could involve investment structures subject to income tax that could adversely impact the return to shareholders. In addition, the performance of alternative investments may be more dependent on the Registrant's experience and skill than the performance of traditional investments. The use of alternative investments may not achieve the desired effect and may result in losses to a Portfolio.

Asset Allocation Risk: The investment performance of an allocation Portfolio depends upon how its assets are allocated across various asset classes and how its assets are invested within those asset classes. Some asset classes and investments may perform below expectations, or below the securities markets generally, over short and extended periods. The allocation strategies used and the allocation

and investment decisions made could cause a Portfolio to lose value, may not produce the desired results, or may cause a Portfolio's results to lag relevant benchmarks or other portfolios with similar investment objectives. For example, weighting equity securities too heavily during a period of stock market decline may result in a failure to preserve capital. Conversely, weighting debt securities too heavily during a period of stock market appreciation may result in lower total return. In addition, the allocation and investment decisions made may not be timely relative to market, economic or other developments. Moreover, if a Portfolio has set limitations on the amount of assets that normally may be allocated to each asset class, the Portfolio will have less flexibility in its investment strategy than portfolios that are not subject to such limitations.

Asset Class Risk: A Portfolio is subject to the risk that the returns from the asset classes, or types of securities, in which it invests will underperform the general securities markets or different asset classes. Different asset classes tend to go through cycles of outperformance and underperformance in comparison to each other and to the general securities markets.

Asset Transfer Program Risk: The EQ/Ultra Conservative Strategy Portfolio (a Portfolio of EQ Advisors Trust) may be used in connection with certain benefit programs under Contracts issued by Equitable Financial. The Contracts provide that Equitable Financial can automatically transfer Contract value between the EQ/Ultra Conservative Strategy Portfolio and other portfolios managed by the Registrant and the general account of Equitable Financial through a non-discretionary, systematic mathematical process. The purpose of these transfers is to attempt to protect Contract value from declines due to market volatility and thereby limit Equitable Financial's exposure to risk on certain guaranteed benefits under the Contracts. The timing and amount of any transfer of Contract value under Equitable Financial's process will depend on several factors including market movements.

These asset reallocations may result in large-scale asset flows into and out of the EQ/Ultra Conservative Strategy Portfolio. These inflows and outflows could negatively affect the EQ/Ultra Conservative Strategy Portfolio's net asset value and performance and could cause the EQ/Ultra Conservative Strategy Portfolio to purchase or sell securities at a time when it would not normally do so. It would be particularly disadvantageous for the EQ/Ultra Conservative Strategy Portfolio if it experiences outflows and needs to sell securities at a time when interest rates are rising and the prices of fixed income securities are declining. These inflows and outflows also could negatively affect the EQ/Ultra Conservative Strategy Portfolio's ability to meet shareholder redemption requests or could limit the EQ/Ultra Conservative Strategy Portfolio's ability to pay redemption proceeds within the time period stated in its prospectus because of unusual market conditions, an unusually high volume of redemption requests, or other reasons. In addition, these inflows and outflows could increase the EQ/Ultra Conservative Strategy Portfolio's brokerage or other transaction costs, and large-scale outflows could cause the EQ/Ultra Conservative Strategy Portfolio's actual expenses to increase, or could result in the EQ/Ultra Conservative Strategy Portfolio's current expenses being allocated over a smaller asset base, which, depending on applicable expense caps, could lead to an increase in the EQ/Ultra Conservative Strategy Portfolio's expense ratio.

As a result of large-scale asset flows into and out of the EQ/Ultra Conservative Strategy Portfolio, the Underlying Portfolios also may experience large-scale inflows and outflows. These inflows and outflows could negatively affect an Underlying Portfolio's net asset value and performance and could cause an Underlying Portfolio to purchase or sell securities at a time when it would not normally do

so. It would be particularly disadvantageous for an Underlying Portfolio if it experiences outflows and needs to sell securities at a time of volatility in the markets, when values could be falling. These inflows and outflows also could negatively affect an Underlying Portfolio's ability to meet shareholder redemption requests or could limit an Underlying Portfolio's ability to pay redemption proceeds within the time period stated in its prospectus because of unusual market conditions, an unusually high volume of redemption requests, or other reasons. During periods of declining or illiquid markets, the Registrant also could be subject to conflicts of interest in selecting shares of Underlying Portfolios for redemption and in deciding whether and when to redeem such shares. In addition, these inflows and outflows could increase an Underlying Portfolio's brokerage or other transaction costs, and large-scale outflows could cause an Underlying Portfolio's actual expenses to increase, or could result in an Underlying Portfolio's current expenses being allocated over a smaller asset base, which, depending on any applicable expense caps, could lead to an increase in the Underlying Portfolio's expense ratio. Because the EQ/Ultra Conservative Strategy Portfolio bears its proportionate share of the transaction costs of an Underlying Portfolio, increased Underlying Portfolio expenses could indirectly negatively affect the performance of the EQ/Ultra Conservative Strategy Portfolio.

Cash Management Risk: Upon entering into certain derivatives contracts, such as futures contracts, and to maintain open positions in certain derivatives contracts, a Portfolio may be required to post collateral for the contract, the amount of which may vary. In addition, a Portfolio may maintain cash and cash equivalent positions as part of the Portfolio's strategy in order to take advantage of investment opportunities as they arise, to manage the Portfolio's market exposure and for other portfolio management purposes. As such, a Portfolio may maintain cash balances, including foreign currency balances, which may be significant, with counterparties such as the Trust's custodian or its affiliates. Maintaining larger cash and cash equivalent positions could negatively affect a Portfolio's performance due to missed investment opportunities and may also subject a Portfolio to additional risks, such as increased credit risk with respect to the custodian bank holding the assets and the risk that a counterparty may be unable or unwilling, or perceived (whether by market participants, ratings agencies, pricing services or otherwise) as unable or unwilling, to honor its obligations, and increased costs, such as any fees imposed for large cash balances.

Concentration Risk: If an Underlying Portfolio or Underlying ETF concentrates, or invests a higher percentage of its assets, in the securities of a particular issuer or issuers in a particular country, group of countries, region, market, industry, group of industries, sector or asset class, that Underlying Portfolio or Underlying ETF may be adversely affected by the performance of those securities, may be subject to increased price volatility, and may be more susceptible to adverse economic, market, political or regulatory occurrences affecting that issuer or issuers, country, group of countries, region, market, industry, group of industries, sector or asset class.

Counterparty Risk: A Portfolio may sustain a loss as a result of the insolvency or bankruptcy of, or other non-compliance or non-performance by, another party to a transaction.

Cybersecurity and Operational Risks: A Portfolio and its service providers, and shareholders' ability to transact with a Portfolio, may be negatively impacted due to operational risks arising from, among other problems, human errors, systems and technology disruptions or failures, or cybersecurity incidents. Cybersecurity incidents may allow an unauthorized party to gain access to Portfolio assets, customer data, or proprietary information, or cause a Portfolio or its service providers, as well as securities trading venues and their service providers, to suffer data corruption

or lose operational functionality. Cybersecurity incidents can result from deliberate attacks (e.g., malicious software coding, ransomware, or “hacking”) or unintentional events (e.g., inadvertent release of confidential information, including by a Portfolio or its service providers). Geopolitical tensions may increase the scale and sophistication of deliberate attacks, particularly those from nation-states or from entities with nation-state backing. Technology is continuously changing, and new ways to carry out cyber attacks are always developing. A cybersecurity incident could, among other things, result in the loss or theft of customer data or funds, customers or employees being unable to access electronic systems (“denial of services”), loss or theft of proprietary information or corporate data, physical damage to a computer or network system, or remediation costs associated with system repairs. Any of these results could have a substantial adverse impact on a Portfolio and its shareholders.

The occurrence of any of these problems could result in a loss of information, the inability to process Portfolio transactions or calculate a Portfolio’s net asset value, violations of applicable privacy and other laws, regulatory scrutiny, penalties, fines, reputational damage, additional compliance costs or other consequences, any of which could have a material adverse effect on a Portfolio or its shareholders. The Registrant, through its monitoring and oversight of Portfolio service providers, seeks to determine that service providers take appropriate precautions to avoid and mitigate risks that could lead to such problems. However, it is not possible for the Registrant or Portfolio service providers to identify all of the cybersecurity or other operational risks that may affect a Portfolio or to develop processes and controls to completely eliminate or mitigate their occurrence or effects. Among other situations, disruptions (for example, pandemics or health crises) or other developments that cause prolonged periods of remote work or significant employee absences at a Portfolio’s service providers could impact the ability to conduct the Portfolio’s operations. A Portfolio may incur substantial costs to prevent or address cybersecurity incidents in the future.

Most issuers in which a Portfolio invests are heavily dependent on computers for data storage and operations and require ready access to the internet to conduct their businesses. Thus, cybersecurity incidents could also affect issuers of securities in which a Portfolio invests, which could result in material adverse consequences for such issuers and may cause the Portfolio’s investments in the securities of such issuers to lose value.

Exchange-Traded Funds (“ETFs”) Risk: A Portfolio’s shareholders will indirectly bear fees and expenses paid by the ETFs in which it invests, in addition to the Portfolio’s direct fees and expenses. The cost of investing in a Portfolio, therefore, may be higher than the cost of investing in a mutual fund that invests directly in individual stocks and bonds. In addition, a Portfolio’s net asset value will be subject to fluctuations in the market values of the ETFs in which it invests. A Portfolio is also subject to the risks associated with the securities or other investments in which the ETFs invest, and the ability of the Portfolio to meet its investment objective will directly depend on the ability of the ETFs to meet their investment objectives. The extent to which the investment performance and risks associated with a Portfolio correlate to those of a particular ETF will depend upon the extent to which the Portfolio’s assets are allocated from time to time for investment in the ETF, which will vary. A Portfolio does not control the investments of the ETFs, which may have different investment objectives and may engage in investment strategies that the Portfolio would not engage in directly. The ETFs may change their investment objectives or policies without the approval of a Portfolio. If that were to occur, the Portfolio might be forced to sell its investment in an ETF at a time and price that is unfavorable to the Portfolio.

In addition, many ETFs invest in securities included in, or representative of, underlying indexes regardless of investment merit or market trends and, therefore, these ETFs do not change their investment strategies to respond to changes in the economy, which means that such an ETF may be particularly susceptible to a general decline in the market segment relating to the relevant index. Imperfect correlation between an ETF's securities and those in the index it seeks to track, rounding of prices, changes to the indices and regulatory policies may cause an ETF's performance not to match the performance of its index. An ETF's use of a representative sampling approach will result in its holding a smaller number of securities than are in the index it seeks to track. As a result, an adverse development respecting an issuer of securities held by the ETF could result in a greater decline in net asset value than would be the case if the ETF held all of the securities in the index. To the extent the assets in the ETF are smaller, these risks will be greater. No ETF fully replicates its index and an ETF may hold securities not included in its index. Therefore, there is a risk that the investment strategy of the ETF manager may not produce the intended results. In addition, an actively managed ETF's performance will reflect the ETF manager's ability to make investment decisions that are suited to achieving the ETF's investment objective.

Moreover, there is the risk that an ETF may value certain securities at a price higher than the price at which it can sell them. Secondary market trading in shares of ETFs may be halted by a national securities exchange because of market conditions or for other reasons. In addition, trading in these shares is subject to trading halts caused by extraordinary market volatility pursuant to "circuit breaker" rules. There can be no assurance that the requirements necessary to maintain the listing of the shares will continue to be met or will remain unchanged. In addition, although ETFs are listed for trading on national securities exchanges, certain foreign exchanges and in over-the-counter markets, there can be no assurance that an active trading market for such shares will develop or be maintained, in which case the liquidity and value of a Portfolio's investment in the ETFs could be substantially and adversely affected. In addition, because ETFs are traded on these exchanges and in these markets, the purchase and sale of their shares involve transaction fees and commissions. The market price of an ETF may be different from the net asset value of such ETF (i.e., an ETF may trade at a discount or premium to its net asset value). The performance of a Portfolio that invests in such an ETF could be adversely impacted.

Focused Portfolio Risk: A Portfolio that invests in the securities of a limited number of companies may incur more risk because changes in the value of a single security may have a more significant effect, either positive or negative, on the Portfolio's net asset value and, as a result, the Portfolio may experience greater performance volatility than a Portfolio that is more broadly invested.

Hedging Risk: If a Portfolio takes a hedging position (such as long or short positions) in a particular currency, security, or bond market, it will lose money if the currency, security, or bond market appreciates in value, or an expected credit event fails to occur. Any efforts at buying or selling currencies could result in significant losses for a Portfolio. Further, foreign currency transactions that are intended to hedge the currency risk associated with investing in foreign securities and protect against the risk of loss that would result from a decline in the value of the hedged currency may also limit any potential gain that might result should the value of such currency increase.

Index Non-Diversification Risk: To the extent that an index Portfolio becomes non-diversified as necessary to approximate the composition of its index, the Portfolio may invest a relatively high percentage of its assets in a limited number of issuers. As a result, the Portfolio's performance will be more vulnerable to changes in market value of a single issuer or group of issuers and more

susceptible to risks associated with a single economic, political or regulatory occurrence affecting one or more of these issuers.

Index Strategy Risk: A Portfolio (or a portion thereof) that employs an index strategy generally invests in all of the securities included in (or “replicates”) an index or invests in a representative sampling of such securities, regardless of market trends, to seek to track the performance of an unmanaged index of securities, whereas an actively managed Portfolio (or portion thereof) typically seeks to outperform a benchmark index. A Portfolio generally will not modify its index strategy to respond to changes in the economy, which means that it may be particularly susceptible to a general decline in the market segment relating to the relevant index. To the extent that the index has a significant weighting in a particular sector, a Portfolio will be subject to the risks associated with that sector and may experience greater performance volatility than a portfolio that seeks to track the performance of an index that is more broadly diversified. In addition, although the index strategy attempts to closely track the relevant index, a Portfolio may not invest in all of the securities in the index. Also, unlike index performance, a Portfolio’s performance will be reduced by its fees and expenses. Cash flow into and out of a Portfolio, portfolio transaction costs, changes in the securities that constitute the index, and the Portfolio’s valuation procedures also may affect the Portfolio’s performance. Therefore, there can be no assurance that the performance of the index strategy will match or achieve a high degree of correlation to that of the relevant index. Tracking error (that is, the divergence, positive or negative, between the performance of a Portfolio and the relevant index) may cause a Portfolio’s performance to be less than expected. To the extent a Portfolio’s investments track the relevant index, the Portfolio may underperform other portfolios that invest more broadly. In addition, errors relating to the index may occur from time to time and may not be identified and corrected by the index provider for a period of time or at all, and market or other disruptions could cause delays in the index’s rebalancing schedule. Such errors and/or disruptions may result in losses for a Portfolio.

To the extent that the securities of a limited number of companies represent a significant percentage of the relevant index, a Portfolio may be subject to more risk because changes in the value of a single security may have a more significant effect, either positive or negative, on the Portfolio’s net asset value. A Portfolio may experience greater performance volatility than a portfolio that seeks to track the performance of an index that is more broadly diversified.

To the extent that a Portfolio utilizes a representative sampling approach, it may experience greater tracking error than it would if the Portfolio sought to replicate the index. A Portfolio’s use of a representative sampling approach will result in its holding a smaller number of securities than are in the index it seeks to track. As a result, an adverse development with respect to an issuer of securities held by the Portfolio could result in a greater decline in net asset value than would be the case if the Portfolio held all of the securities in the index.

Insurance Fund Risk: The Portfolios of EQ Advisors Trust are available through Contracts offered by insurance company affiliates of the Registrant, and the Portfolios may be used to fund all or a portion of certain benefits and guarantees available under the Contracts. To the extent the assets in a Portfolio are insufficient to fund those benefits and guarantees, the Registrant’s insurance company affiliates might otherwise be obligated to fulfill them out of their own resources. The Registrant is subject to conflicts of interest in connection with providing advice to, or developing strategies and modeling tools used to manage, a Portfolio (e.g., with respect to the allocation of assets among Underlying Portfolios or between passively and actively managed portions of a Portfolio and the

development and implementation of the modeling tools used to manage a Portfolio). The performance of a Portfolio could impact the obligations and financial exposure of the Registrant's insurance company affiliates under any death benefit, income benefit and other guarantees provided through Contracts that offer the Portfolio as an investment option, and the ability of an insurance company affiliate to manage (e.g., through the use of various hedging techniques) the risks associated with these benefits and guarantees. The Registrant's investment decisions and the design of the Portfolios could be influenced by these factors. For example, the Portfolios or modeling tools and strategies may be managed or designed in a manner (e.g., using more conservative or less volatile investment styles, including volatility management strategies) that could reduce potential losses and/or mitigate financial risks to insurance company affiliates that provide the benefits and guarantees and offer the Portfolios as investment options in their products, and also could facilitate such an insurance company's ability to provide benefits and guarantees under its Contracts, including by making more predictable the costs of the benefits and guarantees and by reducing the regulatory capital needed to provide them. The financial benefits to the Registrant's insurance company affiliates could be material. The performance of a Portfolio also could adversely impact the value of Contracts that offer the Portfolio as an investment option and could suppress the value of the benefits and guarantees offered under a Contract. Consistent with its fiduciary duties, the Registrant seeks to implement each Portfolio's investment program in a manner that is in the best interests of the Portfolio and that is consistent with the Portfolio's investment objective, policies and strategies described in detail in each Portfolio's prospectus.

Investment Strategy Risk: The market may reward certain investment characteristics for a period of time and not others. The returns for a specific investment characteristic may vary significantly relative to other characteristics and may increase or decrease significantly during different phases of a market cycle. A Portfolio comprised of stocks intended to reduce exposure to uncompensated risk may not necessarily be less sensitive to a change in the broad market price level and may not accurately estimate the risk/return outcome of stocks. Portfolio investments may exhibit higher volatility than expected or underperform the markets. A Portfolio's strategy may result in the Portfolio underperforming the general securities markets, particularly during periods of strong positive market performance.

Investment Style Risk: A Portfolio may use a particular style or set of styles — for example, growth or value investing styles — to select investments. Those styles may be out of favor or may not produce the best results over short or longer time periods.

Growth investing generally focuses on companies that, due to their strong earnings and revenue potential, offer above-average prospects for capital growth, with less emphasis on dividend income. Earnings predictability and confidence in earnings forecasts are an important part of the selection process. As a result, the price of growth stocks may be more sensitive to changes in current or expected earnings than the prices of other stocks. A Portfolio using this approach generally seeks out companies experiencing some or all of the following: high sales growth, high unit growth, high or improving returns on assets and equity, and a strong balance sheet. Such a Portfolio also prefers companies with a competitive advantage such as unique management, marketing or research and development. Growth investing also is subject to the risk that the stock price of one or more companies will fall or will fail to appreciate as anticipated by the Portfolio, regardless of movements in the securities market. Growth stocks tend to be more volatile than value stocks, so in a declining market their prices may decrease more than value stocks in general. Growth stocks also may increase the volatility of the Portfolio's share price.

Value investing attempts to identify strong companies selling at a discount from their perceived true worth. A Portfolio using this approach generally selects stocks at prices that, in its view, are temporarily low relative to the company's earnings, assets, cash flow and dividends. Value investing is subject to the risk that a stock's full value may never be fully recognized or realized by the market, or its price may go down. In addition, there is the risk that a stock judged to be undervalued may actually have been appropriately priced or overvalued at the time of investment. Value investing generally emphasizes companies that, considering their assets and earnings history, are attractively priced and may provide dividend income.

Issuer-Specific Risk: The value of an individual security can be more volatile than the market as a whole and can perform differently from the market as a whole. Any issuer of securities may perform poorly, causing the value of its securities to decline. Poor performance may be caused by a variety of factors, such as poor management decisions; reduced demand for the issuer's goods or services; competitive pressures; negative perception in the marketplace; loss of major customers; changes in technology; investigations or other controversies related to the issuer; strategic initiatives such as mergers, acquisitions or dispositions and the market response to any such initiatives; fraudulent disclosures; and the historical and prospective earnings of the issuer and the value of its assets. Certain unanticipated events, such as litigation or natural disasters, can have a dramatic adverse effect on the value of an issuer's securities. A change in the financial condition of (or other event affecting) a single issuer may affect securities markets as a whole.

Large Transaction Risk: A significant percentage of a Portfolio's shares may be owned or controlled by the Registrant and its affiliates, other Portfolios advised by the Registrant (including funds of funds), or other large shareholders, including insurance company separate accounts. Accordingly, a Portfolio is subject to the potential for large-scale inflows and outflows as a result of purchases and redemptions of its shares by such shareholders, including in connection with substitution and other transactions by affiliates of the Registrant. These inflows and outflows may be frequent and could negatively affect a Portfolio's net asset value and performance and could cause a Portfolio to purchase or sell securities at a time when it would not normally do so. It would be particularly disadvantageous for a Portfolio if it experiences outflows and needs to sell securities at a time of volatility in the markets, when values could be falling. These inflows and outflows also could negatively affect a Portfolio's ability to meet shareholder redemption requests or could limit a Portfolio's ability to pay redemption proceeds within the time period stated in its prospectus because of unusual market conditions, an unusually high volume of redemption requests, or other reasons. During periods of declining or illiquid markets, the Registrant or its affiliates also could be subject to conflicts of interest in selecting shares of Portfolios for redemption and in deciding whether and when to redeem such shares. In addition, these inflows and outflows could increase a Portfolio's brokerage or other transaction costs, and large-scale outflows could cause a Portfolio's actual expenses to increase, or could result in a Portfolio's current expenses being allocated over a smaller asset base, which, depending on any applicable expense caps, could lead to an increase in the Portfolio's expense ratio. Although large transactions may be more frequent under certain circumstances, a Portfolio is generally subject to the risk that shareholders can purchase or redeem a significant percentage of Portfolio shares at any time.

Leveraging Risk: When a Portfolio leverages its holdings, the value of an investment in that Portfolio will be more volatile and all other risks will tend to be compounded. Investments that create leverage can result in losses to a Portfolio that exceed the amount originally invested and may accelerate the

rate of losses (some of which may be sudden or substantial). For certain investments that create leverage, or have embedded leverage, relatively small market fluctuations can result in large changes in the value of such investments. In addition, the costs that a Portfolio pays to engage in these practices are additional costs borne by the Portfolio and could reduce or eliminate any net investment profits. Unless the profits from engaging in these practices exceed the costs of engaging in these practices, the use of leverage will diminish the investment performance of a Portfolio compared with what it would have been had the Portfolio not used leverage. There can be no assurance that a Portfolio's use of any leverage will be successful.

Liquidity Risk: From time to time, there may be little or no active trading market for a particular investment in which a Portfolio may invest or is invested due to a variety of circumstances, including but not limited to deterioration in the financial condition of an issuer or issuers in a particular industry or market segment, periods of economic and market stress, changes in investor perceptions regarding an issuer or industry, periods of market volatility that trigger market circuit breakers that halt trading in securities or close markets entirely, planned market closures, shortened trading hours, extended market holidays, and other reasons. In such a market, the value of such investments and a Portfolio's share price may fall dramatically. Illiquid investments may be difficult or impossible to sell or purchase at an advantageous time or price or in sufficient amounts to achieve a Portfolio's desired level of exposure. To meet redemption requests during periods of illiquidity, a Portfolio may be forced to dispose of investments at unfavorable times or prices and/or under unfavorable conditions, which may result in losses or may be costly to the Portfolio. Judgment plays a greater role in valuing illiquid investments than investments with more active markets, and there is a greater risk that the investments may not be sold for the price at which a Portfolio is carrying them. A Portfolio also may not receive its proceeds from the sale of certain investments for an extended period of time. Certain investments that were liquid when purchased may later become illiquid, sometimes abruptly, particularly in times of overall economic distress or adverse investor perception. In addition, the trading market for certain investments may become illiquid under adverse market or economic conditions independent of any specific adverse changes in the conditions of a particular issuer. An inability to sell a portfolio position can adversely affect a Portfolio's value or prevent a Portfolio from being able to take advantage of other investment opportunities. Market participants attempting to sell the same or a similar investment at the same time as a Portfolio could decrease the liquidity of such an investment, especially during periods of market stress, and contribute to downward pricing pressure. During periods of market stress, an investment or even an entire market segment may become illiquid, sometimes abruptly, which can adversely affect a Portfolio's ability to limit losses. In addition, a reduction in the ability or willingness of dealers and other institutional investors to make a market in certain securities may result in decreased liquidity in certain markets.

The SEC has instituted various requirements for open-end funds, including the Portfolios, to establish, and the Portfolios have established, a program to manage liquidity risks. These requirements are intended to reduce liquidity risk, but they may not work as intended. Analyses, judgments and decisions made in connection with administering the liquidity risk management program may be incorrect or otherwise may not produce the desired results. In addition, changes in market conditions, which may occur rapidly and unpredictably, may adversely affect the administration of the program. Changes related to the requirements may increase a Portfolio's expenses, may negatively affect a Portfolio's yield and return potential, and may not reduce a Portfolio's liquidity risk.

Additional legislative or regulatory actions to address perceived liquidity or other issues in markets generally, or in particular markets such as the fixed income securities markets, may alter or impair a Portfolio's ability to pursue its investment objectives or utilize certain investment strategies and techniques.

Market Risk: A Portfolio is subject to the risk that the securities markets will move down, sometimes rapidly and unpredictably, based on overall economic conditions and other factors, which may negatively affect Portfolio performance. Securities markets also may experience long periods of decline in value. The value of a security may decline due to factors that are specifically related to a particular company, as well as general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic or political conditions, changes in the general outlook for corporate earnings, inflation rates and/or investor expectations concerning such rates, changes in interest rates or currency rates, recessions, global demand for particular products or resources, lack of liquidity in the markets, or adverse investor sentiment generally. In some cases, for example, the stock prices of individual companies have been negatively impacted even though there may be little or no apparent degradation in the financial condition or prospects of the issuers. The value of a security also may decline due to factors that affect a particular sector or industry, such as tariffs, labor shortages or increased production costs and competitive conditions within the sector or industry.

Equity securities generally have greater price volatility than fixed income securities, although under certain market conditions fixed income securities may have comparable or greater price volatility. During a general downturn in the securities markets, multiple asset classes may decline in value simultaneously. Adverse market conditions may be prolonged and may not have the same impact on all types of securities or asset classes. Changes in value may be temporary or may last for extended periods. Changes in the financial condition of (or other event affecting) a single issuer can impact an individual sector or industry, or the securities markets as a whole. A Portfolio may experience a substantial or complete loss on any individual security. Even when securities markets perform well, there can be no assurance that the investments held by a Portfolio will increase in value along with the broader market. Market factors, such as the demand for particular portfolio securities, may cause the price of certain portfolio securities to fall while the prices of other securities rise or remain unchanged. Historical patterns of correlation among asset classes may break down in unanticipated ways during times of high volatility, disrupting investment programs and potentially causing losses. Additionally, market speculation focused on profiting from fluctuations in the value of one or more securities or asset classes over a short period of time may result in large-scale and sudden purchases and sales of those securities or asset classes, which can significantly affect the value of those securities and asset classes as well as the market more broadly in unexpected ways, and cause significant share price volatility and losses for a Portfolio.

Global economies and financial markets are highly interconnected, which increases the likelihood that conditions in one country or region or events affecting a single or small number of issuers will adversely impact issuers in a different country or region. World markets, or those in a particular region, may all react in similar fashion to important economic, political, or other developments. Events such as environmental, natural or man-made disasters or other catastrophes, public health crises (such as epidemics and pandemics), social unrest, supply chain disruptions, widespread and prolonged power outages, and cybersecurity incidents, and governments' reactions (or failure to react) to such events, could cause uncertainty in the markets and may adversely affect the performance of the global economy. Geopolitical and other events, including acts of terrorism,

tensions, war or other open conflicts between nations, or political or economic dysfunction within some nations that are global economic powers or major producers of oil, may lead to overall instability in world economies and markets generally and have led, and may in the future lead, to increased market volatility and may have adverse long-term effects. As a result, the value and liquidity of a Portfolio's investments may be negatively affected by developments in other countries and regions, whether or not the Portfolio invests in securities of issuers located in or with significant exposure to the countries or regions directly affected. Securities issued by U.S. entities with substantial foreign operations or holdings can involve risks relating to conditions in foreign countries. Events and evolving conditions in certain economies or markets may alter the risks associated with investments tied to countries or regions that historically were perceived as comparatively stable and make such investments riskier and more volatile. Moreover, systemic market dislocations of the kind that occurred during the global financial crisis that began in 2008, if repeated, would be highly disruptive to economies and markets, adversely affecting individual companies and industries, securities markets, interest rates, credit ratings, inflation, investor sentiment, and other factors affecting the value of a Portfolio's investments.

Impacts from climate change may include significant risks to global financial assets and economic growth. Certain issuers, industries and regions may be adversely affected by the impacts of climate change, including on the demand for and the development of goods and services and related production costs, and the impacts of legislation, regulation and international accords related to climate change, as well as any indirect consequences of regulation or business trends driven by climate change.

Changes in government or central bank policies, changes to regulations involving the securities markets, and political, diplomatic and other events within the United States and abroad may affect investor and consumer confidence and may increase uncertainty in or impair the operation of the U.S. or other securities markets, perhaps suddenly and to a significant degree.

In addition, markets and market-participants are increasingly reliant on both publicly available and proprietary information data systems. Inaccurate data, software or other technology malfunctions, programming inaccuracies, unauthorized use or access, and similar circumstances may impair the performance of these systems and may have an adverse impact upon a single issuer, a group of issuers, or the market at large. In certain cases, an exchange or market may close or issue trading halts on either specific securities or even the entire market, which may result in a Portfolio being, among other things, unable to buy or sell certain securities or financial instruments or accurately price its investments. Furthermore, impacts from the rapidly growing use of artificial intelligence technologies, including by market-participants, may include significant risks to global financial markets.

Master Limited Partnership Risk: Investing in MLPs involves certain risks related to investing in the underlying assets of the MLPs and risks associated with pooled investment vehicles. MLPs holding credit-related investments are subject to interest rate risk and the risk of default on payment obligations by debt issuers. MLPs that concentrate in a particular industry or a particular geographic region are subject to risks associated with such industry or region. Investments held by MLPs may be relatively illiquid, limiting the MLPs' ability to vary their portfolios promptly in response to changes in economic or other conditions. MLPs may have limited financial resources, their securities may trade infrequently and in limited volume, and they may be subject to more abrupt or erratic

price movements than securities of larger or more broadly based companies, and may be difficult to value. MLPs involve certain other risks, including risks related to limited control and voting rights on matters affecting MLPs, risks related to potential conflicts of interest between an MLP and the MLP's general partner, cash flow risks, and risks related to the general partner's right to require unit-holders to sell their common units at an undesirable time or price. Distributions from an MLP may consist in part of a return of the amount originally invested, which would not be taxable to the extent the distributions do not exceed the investor's adjusted basis in its MLP interest. These reductions in a Portfolio's adjusted tax basis in the MLP securities will increase the amount of gain (or decrease the amount of loss) recognized by the Portfolio on a subsequent sale of the securities.

Much of the benefit a Portfolio derives from its investment in equity securities of MLPs is a result of MLPs generally being treated as partnerships for U.S. federal income tax purposes. A change in current tax law, or a change in the business of a given MLP, could result in an MLP being treated as a corporation for U.S. federal income tax purposes and subject to corporate level tax on its income, and could reduce the amount of cash available for distribution by the MLP to its unit holders, such as a Portfolio. If an MLP were classified as a corporation for federal income tax purposes, the MLP may incur significant federal and state tax liability, likely causing a reduction in the value of a Portfolio's shares.

The risks of investing in an MLP generally include those inherent in investing in a partnership as opposed to a corporation. For example, state law governing partnerships is often less restrictive than state law governing corporations. Accordingly, there may be fewer protections afforded investors in an MLP than investors in a corporation. Although unit holders of an MLP are generally limited in their liability, similar to a corporation's shareholders, creditors typically have the right to seek the return of distributions made to unit holders if the liability in question arose before the distributions were paid. This liability may stay attached to a unit holder even after it sells its units.

Momentum Risk: Momentum entails investing more in securities that have recently had higher total returns and investing less in securities that have recently had lower total returns. These securities may be more volatile than a broad cross-section of securities, and momentum may be an indicator that a security's price is peaking or troughing. Momentum (positive or negative) can turn quickly, and utilizing momentum as a factor in the investment analysis process can cause significant variation from other types of investment strategies. A Portfolio may experience significant losses or miss out on significant gains if a security's momentum stops, turns or otherwise behaves differently than predicted.

Multiple Sub-Adviser Risk: The Registrant may allocate a Portfolio's assets among multiple sub-advisers, each of which is responsible for investing its allocated portion of the Portfolio's assets. To a significant extent, a sub-advised Portfolio's performance will depend on the success of the Registrant in allocating the Portfolio's assets to sub-advisers and its selection and oversight of the sub-advisers. The sub-advisers' investment strategies may not work together as planned, which could adversely affect a Portfolio's performance. In addition, because each sub-adviser manages its allocated portion of a Portfolio independently from another sub-adviser, the same security may be held in different portions of the Portfolio, or may be acquired for one portion of the Portfolio at a time when a sub-adviser to another portion deems it appropriate to dispose of the security from that other portion, resulting in higher expenses without accomplishing any net result in the Portfolio's holdings. Similarly, under some market conditions, one sub-adviser may believe that temporary, defensive investments in short-term instruments or cash are appropriate for its allocated portion of the

Portfolio when another sub-adviser believes continued exposure to the equity or debt markets is appropriate for its allocated portion of the Portfolio. Because each sub-adviser directs the trading for its own portion of a Portfolio, and does not aggregate its transactions with those of the other sub-adviser(s), the Portfolio may incur higher brokerage costs than would be the case if a single sub-adviser were managing the entire Portfolio. In addition, while the Registrant seeks to allocate a Portfolio's assets among the Portfolio's sub-advisers in a manner that it believes is consistent with achieving the Portfolio's investment objective(s), the Registrant is subject to conflicts of interest in allocating the Portfolio's assets among sub-advisers, including affiliated sub-advisers, because the Registrant pays different fees to the sub-advisers and due to other factors that could impact the Registrant's or its affiliates' revenues and profits.

If the Registrant hires, terminates or replaces a sub-adviser to a Portfolio or adjusts the asset allocation among sub-advisers in a Portfolio, the Portfolio may experience a period of transition during which the securities held in the Portfolio may be repositioned in connection with the change in sub-advisers. A Portfolio may not pursue its principal investment strategies during such a transition period and may incur increased brokerage commissions and other transaction costs in connection with the changes.

New Portfolio Risk: Certain Portfolios may be relatively new and small with limited operating history. A new Portfolio's performance may not represent how the Portfolio is expected to or may perform in the long-term, and a Portfolio may not be successful in implementing its respective investment strategies. Portfolio performance may be lower or higher during this "ramp-up" period, and may also be more volatile, than would be the case after the Portfolio is fully invested. In addition, investment positions may have a disproportionate impact (negative or positive) on performance in new Portfolios. There can be no assurance that such Portfolios will grow to or maintain an economically viable size, which could result in a Portfolio being liquidated at any time without shareholder approval and at a time that may not be favorable for all shareholders.

Non-Diversified Portfolio Risk: A non-diversified Portfolio may invest a relatively high percentage of its assets in a limited number of issuers. As a result, the Portfolio's performance will be more vulnerable to changes in market value of a single issuer or group of issuers and more susceptible to risks associated with a single economic, political or regulatory occurrence affecting one or more of these issuers.

Portfolio Management Risk: A Portfolio is subject to the risk that strategies used by an investment manager and its securities selections fail to produce the intended results. An investment manager's judgments or decisions about the quality, relative yield or value of, or market trends affecting, a particular security or issuer, industry, sector, region or market segment, or about the economy or interest rates, may be incorrect or otherwise may not produce the intended results, which may result in losses to a Portfolio. In addition, many processes used in Portfolio management, including security selection, rely, in whole or in part, on the use of various technologies, some of which are created or maintained by an investment manager or its affiliates and some of which are created or maintained by third parties. A Portfolio may suffer losses if there are imperfections, errors or limitations in the quantitative, analytic or other tools, resources, information and data used, or the analyses employed or relied on, by an investment manager, or if such tools, resources, information or data are used incorrectly, fail to produce the desired results, or otherwise do not work as intended. Imperfections, errors or limitations may go undetected for long periods of time or may never be detected, which

could adversely affect decision making for a Portfolio, as well as a Portfolio's operations or performance, and may result in, among other things, the execution of unanticipated trades, the failure to execute anticipated trades, the failure to properly gather and organize available data and/or the failure to take certain hedging or risk-reducing actions. There can be no assurance that the use of these technologies will result in effective investment decisions for a Portfolio or enable a Portfolio to achieve its investment objective. Furthermore, artificial intelligence technologies are evolving and may be under development or implemented (or may already have been deployed) for certain processes, including portfolio management, data monitoring and analysis, security selection, trading, and portfolio risk management. The use of artificial intelligence or other evolving or emerging technologies presents significant risks and may exacerbate the aforementioned risks.

Portfolio Turnover Risk: High portfolio turnover (generally, turnover in excess of 100% in any given fiscal year) may result in increased transaction costs to a Portfolio, which may result in higher fund expenses and lower total return. A Portfolio that adopts new investment objectives or policies or portfolio management strategies, has a new or an additional sub-adviser, and/or undergoes a reorganization with another Portfolio may experience substantially increased portfolio turnover due to the differences between the Portfolio's previous and current investment objectives and policies and portfolio management strategies.

Preferred Stock Risk: Preferred stock is subject to many of the risks associated with debt securities, including interest rate risk. Unlike interest payments on debt securities, dividends on preferred stock are generally payable at the discretion of the issuer's board of directors. Preferred shareholders may have certain rights if dividends are not paid but generally have no legal recourse against the issuer. Shareholders may suffer a loss of value if dividends are not paid. In certain situations, an issuer may call or redeem its preferred stock or convert it to common stock. The market prices of preferred stocks are generally more sensitive to actual or perceived changes in the issuer's financial condition or prospects than are the prices of debt securities. Preferred stock also may be less liquid than common stock. To the extent that a Portfolio invests a substantial portion of its assets in convertible preferred stocks, declining common stock values may also cause the value of the Portfolio's investments to decline.

Privately Placed and Other Restricted Securities Risk: Restricted securities, which include privately placed securities, are securities that cannot be offered for public resale unless registered under the applicable securities laws or that have a contractual restriction that prohibits or limits their resale. Before they are registered, such securities may be sold only in a privately negotiated transaction or pursuant to an exemption from registration. Difficulty in selling securities may result in a loss or be costly to a Portfolio. Rule 144A is designed to facilitate efficient trading among institutional investors by permitting the sale of certain unregistered securities to qualified institutional buyers. To the extent restricted securities held by a Portfolio qualify under Rule 144A and an institutional market develops for those securities, the Portfolio likely will be able to dispose of the securities without registering them. To the extent that institutional buyers become, for a time, uninterested in purchasing these securities, investing in Rule 144A securities could increase the level of a Portfolio's illiquidity. The Registrant or sub-adviser may determine that certain securities qualified for trading under Rule 144A are liquid. Where registration of a security is required, a Portfolio may be obligated to pay all or part of the registration expenses, and a considerable period may elapse between the time the Portfolio desires to sell (and therefore decides to seek registration of) the security, and the time the Portfolio may be permitted to sell the security under an effective registration statement. If, during such a period, adverse market conditions were to develop, a

Portfolio might obtain a less favorable price than prevailed when it desired to sell. The risk that securities may not be sold for the price at which a Portfolio is carrying them is greater with respect to restricted securities than it is with respect to registered securities. The illiquidity of the market, as well as the lack of publicly available information regarding these securities, also may make it difficult to determine a fair value for certain securities for purposes of computing a Portfolio's net asset value.

Quantitative Investing Risk: A portfolio of securities selected using quantitative analysis may underperform the market as a whole or a portfolio of securities selected using a different investment approach, such as fundamental analysis. The factors used in quantitative analysis and the emphasis placed on those factors may not be predictive of a security's value. In addition, factors that affect a security's value can change over time and these changes may not be reflected in the quantitative model. The performance of a quantitative model depends upon the quality of its design and effective execution under actual market conditions. Even a well-designed quantitative model cannot be expected to perform well in all market conditions or across all time intervals. Data for some companies, particularly for non-U.S. companies, may be less available and/or less current than data for other companies. There may also be errors in the computer code for the quantitative model or in the model itself, or issues relating to the computer systems used to screen securities. A Portfolio's securities selection can be adversely affected if it relies on erroneous or outdated data or flawed models or computer systems. As a result, a Portfolio may have a lower return than if the Portfolio were managed using a fundamental analysis or an index-based strategy that did not incorporate quantitative analysis. There can be no assurance that a quantitative model used in managing a Portfolio will perform as anticipated or enable the Portfolio to achieve its investment objective.

Recent Market Conditions Risk: U.S. and international markets have experienced significant volatility in recent months and years. As a result of such volatility, investment returns may fluctuate significantly. Global economies and financial markets are highly interconnected, which increases the likelihood that conditions in one country or region will adversely impact issuers in a different country or region.

Due to concerns regarding recent high inflation in many sectors of the U.S. and global economies, the U.S. Federal Reserve ("Fed") and many foreign central banks and monetary authorities raised interest rates and implemented other policy initiatives in an effort to control inflation, and they may continue to do so. It is difficult to predict the timing, frequency, magnitude or direction of further interest rate changes, and the evaluation of macro-economic and other conditions or events could cause a change in approach in the future. Fixed-income and related markets may continue to experience heightened levels of interest rate and price volatility. Inflation risk is the uncertainty over the future real value (after inflation) of an investment. A Portfolio's investments may not keep pace with inflation, and the value of an investment in a Portfolio may be eroded over time by inflation. Changes in government or central bank policies could negatively affect the value and liquidity of a Portfolio's investments and cause it to lose money, and there can be no assurance that the initiatives undertaken by governments and central banks will be successful.

The Fed's or foreign central banks' actions may result in an economic slowdown in the United States and abroad. There are concerns that monetary policy may provide less support should economic growth slow. An economic slowdown may negatively affect national and global economies, as well as national and global securities and commodities markets, and may continue for an extended period of time and have unforeseen impacts. Any deterioration in economic fundamentals may increase the

risk of default or insolvency of particular issuers, negatively impact market values, cause credit spreads to widen, and reduce bank balance sheets. Any of these could cause an increase in market volatility, reduce liquidity across various markets, or decrease confidence in the markets.

In March 2023, the shutdown of certain financial institutions raised economic concerns over disruption in the U.S. banking system. There can be no certainty that the actions taken by the U.S. government to strengthen public confidence in the U.S. banking system will be effective in mitigating the effects of financial institution failures on the economy and restoring public confidence in the U.S. banking system. In addition, widespread loan defaults in the commercial real estate sector could have a cascading effect on the broader banking system, straining the financial health of lending institutions and potentially causing more banks to fail.

High public debt in the United States and other countries creates ongoing systemic and market risks and policymaking uncertainty, and there has been a significant increase in the amount of debt due to the economic effects of the coronavirus disease (COVID-19) pandemic and ensuing economic relief and public health measures. Economic, political and other developments may result in a further increase in the amount of public debt, including in the United States. The long-term consequences of high public debt are not known, but high levels of public debt may negatively affect economic conditions and the value of markets, sectors and companies in which a Portfolio invests.

Political and diplomatic events within the United States, including a contentious domestic political environment, changes in political party control of one or more branches of the U.S. government, the U.S. government's inability at times to agree on a long-term budget and deficit reduction plan, a U.S. government shutdown (or the threat of such a shutdown), and disagreements over, or threats not to increase, the U.S. government's borrowing limit (or "debt ceiling"), as well as political and diplomatic events abroad, may affect investor and consumer confidence and may adversely impact financial markets and the broader economy, perhaps suddenly and to a significant degree. A downgrade of the ratings of U.S. government debt obligations, or concerns about the U.S. government's credit quality in general, could have a substantial negative effect on the U.S. and global economies. Moreover, although the U.S. government has honored its credit obligations, there remains a possibility that the United States could default on its obligations. The consequences of such an unprecedented event are impossible to predict, but it is likely that a default by the United States would be highly disruptive to the U.S. and global securities markets and could significantly impair the value of the Portfolios' investments.

Tensions, war, or other open conflicts between nations, such as between Russia and Ukraine, in the Middle East, and in eastern Asia, the resulting responses by the United States and other countries, and the potential for wider conflict have had, and could continue to have, severe adverse effects on regional and global economies and could further increase volatility and uncertainty in the financial markets. The extent and duration of ongoing hostilities or military actions and the repercussions of such actions are impossible to predict. These events have resulted in, and could continue to result in, significant market disruptions, including in certain industries or sectors such as the oil and natural gas markets, and may further strain global supply chains and negatively affect inflation and global growth. The resulting adverse market conditions could be prolonged. These and any related events could significantly impact a Portfolio's performance and the value of an investment in a Portfolio, whether or not the Portfolio invests in securities of issuers located in or with significant exposure to the countries or regions directly affected.

Certain illnesses spread rapidly and have the potential to significantly and adversely affect the global economy and have material adverse impacts on a Portfolio. Public health crises caused by outbreaks of infectious diseases or other public health issues may disrupt market conditions and operations and economies around the world, exacerbate other pre-existing economic, political, and social tensions and risks, and negatively affect market performance and the value of investments in individual companies in significant and unforeseen ways. The impact of any outbreak may last for an extended period of time. For example, the impact of the coronavirus disease (COVID-19) pandemic caused significant volatility and severe losses in global financial markets. The COVID-19 pandemic and efforts to contain its spread resulted in significant disruptions to business operations, supply chains and customer activity, higher default rates, widespread business closures and layoffs, travel restrictions and border closings, extended quarantines and stay-at-home orders, event and service cancellations, labor shortages, and significant challenges in healthcare service preparation and delivery, as well as general concern, uncertainty and social unrest. The continued impact of COVID-19 is uncertain. Other outbreaks of infectious diseases or other public health issues that may arise in the future may have similar or worse effects.

Slowing global economic growth, the rise in protectionist trade policies, and changes to some major international trade agreements (including, for example, the trade agreement between the United Kingdom and the European Union) could affect the economies of many countries in ways that cannot necessarily be foreseen at the present time. The United States has developed increasingly strained relations with a number of foreign countries. If relations with certain countries deteriorate, it could adversely affect U.S. issuers as well as non-U.S. issuers that rely on the United States for trade. For example, the United States has imposed tariffs and other trade barriers on Chinese exports, has restricted sales of certain categories of goods to China, and has established barriers to investments in China. In addition, the Chinese government is involved in a longstanding dispute with Taiwan that has included threats of invasion. If relations between the United States and China do not improve or continue to deteriorate, or if China were to attempt unification of Taiwan by coercion or force, economies, markets and individual securities may be severely affected both regionally and globally, and the value of a Portfolio's investments may go down.

Advancements in technology may also adversely impact market movements and liquidity and may affect the overall performance of a Portfolio. For example, the advanced development and increased regulation of artificial intelligence may impact the economy and the performance of a Portfolio. As artificial intelligence is used more widely, the profitability and growth of a Portfolio's holdings may be impacted, which could impact the overall performance of a Portfolio.

In addition, global climate change may have a significant adverse effect on property and security values. A rise in sea levels, changes in weather patterns, an increase in powerful storms and/or an increase in flooding could cause real estate properties to lose value or become unmarketable altogether. Unlike previous declines in the real estate market, properties in affected zones may never recover their value. Large wildfires have devastated, and in the future may devastate, entire communities and may be very costly to any business found to be responsible for the fire or conducting operations in affected areas. Regulatory changes and divestment movements in the United States and abroad tied to concerns about climate change could adversely affect the value of certain land and the viability of industries whose activities or products are seen as accelerating climate change. Losses related to climate change could adversely affect corporate borrowers and mortgage lenders, the value of mortgage-backed securities, the bonds of municipalities that depend on tax revenues and tourist dollars generated by affected properties, and insurers of the properties

and/or of corporate, municipal or mortgage-backed securities. Because property and security values are driven largely by buyers' perceptions, it is difficult to know the time period over which these market effects might unfold.

All of these risks may have a material adverse effect on the performance and financial condition of the companies and other issuers in which the Portfolios invest, and on the overall performance of a Portfolio.

Redemption Risk: A Portfolio may experience periods of heavy redemptions that could cause the Portfolio to sell assets at inopportune times, which could have a negative impact on the Portfolio's overall liquidity, or at a loss or depressed value. Redemption risk is heightened during periods of declining or illiquid markets. Redemption risk also is greater to the extent that one or more investors control a large percentage of investments in a Portfolio, have short investment horizons, or have unpredictable cash flow needs. Heavy redemptions could hurt a Portfolio's performance and increase transaction costs.

Market developments and other factors, including a general rise in interest rates, have the potential to cause investors to move out of fixed income securities on a large scale, which may increase redemptions from mutual funds that hold large amounts of fixed income securities. The market-making capacity of dealers has been reduced in recent years, in part as a result of structural changes, such as fewer proprietary trading desks at broker-dealers and increased regulatory capital requirements. Increased redemptions from mutual funds that hold large amounts of fixed income securities, coupled with a reduction in the ability or willingness of dealers and other institutional investors to buy or hold fixed income securities, may result in decreased liquidity and increased volatility in the fixed income markets.

Regulatory Risk: Each Portfolio is subject to extensive laws and regulations that govern its operations. Each Portfolio is subject to regulation by the Securities and Exchange Commission ("SEC"), and certain Portfolios are also subject to regulation by the Commodity Futures Trading Commission ("CFTC"). Each Portfolio is also subject to regulations imposed by other governmental regulatory authorities and self-regulatory organizations. Similarly, the businesses and other issuers of the securities and other instruments in which a Portfolio invests are also subject to considerable regulation. These laws and regulations are subject to change. Extensive regulation or a change in existing laws or regulations may have unpredictable and unintended effects and may materially impact a Portfolio, security, business, sector or market. For example, extensive regulation or a change in existing laws or regulations made by the government or a regulatory body may limit or preclude a Portfolio's ability to achieve its investment objective, impact a Portfolio's investment policies or strategies, adversely affect a Portfolio's efficiency in implementing its investment strategies, and/or reduce the attractiveness or increase the cost of an investment, which may, in turn, adversely affect a Portfolio's performance. A Portfolio also may incur additional costs, which may be substantial, to comply with new requirements as well as to monitor for compliance with new requirements going forward. A Portfolio also may be adversely affected by changes in the interpretation or enforcement of existing laws or regulations. Changes in laws or regulations also may impair the operation of the U.S. or other securities markets. The Registrant is registered with the SEC as an investment adviser under the Investment Advisers Act of 1940, as amended. The Registrant also is registered with the CFTC as a commodity pool operator ("CPO") under the Commodity Exchange Act, as amended, and with respect to Portfolios that employ derivatives investments to a greater extent, serves as a CPO. Being subject to dual regulation by the SEC and the CFTC may increase compliance costs, which may

be borne by a Portfolio and may affect the Portfolio's returns.

Repurchase Agreements Risk: Repurchase agreements carry certain risks, including risks that are not associated with direct investments in securities. If a seller under a repurchase agreement were to default on the agreement and be unable to repurchase the security subject to the repurchase agreement, a Portfolio would look to the collateral underlying the seller's repurchase agreement, including the securities or other obligations subject to the repurchase agreement, for satisfaction of the seller's obligation to the Portfolio. A Portfolio's right to liquidate the securities or other obligations subject to the repurchase agreement in the event of a default by the seller could involve certain costs and delays and, to the extent that proceeds from any sale upon a default of the obligation to repurchase are less than the repurchase price (e.g., due to transactions costs or a decline in the value of the collateral), the Portfolio could suffer a loss. In addition, if bankruptcy proceedings are commenced with respect to the seller, realization of the collateral may be delayed or limited and a loss may be incurred.

Risk Management: The Registrant and, as applicable, sub-advisers undertake certain analyses with the intention of identifying particular types of risks and reducing a Portfolio's exposure to them. However, risk is an essential part of investing, and the degree of return an investor might expect is often tied to the degree of risk the investor is willing to accept. By its very nature, risk involves exposure to the possibility of adverse events. Accordingly, no risk management program can eliminate a Portfolio's exposure to such events; at best, it can only reduce the possibility that the Portfolio will be affected by adverse events, and especially those risks that are not intrinsic to the Portfolio's investment program. While a Portfolio's prospectus describes material risk factors associated with a Portfolio's investment program, there is no assurance that as a particular situation unfolds in the markets, the Registrant or, as applicable, sub-advisers will identify all of the risks that might affect the Portfolio, rate their probability or potential magnitude correctly, or be able to take appropriate measures to reduce the Portfolio's exposure to them. Measures taken with the intention of decreasing exposure to identified risks might have the unintended effect of increasing exposure to other risks.

Risks of Investing in Other Investment Companies: A Portfolio that invests in other investment companies will indirectly bear fees and expenses paid by those investment companies, in addition to the Portfolio's direct fees and expenses. The cost of investing in the Portfolio, therefore, may be higher than the cost of investing in a mutual fund that invests directly in individual stocks and bonds. In addition, the Portfolio's net asset value is subject to fluctuations in the net asset values of the other investment companies in which it invests. The Portfolio is also subject to the risks associated with the securities or other investments in which the other investment companies invest, and the ability of the Portfolio to meet its investment objective will depend, to a significant degree, on the ability of the other investment companies to meet their respective investment objectives. The extent to which the investment performance and risks associated with the Portfolio correlate to those of a particular investment company will depend upon the extent to which the Portfolio's assets are allocated from time to time for investment in the investment company, which will vary. A Portfolio does not control the investments of the other investment companies, which may have different investment objectives and may engage in investment strategies that the Portfolio would not engage in directly. The other investment companies may change their investment objectives or policies without the approval of a Portfolio. If that were to occur, the Portfolio might be forced to withdraw its investment from the investment company at a time and price that is unfavorable to the Portfolio.

Risks Related to Investments in Underlying Portfolios and Underlying ETFs: A Portfolio that invests in Underlying Portfolios and Underlying ETFs (i.e., operates under a “fund of funds” arrangement) will indirectly bear fees and expenses paid by those Underlying Portfolios and Underlying ETFs, in addition to the Portfolio’s direct fees and expenses. The cost of investing in the Portfolio, therefore, may be higher than the cost of investing in a mutual fund that invests directly in individual stocks and bonds. The Portfolio’s performance depends upon a favorable allocation by the Registrant among the Underlying Portfolios and Underlying ETFs, as well as the ability of the Underlying Portfolios and Underlying ETFs to generate favorable performance. The Underlying Portfolios’ and Underlying ETFs’ investment programs may not be complementary, which could adversely affect the Portfolio’s performance. In addition, the Portfolio’s net asset value is subject to fluctuations in the net asset values of the Underlying Portfolios and the market values of the Underlying ETFs in which it invests. The Portfolio is also subject to the risks associated with the securities or other investments in which the Underlying Portfolios and Underlying ETFs invest, and the ability of the Portfolio to meet its investment objective will directly depend on the ability of the Underlying Portfolios and Underlying ETFs to meet their respective investment objectives. In addition, because each Underlying Portfolio and Underlying ETF is managed independently, the same security may be held by different Underlying Portfolios and Underlying ETFs, or may be acquired for one portfolio at a time when another portfolio deems it appropriate to dispose of the security, resulting in higher indirect expenses without accomplishing any net investment result. The extent to which the investment performance and risks associated with the Portfolio correlate to those of a particular Underlying Portfolio or Underlying ETF will depend upon the extent to which the Portfolio’s assets are allocated from time to time for investment in the Underlying Portfolio or Underlying ETF, which will vary. A Portfolio does not control the investments of the Underlying Portfolios or Underlying ETFs, which may have different investment objectives and may engage in investment strategies that the Portfolio would not engage in directly. The Underlying Portfolios and Underlying ETFs may change their investment objectives or policies without the approval of a Portfolio. If that were to occur, the Portfolio might be forced to sell its investment in an Underlying Portfolio or Underlying ETF at a time and price that is unfavorable to the Portfolio.

In addition, many ETFs invest in securities included in, or representative of, underlying indexes regardless of investment merit or market trends and, therefore, these ETFs do not change their investment strategies to respond to changes in the economy, which means that such an Underlying ETF may be particularly susceptible to a general decline in the market segment relating to the relevant index. Imperfect correlation between an Underlying ETF’s securities and those in the index it seeks to track, rounding of prices, changes to the indices and regulatory policies may cause an Underlying ETF’s performance not to match the performance of its index. An Underlying ETF’s use of a representative sampling approach will result in its holding a smaller number of securities than are in the index it seeks to track. As a result, an adverse development respecting an issuer of securities held by the Underlying ETF could result in a greater decline in net asset value than would be the case if the Underlying ETF held all of the securities in the index. To the extent the assets in the Underlying ETF are smaller, these risks will be greater. No ETF fully replicates its index and an Underlying ETF may hold securities not included in its index. Therefore, there is a risk that the investment strategy of the Underlying ETF manager may not produce the intended results. In addition, an actively managed ETF’s performance will reflect the ETF manager’s ability to make investment decisions that are suited to achieving the ETF’s investment objective.

Moreover, there is the risk that an Underlying ETF may value certain securities at a price higher than the price at which it can sell them. Secondary market trading in shares of Underlying ETFs may be

halted by a national securities exchange because of market conditions or for other reasons. In addition, trading in these shares is subject to trading halts caused by extraordinary market volatility pursuant to “circuit breaker” rules. There can be no assurance that the requirements necessary to maintain the listing of the shares will continue to be met or will remain unchanged. In addition, although ETFs are listed for trading on national securities exchanges, certain foreign exchanges and in over-the-counter markets, there can be no assurance that an active trading market for such shares will develop or be maintained, in which case the liquidity and value of a Portfolio’s investment in the Underlying ETFs could be substantially and adversely affected. In addition, because Underlying ETFs are traded on these exchanges and in these markets, the purchase and sale of their shares involve transaction fees and commissions. The market price of an Underlying ETF may be different from the net asset value of such ETF (i.e., an Underlying ETF may trade at a discount or premium to its net asset value). The performance of a Portfolio that invests in such an ETF could be adversely impacted.

In addition, regulations relating to “fund of funds” arrangements may impact a Portfolio’s or an Underlying Portfolio’s or Underlying ETF’s ability to achieve its investment objective, impact a Portfolio’s or an Underlying Portfolio’s or Underlying ETF’s investment policies or strategies, adversely affect a Portfolio’s or an Underlying Portfolio’s or Underlying ETF’s efficiency in implementing its investment strategies, increase operating costs, and/or adversely affect a Portfolio’s or an Underlying Portfolio’s or Underlying ETF’s performance.

Sector Risk: To the extent a Portfolio invests more heavily in one sector, industry, or sub-sector of the market, its performance will be especially sensitive to developments that significantly affect that sector, industry, or sub-sector. An individual sector, industry, or sub-sector of the market may be more volatile, and may perform differently, than the broader market. The industries that constitute a sector may all react in the same way to economic, political, regulatory or other events. An individual sector, industry, or sub-sector of the market may be affected by a change in financial condition or other event affecting a single issuer. A Portfolio’s performance could also be affected if the sector, industry, or sub-sector does not perform as expected. Alternatively, the lack of exposure to one or more sectors or industries may adversely affect performance.

Securities Lending Risk: Securities lending exposes a Portfolio to counterparty risk, market risk on the loaned securities, and reinvestment risk on the cash collateral. A Portfolio may lend its portfolio securities to brokers, dealers, other financial institutions and other eligible persons in order to earn additional income on those securities. Generally, any such loan of portfolio securities will be contractually required to be continuously secured by collateral in the form of cash or U.S. government or agency securities with a value at least equal to the value of the securities loaned. A Portfolio may reinvest cash collateral in short-term, highly liquid investments, such as money market funds and repurchase agreements (including for purchases of securities that may be loaned). A Portfolio could lose money on its investment of cash collateral if the assets in which cash collateral is reinvested do not perform as well as the original loaned securities. Because cash collateral received by a Portfolio in securities lending transactions may be invested in money market funds, the investment return on cash collateral so invested by a Portfolio may be affected by investment advisory fees, administrative fees, service fees and other fees that are indirectly borne by the Portfolio, which would be in addition to the fees the Portfolio pays its service providers. Securities lending is a form of leverage, which may magnify both gains and losses. The risks of lending portfolio securities, as with other extensions of secured credit, also consist of possible delay in receiving additional collateral (to cover an increase in the market value of the loaned securities or a decrease in the value of any securities collateral) or in the recovery of the loaned securities or possible loss of rights in the collateral should the borrower

fail financially. There is a risk that a borrower may default on its obligations to return loaned securities, which may result in a loss to a Portfolio. Securities loans are subject to termination by a Portfolio as lender or by the borrower at any time. If a Portfolio terminates a securities loan, it will forego any income on the loan after the termination. In addition, securities on loan may not be voted by a Portfolio, and there is a risk that a Portfolio may not be able to recall loaned securities in sufficient time to vote on material proxy matters. In addition, a Portfolio typically pays lending fees to the party that serves as the securities lending agent for the Portfolio and arranges loans under the securities lending program.

Short Position Risk: A Portfolio may engage in short sales and may enter into derivative contracts that have a similar economic effect (e.g., taking a short position in a futures contract). A Portfolio will incur a loss as a result of a short position if the price of the asset sold short increases between the date of the short position sale and the date on which an offsetting position is purchased. Short positions may be considered speculative transactions and involve special risks that could cause or increase losses or reduce gains. Short sales involve greater reliance on an investment adviser's ability to accurately anticipate the future value of a security or instrument, higher transaction costs, and imperfect correlation between the actual and desired level of exposure. Short sales, at least theoretically, present a risk of unlimited loss on an individual security basis, particularly in cases where a Portfolio is unable, for whatever reason, to close out its short position, because the Portfolio may be required to buy the security sold short at a time when the security has appreciated in value, and there is potentially no limit to the amount of such appreciation. Volatility in the market for equity securities, which has been dramatically increased recently for certain stocks, can meaningfully increase the risk of loss associated with short sales. In addition, by investing the proceeds received from selling securities short, a Portfolio could be deemed to be employing a form of leverage, which creates special risks. A Portfolio's long positions could decline in value at the same time that the value of the short positions increase, thereby increasing the Portfolio's overall potential for loss more than it would be without the use of leverage. Market or other factors may prevent a Portfolio from closing out a short position at the most desirable time or at a favorable price. In addition, a lender of securities may request, or market conditions may dictate, that securities sold short be returned to the lender on short notice. If this happens, the Portfolio may have to buy the securities sold short at an unfavorable price, which will potentially reduce or eliminate any gain or cause a loss to the Portfolio. When a Portfolio is selling a security short, it must maintain a segregated account of cash or high-grade securities equal to the margin requirement. As a result, a Portfolio may maintain high levels of cash or other liquid assets (such as U.S. Treasury bills, money market accounts, repurchase agreements, certificates of deposit, high quality commercial paper and long equity positions) or may utilize the collateral obtained from securities lending for this cash. The need to maintain cash or other liquid assets in segregated accounts could limit a Portfolio's ability to pursue other opportunities as they arise.

Sub-Adviser Selection Risk: A Portfolio is subject to the risk that the Registrant's process for selecting or replacing a sub-adviser and its decision to select or replace a sub-adviser does not produce the intended results.

In addition, the Registrant is subject to certain conflicts of interest in connection with recommending the appointment and continued service of sub-advisers. If the Registrant is affiliated with a sub-adviser, the Registrant will benefit not only from the net advisory fees the Registrant retains, but also from the sub-advisory fees paid by the Registrant to the affiliated sub-adviser. Since the Registrant pays fees to the sub-advisers from the advisory fees that it earns from the Portfolios, any increase or

decrease in the sub-advisory fees negotiated with proposed or current sub-advisers will result in a corresponding decrease or increase, respectively, in the amount of the advisory fees retained by the Registrant. The Registrant or its affiliates also have distribution relationships with certain sub-advisers or their affiliates under which the sub-advisers or their affiliates distribute or support the distribution of investment products issued or sold by the Registrant or its affiliates (including those in which the Portfolios serve as investment options), which could financially benefit the Registrant and its affiliates or provide an incentive to the Registrant in selecting one sub-adviser over another. In addition, the Registrant's and/or its affiliates' other existing or potential business relationships, including with sub-advisers and/or their affiliates, or other financial or personal relationships, could influence the Registrant's selection and retention or termination of sub-advisers. When recommending the appointment or continued service of a sub-adviser, consistent with its fiduciary duties, the Registrant relies primarily on the qualitative and quantitative factors described in detail in the Portfolios' prospectuses.

Target Date Risk: A Portfolio that is managed to target a specific year of planned retirement (a "target year") does not provide guaranteed income or payouts to an investor at or after the target year. An investment in such a Portfolio may decline in value and will not ensure that an investor will have assets sufficient to cover retirement expenses or that an investor will have enough saved to be able to retire in, or within a few years of, the target year identified in the Portfolio's name. The adequacy of an investor's account at and after the target year will depend on a variety of factors, including the amount of money invested in a Portfolio, the length of time the investment was held, and the Portfolio's returns over time.

Valuation Risk: The price at which a Portfolio sells any particular investment may differ from the Portfolio's valuation of the investment. Such differences could be significant, particularly for illiquid securities and securities that trade in relatively thin markets and/or markets that experience extreme volatility. If market or other conditions make it difficult to value some investments, SEC rules and applicable accounting protocols may require a Portfolio to value these investments using more subjective methods, known as fair value methodologies. Using fair value methodologies to price investments may result in a value that is different from an investment's most recent closing price and from the prices used by other mutual funds to calculate their net asset values. An investment's valuation may differ depending on the method used for determining value. Investors who purchase or redeem Portfolio shares on days when the Portfolio is holding fair-valued securities may receive fewer or more shares, or lower or higher redemption proceeds, than they would have received if the Portfolio had not held fair-valued securities or had used a different valuation methodology. The value of foreign securities, certain futures and fixed income securities, and currencies may be materially affected by events after the close of the markets on which they are traded but before a Portfolio determines its net asset value. A Portfolio uses pricing services to provide values for certain securities, and there is no assurance that a Portfolio will be able to sell an investment at the price established by such pricing services. Different pricing services use different valuation methodologies, potentially resulting in different values for the same investments. As a result, if a Portfolio were to change pricing services, or if a pricing service were to change its valuation methodology, the value of the Portfolio's investments could be impacted. A Portfolio's ability to value its investments in an accurate and timely manner may be impacted by technological issues and/or errors by third party service providers, such as pricing services or accounting agents.

Volatility Risk: The Underlying ETFs selected by the Registrant to pursue volatility management strategies may be unsuccessful in maintaining portfolios of investments that minimize volatility, and

there is a risk that a Portfolio may experience more than minimum volatility. Securities held by the Underlying ETFs may be subject to price volatility and the prices may not be any less volatile than the market as a whole and could be more volatile. In addition, the use of volatility management techniques may limit an Underlying ETF's and, in turn, a Portfolio's participation in market gains, particularly during periods when market values are increasing, but market volatility is high.

Volatility Management Risk (for Portfolios that use a volatility management strategy): The Registrant (or a sub-adviser, as the case may be) from time to time may employ various volatility management techniques or make strategic adjustments to a Portfolio's asset mix (such as by using ETFs or futures and options to manage equity exposure) in managing certain Portfolios. Although these actions are intended to reduce the overall risk of investing in a Portfolio, they may not work as intended and may result in losses by a Portfolio or periods of underperformance, particularly during periods when market values are increasing but market volatility is high or when a Portfolio has reduced its equity exposure but market changes do not impact equity returns adversely to the extent predicted by the Registrant (or a sub-adviser). Volatility is a statistical measure of the magnitude of changes in a portfolio's returns. A higher volatility level generally indicates higher risk and often results in more frequent and sometimes significant changes in a portfolio's returns.

The result of a Portfolio's volatility management strategy will be subject to the Registrant's (or a sub-adviser's) ability to correctly assess the degree of correlation between the performance of the relevant market index and the metrics used by the Registrant (or a sub-adviser) to measure market volatility. Since the characteristics of many securities change as markets change or time passes, the result of a Portfolio's volatility management strategy also will be subject to the Registrant's (or a sub-adviser's) ability to continually recalculate, readjust, and execute volatility management techniques in an efficient manner. In addition, market conditions change, sometimes rapidly and unpredictably, and the Registrant (or a sub-adviser) may be unable to execute the volatility management strategy in a timely manner or at all.

The Registrant (or a sub-adviser) uses proprietary modeling tools to implement a Portfolio's volatility management strategy. If the proprietary modeling tools prove to be flawed or for other reasons do not produce the desired results, any decisions based on the modeling tools may expose a Portfolio to additional risks and losses. The use of modeling tools has inherent risks, and the success of using a modeling tool depends, among other things, on the accuracy and completeness of the tool's development, implementation and maintenance; on the tool's assumptions and methodologies; and on the accuracy and reliability of the inputs and output of the tool. The Registrant (or a sub-adviser) from time to time may make changes to its proprietary modeling tools that do not require shareholder notice.

Moreover, volatility management strategies may expose a Portfolio to costs, such as increased portfolio transaction costs, which could cause or increase losses or reduce gains. In addition, it is not possible to manage volatility fully or perfectly. Futures contracts and other instruments used in connection with the volatility management strategy are not necessarily held by a Portfolio to hedge the value of the Portfolio's other investments and, as a result, these futures contracts and other instruments may decline in value at the same time as the Portfolio's other investments. When equity exposure is reduced, a lack of correlation between the changes in the value of the futures contracts or other instruments used in connection with the volatility management strategy and the value of a Portfolio's other equity investments (if any) being hedged could result in losses.

Any one or more of these factors could prevent a Portfolio from achieving the intended volatility management or could cause a Portfolio to underperform or experience losses (some of which may be sudden or substantial) or volatility for any particular period that may be higher or lower. In addition, the use of volatility management techniques may not protect against market declines and may limit a Portfolio's participation in market gains, even during periods when the market is rising. Volatility management techniques, when implemented effectively to reduce the overall risk of investing in a Portfolio, may result in underperformance by a Portfolio. For example, if a Portfolio has reduced its overall exposure to equities to avoid losses in certain market environments, the Portfolio may forgo some of the returns that can be associated with periods of rising equity values. A Portfolio's performance may be lower than the performance of similar funds where volatility management techniques are not used. In addition, the Registrant and its insurance company affiliates manage or advise other funds and accounts that engage in and compete for transactions in the same types of securities and instruments (such as futures contracts) as a Portfolio. Such transactions could affect the prices and availability of the securities and instruments in which a Portfolio invests, directly or indirectly, and could have an adverse impact on a Portfolio's performance. Consistent with its fiduciary duties, the Registrant seeks to implement each Portfolio's investment program in a manner that is in the best interests of the Portfolio and that is consistent with the Portfolio's investment objective, policies and strategies.

Insurance companies issuing guaranteed benefits on variable annuity and insurance contracts investing in a Portfolio have a financial interest in preserving the value of the Portfolio and reducing its volatility due to their obligations for these guaranteed benefits (the cost of providing these guaranteed benefits is related to several factors, including the performance and volatility of the Portfolio). To the extent a Portfolio is successful in managing the volatility of returns and downside risk, the insurance companies issuing guaranteed benefits on variable annuity and insurance contracts investing in the Portfolio will also benefit from a reduction in their potential investment risk which will reduce their costs of hedging this risk and could reduce their reserve and capital requirements. These financial benefits to the insurance companies could be significant.

Volatility Management Risk (for Portfolios that invest in Underlying Portfolios that use a volatility management strategy): A Portfolio may invest from time to time in Underlying Portfolios selected by the Registrant that may employ various volatility management techniques or make strategic adjustments to their asset mix (such as by using futures and options to manage equity exposure). Although these actions are intended to reduce the overall risk of investing in an Underlying Portfolio, they may not work as intended and may result in losses by an Underlying Portfolio, and in turn, a Portfolio, or periods of underperformance, particularly during periods when market values are increasing but market volatility is high or when an Underlying Portfolio has reduced its equity exposure but market changes do not impact equity returns adversely to the extent predicted by the Registrant. Volatility is a statistical measure of the magnitude of changes in a portfolio's returns. A higher volatility level generally indicates higher risk and often results in more frequent and sometimes significant changes in a portfolio's returns.

The result of any volatility management strategy will be subject to the Registrant's ability to correctly assess the degree of correlation between the performance of the relevant market index and the metrics used by the Registrant to measure market volatility. Since the characteristics of many securities change as markets change or time passes, the result of any volatility management strategy also will be subject to the Registrant's ability to continually recalculate, readjust, and execute volatility management techniques in an efficient manner. In addition, market conditions change,

sometimes rapidly and unpredictably, and the Registrant may be unable to execute the volatility management strategy in a timely manner or at all.

The Registrant uses proprietary modeling tools to implement the volatility management strategy. If the proprietary modeling tools prove to be flawed or for other reasons do not produce the desired results, any decisions based on the modeling tools may expose an Underlying Portfolio, and in turn, a Portfolio, to additional risks and losses. The use of modeling tools has inherent risks, and the success of using a modeling tool depends, among other things, on the accuracy and completeness of the tool's development, implementation and maintenance; on the tool's assumptions and methodologies; and on the accuracy and reliability of the inputs and output of the tool. The Registrant from time to time may make changes to its proprietary modeling tools that do not require shareholder notice.

Moreover, volatility management strategies may expose an Underlying Portfolio, and in turn, a Portfolio, to costs, such as increased portfolio transaction costs, which could cause or increase losses or reduce gains. In addition, it is not possible to manage volatility fully or perfectly. Futures contracts and other instruments used in connection with the volatility management strategy are not necessarily held by an Underlying Portfolio to hedge the value of the Underlying Portfolio's other investments and, as a result, these futures contracts and other instruments may decline in value at the same time as the Underlying Portfolio's other investments. When equity exposure is reduced, a lack of correlation between the changes in the value of the futures contracts or other instruments used in connection with the volatility management strategy and the value of an Underlying Portfolio's other equity investments (if any) being hedged could result in losses.

Any one or more of these factors could prevent an Underlying Portfolio from achieving the intended volatility management or could cause an Underlying Portfolio, and in turn, a Portfolio, to underperform or experience losses (some of which may be sudden or substantial) or volatility for any particular period that may be higher or lower. In addition, the use of volatility management techniques may not protect against market declines and may limit an Underlying Portfolio's, and thus a Portfolio's, participation in market gains, even during periods when the market is rising. Volatility management techniques, when implemented effectively to reduce the overall risk of investing in an Underlying Portfolio, may result in underperformance by an Underlying Portfolio. For example, if an Underlying Portfolio has reduced its overall exposure to equities to avoid losses in certain market environments, the Underlying Portfolio may forgo some of the returns that can be associated with periods of rising equity values. An Underlying Portfolio's performance, and therefore a Portfolio's performance, may be lower than the performance of similar funds where volatility management techniques are not used. In addition, the Registrant and its insurance company affiliates manage or advise other funds and accounts that engage in and compete for transactions in the same types of securities and instruments (such as futures contracts) as an Underlying Portfolio. Such transactions could affect the prices and availability of the securities and instruments in which an Underlying Portfolio invests, directly or indirectly, and could have an adverse impact on an Underlying Portfolio's performance, and therefore a Portfolio's performance. Consistent with its fiduciary duties, the Registrant seeks to implement each Underlying Portfolio's investment program in a manner that is in the best interests of the Underlying Portfolio and that is consistent with the Underlying Portfolio's investment objective, policies and strategies.

Insurance companies issuing guaranteed benefits on variable annuity and insurance contracts investing in a Portfolio have a financial interest in preserving the value of the Portfolio and reducing

its volatility due to their obligations for these guaranteed benefits (the cost of providing these guaranteed benefits is related to several factors, including the performance and volatility of the Portfolio). To the extent a Portfolio is successful in managing the volatility of returns and downside risk, the insurance companies issuing guaranteed benefits on variable annuity and insurance contracts investing in the Portfolio will also benefit from a reduction in their potential investment risk which will reduce their costs of hedging this risk and could reduce their reserve and capital requirements. These financial benefits to the insurance companies could be significant.

When-Issued and Delayed Delivery Securities and Forward Commitments Risk: When-issued and delayed delivery securities and forward commitments involve the risk that the security a Portfolio commits to purchase will decline in value prior to its delivery. This risk is in addition to the risk that a Portfolio's other assets will decline in value. Therefore, these transactions can have a leverage-like effect on a Portfolio and increase a Portfolio's overall investment exposure. There also is the risk that the security will not be issued or that the other party to the transaction will fail to complete the sale or purchase of the security. If this occurs, a Portfolio may lose the opportunity to purchase or sell the security at the agreed upon price and may forgo any gain in the security's price. These transactions also may cause a Portfolio to liquidate positions when it may not be advantageous to do so, in order to satisfy its purchase obligations.

Risks of Equity Investments

Dividend Risk: Dividends received on common stocks are not fixed but are paid at the discretion of an issuer's board of directors. There is no guarantee that the companies in which a Portfolio invests will pay dividends in the future or that dividends, if paid, will remain at current levels or increase over time. Securities that pay dividends may be sensitive to changes in interest rates, and as interest rates rise or fall, the prices of such securities may be impacted. A sharp rise in interest rates, an economic downturn, or other market or company-specific developments, could result in a company's decision to decrease or eliminate a dividend. During a broad market advance, securities that pay dividends may not appreciate as much as securities that do not pay dividends.

Equity Risk: In general, the values of stocks and other equity securities fluctuate, and sometimes widely fluctuate, in response to changes in a company's financial condition as well as general market, economic and political conditions and other factors. Stock markets tend to run in cycles, with periods when stock prices generally go up and periods when stock prices generally go down. However, stock markets also can move up and down rapidly and unpredictably. Equity securities generally have greater price volatility than fixed income securities. A Portfolio may experience a significant or complete loss on its investment in an equity security. Regardless of where a company is organized or its stock is traded, its performance may be significantly affected by events in regions from which it derives its profits or in which it conducts significant operations. In addition, common stock prices may be particularly sensitive to rising interest rates, which increase borrowing costs and the costs of capital. In the event of liquidation, equity securities are generally subordinate in rank to debt and other securities of the same issuer.

ESG Considerations Risk: Consideration of environmental, social and governance ("ESG") factors in the investment process may limit the types and number of investment opportunities available to a Portfolio and, therefore, carries the risk that, under certain market conditions, the Portfolio may underperform funds that do not consider ESG factors or use a different methodology to identify and/or integrate ESG factors. The integration of ESG considerations may affect a Portfolio's exposure

to certain sectors or types of investments and may impact a Portfolio's relative investment performance depending on whether such sectors or investments are in or out of favor in the market. Furthermore, ESG criteria are not uniformly defined, and a Portfolio's ESG criteria may differ from those used by other funds. A company's ESG performance or the sub-adviser's assessment of a company's ESG performance may change over time, which could cause a Portfolio temporarily to hold securities that do not comply with the Portfolio's ESG investment principles. Information or data used in evaluating a company may not be complete, accurate, or readily available, which could cause the sub-adviser to incorrectly assess a company's ESG performance. Socially responsible norms differ by region, and an issuer's ESG practices or the sub-adviser's assessment of an issuer's ESG practices may change over time. Successful application of a Portfolio's ESG considerations will depend on the sub-adviser's skill in properly identifying and analyzing material ESG issues, and there can be no assurance that the considerations or techniques employed will be successful. While the Sub-Adviser views ESG considerations as having the potential to contribute to a Portfolio's long-term performance, there is no guarantee that such results will be achieved. There is also a risk that a Portfolio could have indirect exposure (through, including but not limited to, derivatives and investments in other investment companies) to issuers that do not meet the relevant ESG criteria used by the Portfolio. In addition, investors may differ in their views of what constitutes positive or negative ESG characteristics of a security. ESG investing is qualitative and subjective by nature, and there is no guarantee that the factors utilized by the sub-adviser or any judgment exercised by the sub-adviser will reflect the opinions of any particular investor, and the factors utilized by the sub-adviser may differ from (or may be considered to be more or less stringent than) the factors that any particular investor considers relevant in evaluating an issuer's ESG practices. Further, the regulatory landscape for ESG investing in the United States and abroad is evolving, and future rules or regulations may require the Portfolio to change its investment process and/or the associated disclosures.

Initial Public Offering ("IPO") Risk: Securities issued in IPOs are subject to many of the same risks as investing in companies with smaller market capitalizations. Securities issued in IPOs have no trading history, and information about the companies may be available for very limited periods. Prior to an IPO, there is no public market for an issuer's securities, and there can be no assurance that an active trading market will develop or be sustained following the IPO. In addition, the prices of securities sold in IPOs may be highly volatile. Therefore, a Portfolio may hold IPO shares for a very short period of time. At times, a Portfolio may not be able to invest in securities issued in IPOs, or invest to the extent desired, if, for example, only a small portion of the securities being offered in an IPO are made available to the Portfolio. In addition, under certain market conditions, a relatively small number of companies may issue securities in IPOs. Similarly, as the number of portfolios to which IPO securities are allocated increases, the number of securities allocated to any one portfolio may decrease. To the extent a Portfolio with a small asset base invests in IPOs, a significant portion of its returns may be attributable to its investments in IPOs, which have a magnified impact on Portfolios with small asset bases. The impact of IPOs on such a Portfolio's performance will likely decrease as the Portfolio's asset size increases, which could reduce the Portfolio's returns. There is no guarantee that as such a Portfolio's assets grow it will continue to experience substantially similar performance by investing in profitable IPOs.

Large-Cap Company Risk: Larger more established companies may be unable to respond quickly to new competitive challenges such as changes in technology and consumer tastes, which may lead to a decline in their market price. Many larger companies also may not be able to attain the high growth rate of successful smaller companies, especially during extended periods of economic

expansion. Investing more heavily in one market capitalization category (large, medium or small) carries the risk that due to market conditions that category may be out of favor with investors.

Listed Private Equity Company Risk: Listed private equity companies include publicly traded vehicles whose purpose is to invest in privately held companies. Generally, little public information exists for privately held companies, and there is a risk that investors may not be able to make a fully informed investment decision. Investing in less mature privately held companies involves greater risk than investing in well-established, publicly-traded companies.

Mid-Cap, Small-Cap and Micro-Cap Company Risk: A Portfolio's investments in mid-, small- and micro-cap companies may involve greater risks than investments in larger, more established issuers because they generally are more vulnerable than larger companies to adverse business or economic developments, which can negatively affect their value. Such companies generally have narrower product lines, more limited financial and management resources and more limited markets for their securities as compared with larger companies. Their securities may be less well-known and trade less frequently and in limited volume compared with the securities of larger, more established companies. As a result, the value of such securities may be more volatile than the value of securities of larger companies, and the Portfolio may experience difficulty in purchasing or selling such securities at the desired time and price or in the desired amount. Mid-, small- and micro-cap companies also are typically subject to greater changes in earnings and business prospects than larger companies. Consequently, the prices of mid-, small- and micro-cap company securities tend to rise and fall in value more frequently than the prices of securities of larger companies. Although investing in mid-, small- and micro-cap companies offers potential for above-average returns, the companies may not succeed and the value of their securities could decline significantly. In general, these risks are greater for small- and micro-cap companies than for mid-cap companies. Investing more heavily in one market capitalization category (large, medium or small) carries the risk that due to market conditions that category may be out of favor with investors.

Real Estate Investing Risk: Real estate-related investments may decline in value as a result of factors affecting the overall real estate industry. Real estate is a cyclical business, highly sensitive to supply and demand and general and local economic conditions and characterized by intense competition and periodic overbuilding. Real estate income and values also may be greatly affected by demographic trends, such as population shifts or changing tastes and values. For example, the COVID-19 pandemic has impacted certain real estate sectors by accelerating the trend towards online shopping and remote-working environments, which has reduced the demand for commercial and office space. Losses may occur from, for example, casualty or condemnation, or extended vacancies of properties, and government actions, such as tax law changes, zoning law changes, regulatory limitations on rents, or environmental regulations, also may have a major impact on real estate. The availability of mortgages and changes in interest rates may also affect real estate values. Changing interest rates and credit quality requirements also will affect the cash flow of real estate companies and their ability to meet capital needs or refinance their obligations. In addition, global climate change may have a significant adverse effect on property and security values and may exacerbate the risks of natural disasters.

Real estate investment trusts ("REITs") generally invest directly in real estate (equity REITs), in mortgages secured by interests in real estate (mortgage REITs) or in some combination of the two (hybrid REITs). Investing in REITs exposes investors to the risks of owning real estate directly, as well as to risks that relate specifically to the way in which REITs are organized and operated. Equity

REITs may be affected by changes in the value of the underlying property owned by the REIT, while mortgage REITs may be affected by the quality of any credit extended. Equity and mortgage REITs are also subject to heavy cash flow dependency, defaults by mortgagors or other borrowers, and self-liquidations. The risk of defaults is generally higher in the case of mortgage pools that include subprime mortgages involving borrowers with blemished credit histories. The liquidity and value of subprime mortgages and non-investment grade mortgage-backed securities that are not guaranteed by Ginnie Mae, Fannie Mae, and Freddie Mac could change dramatically over time. In addition, regardless of where a REIT is organized or traded, its performance may be affected significantly by events in the region where its properties are located.

Operating REITs requires specialized management skills, and a Portfolio that invests in REITs indirectly bears REIT management and administration expenses along with the direct expenses of the Portfolio. Individual REITs may own a limited number of properties and may concentrate in a particular region or property type. Domestic REITs also must satisfy specific Internal Revenue Code requirements in order to qualify for the tax-free pass-through of net investment income and net realized gains distributed to shareholders. Failure to meet these requirements may have adverse consequences on an investing Portfolio. Similar treatment may also apply to REIT-like entities under the laws of the countries in which they were formed. In addition, even the larger REITs in the industry tend to be small- to medium-sized companies in relation to the equity markets as a whole. Moreover, shares of REITs may trade less frequently and, therefore, are subject to more erratic price movements than securities of larger issuers.

Special Situations Risk: A Portfolio may seek to benefit from “special situations,” such as acquisitions, mergers, consolidations, bankruptcies, liquidations, reorganizations, restructurings, tender or exchange offers or other unusual events expected to affect a particular issuer. In general, securities of companies which are the subject of a tender or exchange offer or an acquisition, merger, consolidation, bankruptcy, liquidation, reorganization or restructuring proposal sell at a premium to their historic market price immediately prior to the announcement of the transaction. However, it is possible that the value of securities of a company involved in such a transaction will not rise and in fact may fall, in which case a Portfolio would lose money. It is also possible that a sub-adviser’s assessment that a particular company is likely to be acquired or acquired during a specific time frame may be incorrect, in which case a Portfolio may not realize any premium on its investment and could lose money if the value of the securities declines during the Portfolio’s holding period. A Portfolio’s return also could be adversely impacted to the extent that a sub-adviser’s strategies fail to identify companies for investment by the Portfolio that become the subject of a merger or similar transaction that results in an increase in the value of the securities of those companies. Moreover, publicly announced mergers and similar types of transactions may be renegotiated or terminated, in which case a Portfolio may lose money. In addition, if a transaction takes a longer time to close than a sub-adviser originally anticipated, a Portfolio may realize a lower-than-expected rate of return. In some circumstances, the securities purchased may be illiquid making it difficult for the Portfolio to dispose of them at an advantageous price.

Unseasoned Companies Risk: Unseasoned companies are companies that have been in operation for less than three years, including operations of any predecessors. These securities may have limited liquidity and their prices may be very volatile.

Risks of Fixed Income Investments

Collateralized Debt Obligations Risk: Investments in collateralized debt obligations (“CDOs”) involve many of the same risks associated with investments in debt securities and asset-backed securities, including interest rate risk, credit risk, liquidity risk, prepayment and extension risk, and valuation risk. The risks of an investment in a CDO also depend largely on the quality and type of the collateral and the class or “tranche” of the CDO in which a Portfolio invests. An investment in a junior tranche is subject to a greater risk of depreciation or loss than an investment in a more senior tranche. Normally, collateralized bond obligations, collateralized loan obligations, and other CDOs are privately offered and sold, and thus are not registered under the securities laws. As a result, investments in CDOs may be characterized by a Portfolio as illiquid securities; however, an active dealer market, or other relevant measures of liquidity, may exist for CDOs allowing a CDO potentially to be deemed liquid under a Portfolio’s liquidity policies. Additionally, CDOs carry risks including, but not limited to: (a) the possibility that distributions from collateral securities will not be adequate to make interest or other payments; (b) the risk that the collateral securities may decline in value or quality or be downgraded or go into default, particularly during periods of economic downturn; (c) the possibility that a Portfolio may invest in CDOs that are subordinate to other classes; (d) the risk that the manager of the CDOs may perform poorly; and (e) the risk that the complex structure of CDOs may produce disputes with the issuer or unexpected investment results. CDOs also can be difficult to value and may be highly leveraged (which could make them highly volatile), and the use of CDOs may result in losses to a Portfolio. CDOs also may charge management and other administrative fees, which are in addition to those of a Portfolio.

Collateralized Loan Obligations Risk: Investments in collateralized loan obligations (“CLOs”) involve many of the same risks associated with investments in debt securities and asset-backed securities, including interest rate risk, credit risk, liquidity risk, prepayment and extension risk, and valuation risk. The risks of an investment in a CLO also depend largely on the quality and type of the collateral and the class or “tranche” of the CLO in which a Portfolio invests. An investment in a junior tranche is subject to a greater risk of depreciation or loss than an investment in a more senior tranche. Normally, CLOs are privately offered and sold, and thus are not registered under the securities laws. As a result, investments in CLOs may be characterized by a Portfolio as illiquid securities; however, an active dealer market, or other relevant measures of liquidity, may exist for CLOs allowing a CLO potentially to be deemed liquid under a Portfolio’s liquidity policies. Additionally, CLOs carry risks including, but not limited to: (a) the possibility that distributions from collateral securities will not be adequate to make interest or other payments; (b) the risk that the collateral securities may decline in value or quality or be downgraded or go into default, particularly during periods of economic downturn; (c) the possibility that a Portfolio may invest in CLOs that are subordinate to other classes; (d) the risk that the manager of the CLOs may perform poorly; and (e) the risk that the complex structure of CLOs may produce disputes with the issuer or unexpected investment results. CLOs also can be difficult to value and may be highly leveraged (which could make them highly volatile), and the use of CLOs may result in losses to a Portfolio. CLOs also may charge management and other administrative fees, which are in addition to those of a Portfolio.

Credit Risk: A Portfolio is subject to the risk that the issuer or the guarantor (or other obligor, such as a party providing insurance or other credit enhancement) of a fixed income security, or the counterparty to a derivatives contract, repurchase agreement, loan of portfolio securities or other transaction, is unable or unwilling, or is perceived (whether by market participants, ratings agencies, pricing services or otherwise) as unable or unwilling, to make timely interest and/or principal payments or otherwise honor its obligations, or defaults completely, which may cause the Portfolio’s holdings to lose value. Securities are subject to varying degrees of credit risk, which are often

reflected in their credit ratings. Generally, the longer the maturity and the lower the credit quality of a security, the more sensitive it is to credit risk. Higher credit ratings correspond to lower perceived credit risk, and lower credit ratings correspond to higher perceived credit risk. However, rating agencies may fail to make timely changes to credit ratings in response to subsequent events, and a credit rating may become stale in that it fails to reflect changes in an issuer's financial condition. Credit ratings also may be influenced by conflicts of interest. Credit ratings represent a rating agency's opinion regarding the quality of a security and are not a guaranty of quality. Credit ratings do not protect against a decline in the value of a security. The downgrade of a security's credit rating may decrease its value. Lower credit quality (or changes in the market's perception of an issuer's creditworthiness) also may lead to greater volatility in the price of a security and may negatively affect a security's liquidity. The credit quality of a security can deteriorate suddenly and rapidly. A Portfolio may experience a significant or complete loss on a fixed income security or a transaction. Rising or high interest rates may deteriorate the credit quality of an issuer or counterparty, particularly if the issuer or counterparty faces challenges rolling or refinancing its obligations. When a fixed income security is not rated, an investment manager may have to assess the risk of the security itself. In addition, legislation and regulations to reform rating agencies could adversely impact a Portfolio's investments or investment process.

Distressed Companies Risk: A Portfolio may invest in distressed debt securities, including loans, bonds and notes, many of which are not publicly traded and may involve a substantial degree of risk. Debt obligations of distressed companies typically are unrated, lower-rated or close to default. Distressed debt securities include securities of companies that are in financial distress and that may be in or about to enter bankruptcy. In certain periods, there may be little or no liquidity in the markets for these securities. In addition, the prices of such securities may be subject to periods of abrupt and erratic market movements and above-average price volatility. It may be difficult to obtain financial information regarding the financial condition of a borrower or issuer, and its financial condition may change rapidly. It may be more difficult to value such securities and the spread between the bid and asked prices of such securities may be greater than expected. A Portfolio may lose a substantial portion or all of its investment in such securities or it may be required to accept cash, securities or other property with a value less than the Portfolio's original investment. Defaulted debt securities involve risks such as the possibility of complete loss of the investment where the issuer does not restructure to enable it to resume principal and interest payments. If the issuer of a security held by a Portfolio defaults, the Portfolio may experience a significant or complete loss on the security. Securities tend to lose much of their value before the issuer defaults. The Portfolio may incur additional expenses to the extent it is required to seek recovery upon a default in the payment of principal or interest on its portfolio holdings.

Dollar Roll and Sale-Buyback Transactions: Dollar roll and sale-buyback transactions may increase a Portfolio's volatility and may be viewed as a form of leverage. There is also a risk that the counterparty will be unable or unwilling to complete the transaction as scheduled, which may result in losses to a Portfolio.

Inflation-Indexed Bonds Risk: Inflation-indexed bonds are fixed income securities whose principal value is periodically adjusted according to inflation. The value of inflation-indexed bonds is expected to change in response to changes in real interest rates. Real interest rates represent nominal (stated) interest rates reduced by the expected impact of inflation. In general, inflation-indexed bonds, including Treasury inflation-indexed securities, decline in value when real interest rates rise and rise in value when real interest rates decline. In certain interest rate environments, such as when real

interest rates are rising faster than nominal interest rates, inflation-indexed bonds may experience greater losses than other fixed income securities with similar durations. Interest payments on inflation-indexed debt securities can be unpredictable and may vary as the principal and/or interest is adjusted for inflation. In periods of deflation, a Portfolio may have no income at all from such investments. The principal value of an investment in a Portfolio is not protected or otherwise guaranteed by the value of the Portfolio's investments in inflation-indexed debt securities.

Interest Rate Risk: Changes in interest rates may affect the yield, liquidity and value of investments in income producing or debt securities. Changes in interest rates also may affect the value of other securities. When interest rates rise, the value of a Portfolio's debt securities generally declines. Conversely, when interest rates decline, the value of a Portfolio's debt securities generally rises. Typically, the longer the maturity (i.e., the term of a debt security) or duration (i.e., a measure of the sensitivity of a debt security to changes in market interest rates, based on the entire cash flow associated with the security) of a debt security, the greater the effect a change in interest rates could have on the security's price. For example, if a debt security has a duration of five years and interest rates increase by 1%, the debt security's price typically would be expected to decline by approximately 5%. Thus, the sensitivity of a Portfolio's debt securities to interest rate risk will increase the greater the duration of those securities. Greater sensitivity to changes in interest rates may increase the volatility of a debt security's value and may lead to losses. Interest rate changes can be sudden and unpredictable, and are influenced by a number of factors, including government policy, monetary policy, inflation rates and/or investor expectations concerning such rates, perceptions of risk, and supply and demand of bonds. Changes in government monetary policy, including changes in federal tax policy or changes in a central bank's implementation of specific policy goals, may have a substantial and immediate impact on interest rates. However, there can be no guarantee that any particular government or central bank policy will be continued, discontinued or changed, or that any such policy will have the desired effect on interest rates. Short-term and long-term interest rates, and interest rates in different countries, do not necessarily move in the same direction or by the same amount.

Due to concerns regarding recent high inflation in many sectors of the U.S. and global economies, the U.S. Federal Reserve and many foreign central banks and monetary authorities raised interest rates and implemented other policy initiatives in an effort to control inflation, and they may continue to do so. It is difficult to predict the timing, frequency, magnitude or direction of further interest rate changes, and the evaluation of macro-economic and other conditions or events could cause a change in approach in the future. Fixed-income and related markets may continue to experience heightened levels of interest rate volatility.

During periods of very low interest rates, which occur from time to time due to market forces or actions of governments and/or their central banks, a Portfolio may be subject to a greater risk of principal decline from rising interest rates. A significant or rapid rise in interest rates could result in losses, which could be substantial, to a Portfolio.

Certain countries have experienced negative interest rates on certain fixed-income instruments. Very low or negative interest rates may magnify interest rate risk by, among other things, reducing or eliminating interest income and causing declines in the value of investments in income producing or debt securities. Changing interest rates, including rates that fall below zero, may have unpredictable effects on markets, may result in heightened market volatility, and may detract from Portfolio performance to the extent a Portfolio is exposed to such interest rates.

Inverse Floaters Risk: Inverse floaters are fixed income securities with a floating or variable rate of interest (i.e., the rate of interest varies with changes in specified market rates or indices, such as the prime rate, or at specified intervals). Inverse floaters have interest rates that tend to move in the opposite direction as the specified market rates or indices and may exhibit substantially greater price volatility than fixed rate obligations having similar credit quality, redemption provisions and maturity. Any increase in the reference rate of an inverse floater (as a consequence of an increase in interest rates) causes a drop in the coupon rate, while any drop in the reference rate of an inverse floater causes an increase in the coupon rate. Inverse floaters generally will underperform the market for fixed rate securities in a rising interest rate environment. Inverse floater collateralized mortgage obligations ("CMOs") exhibit greater price volatility than the majority of mortgage-related securities. In addition, some inverse floater CMOs exhibit extreme sensitivity to changes in prepayments. As a result, the yield to maturity of an inverse floater CMO is sensitive not only to changes in interest rates but also to changes in prepayment rates on the related underlying mortgage assets. Inverse floaters typically involve leverage, which can magnify a Portfolio's losses; accordingly, the holder of an inverse floater could lose more than its principal investment.

Investment Grade Securities Risk: Debt securities generally are rated by national bond ratings agencies. A Portfolio considers securities to be investment grade if they are rated BBB or higher by S&P or Fitch, or Baa or higher by Moody's or, if unrated, determined by the investment manager to be of comparable quality. Securities rated in the lower investment grade rating categories (e.g., BBB or Baa) are considered investment grade securities, but may have more risk than higher rated obligations because they are regarded as having only an adequate capacity to pay principal and interest, are considered to lack outstanding investment characteristics and may possess certain speculative characteristics.

LIBOR Risk: Prior to June 30, 2023, many debt securities, derivatives and other financial instruments utilized the London Interbank Offered Rate (or "LIBOR") as the reference or benchmark rate for variable interest rate calculations; however, LIBOR settings for all maturities and currencies ceased to be published on a representative basis after June 30, 2023.

The Secured Overnight Financing Rate ("SOFR") has been selected by a committee established by the Board of Governors of the Federal Reserve System and the Federal Reserve Bank of New York to replace LIBOR as a reference or benchmark rate in the United States. Bank working groups and regulators in other countries have suggested other alternatives for their respective markets. However, there are risks associated with using a new reference or benchmark rate with respect to existing or new investments and transactions. The SOFR or other alternative reference or benchmark rate may be an ineffective substitute with respect to an existing or new investment or transaction, resulting in prolonged adverse market conditions for a Portfolio, which could negatively affect the Portfolio's performance and/or net asset value.

SOFR is a broad measure of the cost of borrowing cash overnight collateralized by U.S. Treasury securities. The composition and characteristics of SOFR are not the same as those of LIBOR, and SOFR is fundamentally different from LIBOR. SOFR is a secured rate, while LIBOR is an unsecured rate, and SOFR is an overnight rate, while LIBOR is a forward-looking rate that represents interbank funding over different maturities. As a result, there can be no assurance that SOFR will perform in the same way as LIBOR would have at any time, including as a result of changes in interest and yield rates in the market, market volatility, or global or regional economic, financial, political, regulatory, judicial

or other events. In addition, daily changes in SOFR have, on occasion, been more volatile than daily changes in other benchmark or market rates, such as LIBOR. The return on and value of investments that are linked to SOFR may fluctuate more than the return on and value of investments that are linked to less volatile rates.

Various financial industry groups have planned for and have implemented the transition from LIBOR to SOFR or another new reference or benchmark rate, but in certain instances, the transition process may have resulted in, or may result in, increased volatility and illiquidity in markets that relied on LIBOR to determine interest rates. It may also have caused, or lead to, a reduction in the values of some LIBOR-based investments and the effectiveness of new hedges placed against existing LIBOR-based instruments, which may adversely affect a Portfolio's performance or net asset value.

Loan Risk: A bank loan represents an interest in a loan or other direct indebtedness that entitles the acquirer of such interest to payments of interest, principal and/or other amounts due under the structure of the loan. Loan interests are subject to liquidity risk, prepayment risk, extension risk, the risk of subordination to other creditors, restrictions on resale, and the lack of a regular trading market and publicly available information. Loan interests may be difficult to value and may have extended trade settlement periods (bank loans may have trade settlement periods that extend beyond seven days). As a result, the proceeds from the sale of a loan may not be available to make additional investments or to meet redemption obligations until potentially a substantial period after the sale of the loan. The extended trade settlement periods could force a Portfolio to liquidate other securities to meet redemptions and may present a risk that the Portfolio may incur losses in order to timely honor redemptions.

A Portfolio's investments in loans are subject to the risk that the Portfolio will not receive payment of interest, principal and other amounts due in connection with these investments and will depend primarily on the financial condition of the borrower. Fully secured loans offer a Portfolio more protection than unsecured loans in the event of nonpayment of scheduled interest or principal, although there is no assurance that the liquidation of a secured loan's collateral would satisfy the borrower's obligation or that the collateral could be readily liquidated. In addition, a Portfolio's access to collateral may be limited by bankruptcy or other insolvency laws. In the event of a default, a Portfolio may not recover its principal, may experience a substantial delay in recovering its investment and may not receive interest during the delay. Unsecured loans are subject to a greater risk of default than secured loans, especially during periods of deteriorating economic conditions. Unsecured loans also have a greater risk of nonpayment in the event of a default than secured loans since there is no recourse for the lender to collateral. Loans in which a Portfolio may invest may be made to finance highly leveraged corporate transactions. The highly leveraged capital structure of the borrowers in such transactions may make such loans especially vulnerable to adverse changes in economic or market conditions. In addition, loan interests may be unrated, and a Portfolio's sub-adviser may be required to rely exclusively on its own analysis of the borrower in determining whether to acquire, or to continue to hold, a loan. Loans may not be considered "securities," and purchasers, such as a Portfolio, therefore may not have the benefit of the anti-fraud protections of the federal securities laws.

Loan agreements, which set forth the terms of a loan and the obligations of the borrower and lender, contain certain covenants that mandate or prohibit certain borrower actions, including financial covenants (or "maintenance covenants") that dictate certain minimum and maximum financial performance levels. Certain types of loans contain fewer maintenance covenants than traditional

loans (or no maintenance covenants at all) and may not include terms that permit the lender to monitor the financial performance of the borrower and declare an event of default if certain criteria are breached. This may hinder a Portfolio's ability to reprice credit risk associated with the borrower and reduce a Portfolio's ability to restructure a problematic loan and mitigate potential loss. As a result, a Portfolio's exposure to losses on these types of loans may be increased, especially during a downturn in the credit cycle.

A Portfolio may acquire a loan interest by obtaining an assignment of all or a portion of the interests in a particular loan that are held by an original lender or a prior assignee. As an assignee, a Portfolio normally will succeed to all rights and obligations of its assignor with respect to the portion of the loan that is being assigned. However, the rights and obligations acquired by the purchaser of a loan assignment may differ from, and be more limited than, those held by the original lenders or the assignor. A Portfolio may also purchase a participation in a loan interest that is held by another party. When a Portfolio's loan interest is a participation, the Portfolio may have less control over the exercise of remedies than the party selling the participation interest, and the Portfolio normally would not have any direct rights against the borrower. It is possible that a Portfolio could be held liable, or may be called upon to fulfill other obligations, with respect to loans in which it receives an assignment in whole or in part, or in which it owns a participation. The potential for such liability is greater for an assignee than for a participant.

Money Market Risk: Although a money market fund is designed to be a relatively low risk investment, it is not free of risk. Despite the short maturities and high credit quality of a money market fund's investments, increases in interest rates and deteriorations in the credit quality of the instruments the money market fund has purchased may reduce the money market fund's yield and can cause the price of a money market security to decrease. In addition, a money market fund is subject to the risk that the value of an investment may be eroded over time by inflation. In the event that any money market fund that seeks to maintain a stable \$1.00 net asset value fails to maintain a stable net asset value (or if there is a perceived threat that a money market fund is likely to fail to maintain a stable net asset value), money market funds in general could face increased redemption pressures, which could jeopardize the stability of their net asset values. Certain money market funds have in the past failed to maintain stable \$1.00 net asset values, and there can be no assurance that such failures and resulting redemption pressures will not occur in the future. A low- or negative-interest rate environment may prevent a money market fund from providing a positive yield, and could negatively impact a money market fund's ability to maintain a stable \$1.00 net asset value per share.

Certain money market funds are institutional money market funds, which means that the net asset value of the fund's shares will "float". A money market fund with a floating net asset value does not maintain a stable \$1.00 net asset value per share; rather, its net asset value will fluctuate with changes in the values of the securities in which the fund invests. Shares sold utilizing a floating net asset value may be worth more or less than their original purchase price. An institutional money market fund is permitted to impose a liquidity fee upon the redemption of fund shares and, effective October 2, 2024, generally will be required to impose a liquidity fee when the fund experiences daily net redemptions of fund shares that exceed certain levels.

Money market funds are subject to specific rules that affect the manner in which these funds are structured and operated. Changes in these rules may impact a money market fund's expenses, operations, returns, liquidity and continued viability.

Mortgage-Related and Other Asset-Backed Securities Risk: Investments in mortgage-related and other asset-backed securities are subject to credit risk, liquidity risk, the risk of default, interest rate risk, and prepayment and extension risk, sometimes to a greater extent than various other types of fixed income investments. Declines in the credit quality of and defaults by the issuers of mortgage-related and other asset-backed securities may decrease the value of such securities, which could result in losses to a Portfolio, and may reduce the liquidity of such securities and make such securities more difficult to purchase or sell at an advantageous time and price. In addition, borrowers may default on the obligations that underlie mortgage-related and other asset-backed securities. The risk of defaults by borrowers generally is greater during times of rising interest rates and/or unemployment rates. The impairment (or loss) of the value of collateral or other assets underlying mortgage-related and other asset-backed securities will result in a reduction in the value of the securities. Certain collateral may be difficult to locate in the event of default, or may be lost, and recoveries of depreciated or damaged collateral may not fully cover payments due on such collateral. Asset-backed securities may not have the benefit of a security interest in collateral comparable to that of mortgage assets, resulting in additional credit risk. In addition, even when there is no default or threat of default, instability in the markets for mortgage-related and other asset-backed securities may reduce (at times, significantly) the liquidity of such securities. As a result, the value of such securities may decrease and a Portfolio may incur greater losses on the sale of such securities than under more stable market conditions. Furthermore, instability and illiquidity in the market for lower-rated mortgage-related and other asset-backed securities may affect the overall market for such securities, thereby impacting the liquidity and value of higher-rated securities.

If a Portfolio purchases mortgage-related or other asset-backed securities that are “subordinated” to other interests in the same pool, the Portfolio, as a holder of those securities, may receive payments only after the pool’s obligations to other investors have been satisfied. For example, an unexpectedly high rate of defaults on the mortgages held by a mortgage pool may limit substantially the pool’s ability to make payments of principal or interest to the Portfolio as a holder of such subordinated securities, reducing the values of those securities or in some cases rendering them worthless. In addition, certain mortgage-related and other asset-backed securities may include securities backed by pools of loans made to “subprime” borrowers or borrowers with blemished credit histories. The underwriting standards for subprime loans may be lower and more flexible than the standards generally used by lenders for borrowers with non-blemished credit histories with regard to the borrowers’ credit standing and repayment ability. Borrowers who qualify generally have impaired credit histories, which may include a record of major derogatory credit items such as outstanding judgments or prior bankruptcies. In addition, they may not have the documentation required to qualify for a standard loan. As a result, the loans in the pool are likely to experience rates of delinquency, foreclosure, and bankruptcy that are higher, and that may be substantially higher, than those experienced by loans underwritten in a more traditional manner. In addition, changes in the values of the assets underlying the loans (if any), as well as changes in interest rates, may have a greater effect on the delinquency, foreclosure, bankruptcy, and loss experience of the loans in the pool than on loans originated in a more traditional manner. The risk of defaults by borrowers is generally higher in the case of asset or mortgage pools that include subprime assets or mortgages, and the liquidity and value of subprime mortgages and non-investment grade mortgage-backed securities that are not guaranteed by Ginnie Mae, Fannie Mae, and Freddie Mac could change dramatically over time.

Payment of interest and repayment of principal, the schedule for which varies based on the terms of

the loan, may be largely dependent upon the cash flows generated by the assets backing the securities and, in certain cases, supported by various forms of insurance or guarantees, including letters of credit, surety bonds, or other credit or liquidity enhancements. There can be no assurance that insurers or guarantors can meet their obligations under the insurance policies or guarantee arrangements. Furthermore, mortgage-related and other asset-backed securities typically provide the issuer with the right to prepay the security prior to maturity. During periods of rising interest rates, the rate of prepayments tends to decrease because borrowers are less likely to prepay debt (such as mortgage debt or automobile loans). Slower than expected payments can extend the average lives of mortgage-related and other asset-backed securities, and this may lock in a below market interest rate and increase the security's duration and interest rate sensitivity, which may increase the volatility of the security's value and may lead to losses. During periods of falling interest rates, the rate of prepayments tends to increase because borrowers are more likely to pay off debt and refinance at the lower interest rates then available. Unscheduled prepayments shorten the average lives of mortgage-related and other asset-backed securities and may result in the Portfolio's having to reinvest the proceeds of the prepayments at lower interest rates. Unscheduled prepayments also would limit the potential for capital appreciation on these securities and may make them less effective than other fixed income securities as a means of "locking in" long-term interest rates, thereby reducing the Portfolio's income. Prepayment rates are difficult to predict, and the potential impact of prepayments on the value of a mortgage-related or other asset-backed security depends on the terms of the instrument and can result in significant volatility.

Privately issued mortgage-related and other asset-backed securities may be subject to heightened liquidity risk. During periods of market stress or high redemptions, a Portfolio may be forced to sell these securities at significantly reduced prices, resulting in losses. Liquid privately issued mortgaged-related and other asset-backed securities can become illiquid during periods of market stress. Privately issued mortgage-related securities are not subject to the same underwriting standards for the underlying mortgages that are applicable to those mortgage-related securities that have U.S. government or government-sponsored enterprise ("GSE") guarantees. As a result, the mortgage loans underlying privately issued mortgage-related securities may, and frequently do, have less favorable collateral, credit risk, liquidity risk, or other underwriting characteristics than U.S. government or GSE mortgage-related securities.

Mortgage-backed securities issued in the form of collateralized mortgage obligations ("CMOs") are collateralized by mortgage loans or mortgage pass-through securities. In periods of supply and demand imbalances in the market for CMOs or in periods of sharp interest rate movements, the prices of CMOs may fluctuate to a greater extent than would be expected from interest rate movements alone. CMOs and other mortgage-backed securities may be structured similarly to CDOs and may be subject to similar risks.

Municipal Securities Risk: Municipal securities risks include the inability of the issuer to repay the obligation, the relative lack of information about certain issuers of municipal securities, and the possibility of future legislative changes which could affect the market for and value of municipal securities.

Non-Investment Grade Securities Risk: Bonds rated below BBB by S&P or Fitch, or below Baa by Moody's or, if unrated, determined by the investment manager to be of comparable quality, are speculative in nature, involve greater risk of default by the issuing entity and may be subject to greater market fluctuations than higher rated fixed income securities. Non-investment grade bonds,

sometimes referred to as “junk bonds”, are usually issued by companies without long track records of sales and earnings, or by those companies with questionable credit strength. The creditworthiness of issuers of non-investment grade debt securities may be more complex to analyze than that of issuers of investment grade debt securities, and the reliance on credit ratings may present additional risks. The retail secondary market for these “junk bonds” may be less liquid than that of higher rated securities and adverse conditions could make it difficult at times to sell certain securities or could result in lower prices than those used in calculating a Portfolio’s net asset value. A Portfolio investing in “junk bonds” may also be subject to greater credit risk because it may invest in debt securities issued in connection with corporate restructuring by highly leveraged issuers or in debt securities not current in the payment of interest or principal or in default. If the issuer of a security is in default with respect to interest or principal payments, a Portfolio may lose its entire investment. The credit rating of a below investment grade security does not necessarily address its market value risk and may not reflect its actual credit risk. Ratings and market value may change from time to time, positively or negatively, to reflect new developments regarding the issuer. Because of the risks involved in investing in below investment grade securities, an investment in a Portfolio that invests substantially in such securities should be considered speculative.

Prepayment Risk and Extension Risk: Prepayment risk is the risk that the issuer of a security held by a Portfolio may pay off principal more quickly than originally anticipated, and the Portfolio may have to reinvest the proceeds in an investment offering a lower yield, may not benefit from any increase in value that might otherwise result from declining interest rates and may lose any premium it paid to acquire the security. Falling interest rates generally result in quicker payoffs as borrowers are motivated to pay off debt and refinance at new lower rates. Extension risk is the risk that the issuer of a security held by a Portfolio may pay off principal more slowly than originally anticipated. Rising interest rates generally result in slower payoffs, which effectively increase the duration of certain debt securities and heighten interest rate risk. Additionally, a Portfolio may be prevented from reinvesting the proceeds it would have received at a given time in an investment offering a higher yield.

Structured Securities Risk: Because structured securities of the type in which a Portfolio may invest typically involve no credit enhancement, their credit risk generally will be equivalent to that of the underlying instruments. A Portfolio may invest in a class of structured securities that is either subordinated or unsubordinated to the right of payment of another class. Subordinated structured securities typically have higher yields and present greater risks than unsubordinated structured securities. Structured securities are typically sold in private placement transactions, and there currently is no active trading market for structured securities. Certain issuers of such structured securities may be deemed to be “investment companies” as defined in the 1940 Act. As a result, a Portfolio’s investment in such securities may be limited by certain investment restrictions contained in the 1940 Act.

U.S. Government Securities Risk: Although a Portfolio may hold securities that carry U.S. government guarantees, these guarantees do not extend to shares of the Portfolio itself and do not guarantee the market prices of the securities. Securities issued by the U.S. Treasury or other agencies and instrumentalities of the U.S. government may decline in value as a result of, among other things, changes in interest rates, political events in the United States, international developments, including strained relations with foreign countries, and changes in the credit rating of, or investor perceptions regarding the creditworthiness of, the U.S. government. Rating services have in the past lowered their long-term sovereign credit rating on the United States. Furthermore, not all securities issued by the

U.S. government and its agencies and instrumentalities are backed by the full faith and credit of the U.S. Treasury. Some are backed by the issuer's right to borrow from the U.S. Treasury, while others are backed only by the credit of the issuing agency or instrumentality. Securities not backed by the full faith and credit of the U.S. Treasury involve greater credit risk than investments in other types of U.S. government securities. The maximum potential liability of the issuers of some U.S. government securities may greatly exceed their current resources, including their legal right to support from the U.S. Treasury. It is possible that these issuers will not have the funds to meet their payment obligations in the future. Increases or decreases in the demand for U.S. government securities may occur at any time and may result in increased volatility in the values of those securities.

Variable and Floating Rate Securities Risk: The market prices of securities with variable and floating interest rates are generally less sensitive to interest rate changes than are the market prices of securities with fixed interest rates. Variable and floating rate securities may decline in value if market interest rates or interest rates paid by such securities do not move as expected. Conversely, variable and floating rate securities will not generally rise in value if market interest rates decline. Certain types of floating rate securities, such as interests in bank loans, may be subject to greater liquidity risk than other debt securities.

Certain variable and floating rate securities have an interest rate floor feature, which prevents the interest rate payable by the security from dropping below a specified level as compared to a reference interest rate (the "reference rate"). Such a floor protects a Portfolio from losses resulting from a decrease in the reference rate below the specified level. However, if the reference rate is below the floor, there will be a lag between a rise in the reference rate and a rise in the interest rate payable by the security, and a Portfolio may not benefit from increasing interest rates for a significant period of time. Rates on certain variable rate securities typically reset only periodically. As a result, changes in prevailing interest rates, particularly sudden and significant changes, can cause some fluctuations in a Portfolio's value to the extent that it invests in variable rate securities.

Zero Coupon and Pay-in-Kind Securities Risk: Zero coupon and pay-in-kind securities are debt securities that do not make periodic cash interest payments. Zero coupon securities are issued at a significant discount from their face value. Zero coupon and pay-in-kind securities tend to be subject to greater fluctuations in market value in response to changing interest rates than securities of comparable maturities that pay interest periodically and in cash. Pay-in-kind securities generally carry higher interest rates compared to debt securities that make cash payments of interest to reflect the increased risks associated with the deferral of interest payments. Pay-in-kind securities also generally involve greater credit risk than coupon bonds because a Portfolio receives no cash payments until the maturity date or a specified cash payment date. Even if accounting conditions are met for accruing income payable at a future date under a pay-in-kind security, the issuer could still default when the collection date occurs at the maturity of or payment date for the security. If the issuer of a pay-in-kind security defaults, a Portfolio may lose its entire investment. Pay-in-kind securities also may be difficult to value accurately because they involve ongoing judgments about the collectability of the deferred payments and the value of any associated collateral.

In addition, current federal income tax law requires the holder of a zero coupon security or certain pay-in-kind securities to accrue income with respect to these securities on a current basis, even though it does not receive that income currently in cash. To maintain its qualification as a regulated investment company under the Internal Revenue Code and avoid federal tax liability at the entity (Portfolio) level, a Portfolio may be required to distribute income accrued with respect to these

securities and may have to dispose of portfolio securities under disadvantageous circumstances in order to generate cash to satisfy these distribution requirements.

Risks of Foreign Securities Investments

Foreign Securities Risk: Investments in foreign securities, including depositary receipts, involve risks not associated with, or more prevalent than those that may be associated with, investments in U.S. securities. The economies of certain foreign markets may not compare favorably with the economy of the United States with respect to such issues as growth of gross national product, reinvestment of capital, resources and balance of payments position. Over a given period of time, foreign securities may underperform U.S. securities — sometimes for years. A Portfolio could also underperform if it invests in countries or regions whose economic performance falls short. Foreign markets may be less liquid, more volatile and subject to less government supervision and regulation than U.S. markets, and it may take more time to clear and settle trades involving foreign securities. Security values also may be negatively affected by changes in the exchange rates between the U.S. dollar and foreign currencies. Differences between U.S. and foreign legal, political and economic systems, regulatory regimes and market practices, as well as changes in international trading patterns, trade barriers and other protectionist trade policies (including those of the United States), governmental instability, acts of terrorism, war or other open conflicts, or other political, diplomatic or economic actions or factors, also may adversely impact security values. Foreign securities are also subject to the risks associated with the potential imposition of economic or other sanctions against a particular foreign country, its nationals, businesses or industries. The costs of buying and selling foreign securities, including taxes, brokerage and custody costs, generally are higher than the costs of buying and selling domestic securities. World markets, or those in a particular region, may all react in similar fashion to important economic, political or other developments. Events and evolving conditions in certain economies or markets may alter the risks associated with investments tied to countries or regions that historically were perceived as comparatively stable and make such investments riskier and more volatile. In addition, securities issued by U.S. entities with substantial foreign operations or holdings can involve risks relating to conditions in foreign countries. Regardless of where a company is organized or its stock is traded, its performance may be significantly affected by events in regions from which it derives its profits or in which it conducts significant operations.

Currency Risk: Investments in foreign currencies and in securities that trade in, or receive revenues in, or in derivatives that provide exposure to foreign currencies are subject to the risk that those currencies will decline in value relative to the U.S. dollar. Any such decline may erode or reverse any potential gains from an investment in securities denominated in foreign currency or may widen existing loss. To the extent a Portfolio invests or hedges based on the perceived relationship between two currencies, there is a risk that the correlation between those currencies may not behave as anticipated. In the case of hedging positions, there is the risk that the U.S. dollar will decline in value relative to the currency being hedged. Currency rates may fluctuate significantly over short periods of time and can be affected unpredictably by a number of factors, including changes in interest rates; intervention (or the failure to intervene) by U.S. or foreign governments, central banks or supranational entities; investor perception of a country's economy; or the imposition of currency controls or other political developments in the United States or abroad. Currency exchange rates may fluctuate in response to factors external to a country's economy, which makes the forecasting of currency market movements extremely difficult. Currency risk may be particularly high to the extent that a Portfolio invests in foreign securities or currencies that are economically tied to emerging

market countries.

Depository Receipts Risk: Investments in depository receipts (including American Depositary Receipts, European Depositary Receipts and Global Depositary Receipts) involve many of the same risks associated with investing directly in foreign securities, including the economic and political risks associated with the underlying issuer's country. In addition, the underlying issuers of certain depository receipts, particularly unsponsored or unregistered depository receipts, are under no obligation to distribute shareholder communications to the holders of such receipts or to pass through to them any voting rights with respect to the deposited securities. A Portfolio may therefore receive less timely information or have less control than if it invested directly in the foreign issuer. Depository receipts are subject to the risk of fluctuation in the currency exchange rate if, as is often the case, the underlying foreign securities are denominated in foreign currency, and there may be an imperfect correlation between the market value of depository receipts and the underlying foreign securities. Certain countries may limit the ability to convert a depository receipt into the underlying foreign security and vice versa, which may cause the securities of the foreign company to trade at a discount or premium to the market price of the related depository receipts. In some cases, if a Portfolio, as the holder of a depository receipt, is compelled to convert the depository receipt into the underlying foreign security but is unable successfully to complete the conversion, the depository receipt could be rendered worthless and the Portfolio could lose its entire investment.

Emerging Markets Risk: Emerging market countries generally are located in Asia, the Middle East, Eastern Europe, Central and South America, and Africa. There are greater risks and uncertainties involved in investing in emerging market countries and/or their securities markets, and investments in these countries and/or markets are more susceptible to loss than investments in developed countries and/or markets. Investments in these countries and/or markets may present market, credit, currency, liquidity, legal, political, technical and other risks different from, or greater than, the risks of investing in developed countries. For instance, these countries may be more likely than developed countries to experience rapid and significant adverse developments in their political, economic or social structures or intervene in or manipulate financial markets. Some emerging market countries restrict foreign investments, impose high withholding or other taxes on foreign investments, impose restrictive exchange control regulations, or may nationalize or expropriate the assets of private companies. Therefore, a Portfolio may be limited in its ability to make direct or additional investments in an emerging market country or could lose the entire value of its investment in the affected market. Such restrictions also may have negative impacts on transaction costs, market price, and investment returns. The U.S. government also may impose restrictions on the ability of U.S. investors to hold and/or acquire securities of certain companies in emerging market countries, which may adversely impact a Portfolio.

In addition, companies in emerging market countries may be newly organized, smaller and less seasoned, and the securities markets of emerging market countries generally are smaller, less liquid and more volatile than those of developed countries. Shareholder claims and legal remedies that are common in the United States may be difficult or impossible to pursue in many emerging market countries. In addition, due to jurisdictional limitations, matters of comity and various other factors, U.S. authorities may be limited in their ability to bring enforcement actions against non-U.S. companies and non-U.S. persons in certain emerging market countries. Emerging market countries often have less uniformity in (or may lack) regulatory, accounting, auditing and financial reporting requirements or standards, which may impact the availability and quality of information about issuers; less reliable clearance and settlement procedures, which may be unable to keep pace with

the volume of securities transactions or otherwise make it difficult to engage in such transactions; and less reliable registration and custodial procedures, which could result in ownership registration being completely lost. There are generally higher commission rates on foreign portfolio transactions, transfer taxes, and higher custodial costs. A Portfolio may not know the identity of trading counterparties, which may increase the possibility of the Portfolio not receiving payment or delivery of securities in a transaction.

Emerging market countries also may be subject to high inflation and rapid currency devaluations, and currency-hedging techniques may be unavailable in certain emerging market countries. In addition, some emerging market countries may be heavily dependent on international trade, which can materially affect their securities markets. Certain emerging market countries are among the largest debtors to commercial banks and foreign governments. At times, certain emerging market countries have declared moratoria on the payment of principal and interest on external debt. Certain emerging market countries have experienced difficulties in servicing their sovereign debt on a timely basis, which has led to defaults and the restructuring of certain indebtedness. Investments in frontier markets may be subject to greater levels of these risks than investments in more developed and traditional emerging markets.

Over the last few decades, the Chinese government has undertaken reform of economic and market practices and has expanded the sphere of private ownership in China. However, Chinese markets generally continue to experience inefficiency, volatility and pricing anomalies resulting from governmental influence, a lack of publicly available information and/or political and social instability. Internal social unrest or confrontations with other countries, including military conflicts in response to such events, may also disrupt economic development in China. Reduced spending on Chinese products and services, which may result in substantial price reductions of goods and services and possible failure of individual companies and/or large segments of China's export industry; institution of additional tariffs or other trade barriers, including as a result of heightened trade or other tensions between China and the United States or other countries; or a downturn in any of the economies of China's key trading partners, may have an adverse impact on the Chinese economy. China has experienced security concerns, such as terrorism and strained international relations, and China is alleged to have participated in state-sponsored cyberattacks against foreign companies and foreign governments. Actual and threatened responses to such activity, including purchasing restrictions, sanctions, tariffs or cyberattacks on the Chinese government or Chinese companies, may impact China's economy and Chinese issuers of securities. In the long run, China's ability to develop and sustain a credible legal, regulatory, monetary, and socioeconomic system could influence the course of outside investment.

European Economic Risk: The European Union's (the "EU") Economic and Monetary Union requires member countries to comply with restrictions on interest rates, deficits, debt levels, and inflation rates, and other factors, each of which may significantly impact every European country and their economic partners. The economies of EU member countries and their trading partners may be adversely affected by changes in the exchange rate of the euro (the common currency of the EU), changes in EU or governmental regulations on trade and other areas, geopolitical and other events, including acts of terrorism, tensions, war or other open conflicts, and the threat of default or an actual default by an EU member country on its sovereign debt, which could negatively impact a Portfolio's investments and cause it to lose money. In recent years, the European financial markets have been negatively impacted by concerns relating to rising government debt levels and national unemployment; possible default on or restructuring of sovereign debt in several European countries;

and economic downturns. Responses to financial problems by European governments, central banks and others, including austerity measures and reforms, may not produce the desired results, may result in social unrest and may limit future growth and economic recovery or have other unintended consequences. A European country's default or debt restructuring would adversely affect the holders of the country's debt and sellers of credit default swaps linked to the country's creditworthiness and could negatively impact global markets more generally.

Events in Europe may adversely affect the euro's exchange rate and value and may continue to impact the economies of every European country and their economic partners. The ongoing Russia-Ukraine conflict, the resulting responses by the United States and other countries, and the potential for wider conflict have had, and could continue to have, severe adverse effects on regional and global economies and could further increase volatility and uncertainty in the financial markets. For example, exports in Eastern Europe have been disrupted for certain key commodities, pushing commodity prices to record highs, and energy prices in Europe have increased significantly. In addition, uncertainties regarding the viability of the EU have impacted and may continue to impact regional and global markets. There are ongoing concerns regarding the economies of certain European countries and/or their sovereign debt following the United Kingdom's withdrawal from the EU, commonly referred to as "Brexit". Any further withdrawals from the EU (or the possibility of such withdrawals or the dissolution of the EU) could cause additional and significant regional and global market disruption, introduce new legal and regulatory uncertainties, and result in increased volatility and illiquidity and potentially lower economic growth, all of which may negatively impact a Portfolio's investments and cause it to lose money. Further, the national politics of European countries have been unpredictable and subject to influence by disruptive political groups and ideologies. European governments may be subject to change and European countries may experience social and political unrest. Unanticipated or sudden political or social developments may result in sudden and significant investment losses.

Geographic Focus Risk: To the extent that a Portfolio invests a significant portion of its assets in securities of companies domiciled, or exercising the predominant part of their economic activity, in one country or geographic region, the Portfolio assumes the risk that economic, political, social and environmental conditions in that particular country or region will have a significant impact on the Portfolio's investment performance and that the Portfolio's performance will be more volatile than the performance of more geographically diversified funds. From time to time, a small number of companies and industries may represent a large portion of the market in a particular country or region, and these companies and industries can be sensitive to adverse economic, political, social, currency, or regulatory developments. In addition, certain areas are prone to natural disasters such as earthquakes, volcanoes, fires, droughts, floods, hurricanes or tsunamis, and are economically sensitive to environmental events. The risks associated with investing in a narrowly defined geographic area also are generally more pronounced with respect to investments in emerging market countries.

International Fair Value Pricing Risk: A Portfolio that invests in foreign securities is subject to the risk that its share price may be exposed to arbitrage attempts by investors seeking to capitalize on differences in the values of foreign securities trading on foreign exchanges that may close before the time the Portfolio's net asset value is determined. If such arbitrage attempts are successful, the Portfolio's net asset value might be diluted. A Portfolio's use of fair value pricing in certain circumstances may help deter such arbitrage activities. The effect of such fair value pricing is that foreign securities may not be priced on the basis of quotations from the primary foreign securities

market in which they are traded, but rather may be priced using more subjective methods, known as fair value pricing. As such, it is possible that fair value may differ materially from the value realized on a sale of a foreign security. It is also possible that the use of fair value pricing will limit a Portfolio's ability to implement its investment strategy (e.g., reduce the volatility of the Portfolio's share price) or achieve its investment objective.

Regulatory Risk: Less information may be available about foreign companies. In general, foreign companies are not subject to uniform accounting, auditing and financial reporting standards or to other regulatory practices and requirements as are U.S. companies. Many foreign governments do not supervise and regulate stock exchanges, brokers and the sale of securities to the same extent as does the United States and may not have laws to protect investors that are comparable to U.S. securities laws. In addition, some countries may have legal systems that may make it difficult for a Portfolio to vote proxies, exercise shareholder rights, and pursue legal remedies with respect to its foreign investments.

Settlement Risk: Settlement and clearance procedures in certain foreign markets differ significantly from those in the United States. Foreign settlement and clearance procedures and trade regulations also may involve certain risks (such as delays in payment for or delivery of securities) not typically associated with the settlement of U.S. investments. At times, settlements in certain foreign countries have not kept pace with the number of securities transactions. These problems may make it difficult for a Portfolio to carry out transactions. If a Portfolio cannot settle or is delayed in settling a purchase of securities, it may miss attractive investment opportunities and certain of its assets may be uninvested with no return earned thereon for some period. If a Portfolio cannot settle or is delayed in settling a sale of securities, it may lose money if the value of the security then declines or, if it has contracted to sell the security to another party, the Portfolio could be liable for any losses incurred.

Trade Suspensions Risk: Securities of issuers traded on foreign exchanges may be suspended, including by the issuers themselves, by an exchange, or by governmental authorities. The likelihood of such suspensions may be higher for securities of issuers in emerging or less-developed market countries than in countries with more developed markets. Suspensions may last for significant periods of time, during which trading in the securities and in instruments that reference the securities, such as derivative instruments, may be halted. In the event that a Portfolio holds material positions in such suspended securities or instruments, the Portfolio's ability to liquidate its positions may be compromised and the Portfolio could incur significant losses. Trade suspensions, or other restrictions on trading, and market closures could lead to affected securities being valued at zero.

Sovereign Debt Risk: Sovereign debt securities are subject to the risk that a governmental entity may delay or refuse to pay interest or repay principal on its sovereign debt for a variety of reasons including, for example, cash flow problems, insufficient foreign currency reserves, political considerations, the size of the governmental entity's debt position in relation to the economy, or the failure to put in place economic reforms required by the International Monetary Fund or other multilateral agencies. If a governmental entity defaults, it may ask for more time in which to pay or for further loans. In addition, there are generally no bankruptcy proceedings similar to those in the United States by which defaulted sovereign debt obligations may be collected and there may be few or no effective legal remedies for collecting on such debt. Sovereign debt risk is increased for emerging market issuers. Certain emerging market or developing countries are among the largest debtors to commercial banks and foreign governments. At times, certain emerging market countries have declared moratoria on the payment of principal and interest on external debt. Certain emerging

market countries have experienced difficulties in servicing their sovereign debt on a timely basis, which has led to defaults and the restructuring of certain indebtedness.

Risks of Derivative Investments

Derivatives Risk: A derivative instrument is generally an investment contract the value of which depends upon (or is derived from), in whole or in part, the value of an underlying asset, reference rate, index or event (e.g., stocks, bonds, commodities, currencies, interest rates and market indexes). A Portfolio's investments in derivatives may rise or fall in value more rapidly than other investments and may reduce the Portfolio's returns and increase the volatility of the Portfolio's net asset value. Examples of derivative instruments include, among others, forward contracts, futures contracts, options contracts, options on futures contracts, and swaps. The following provides a more general discussion of important risk factors (e.g., counterparty and credit risk, leveraging risk, liquidity risk, management risk, market and interest rate risk, valuation risk, and other risks) relating to all derivative instruments that a Portfolio may use. A discussion of additional risks associated with particular derivative instruments follows the general discussion.

Counterparty and Credit Risk: A Portfolio may be exposed to losses if the counterparty in the transaction is unable or unwilling to fulfill its contractual obligation. Counterparty risk may arise because of market activities and developments, the counterparty's financial condition (including financial difficulties, bankruptcy, or insolvency), or other reasons. To the extent a Portfolio has significant exposure to a single counterparty or small group of counterparties, this risk will be particularly pronounced. In addition, derivatives traded over-the-counter that are uncleared do not benefit from the protections provided by exchanges and central counterparties (derivatives clearing organizations and clearing corporations) in the event that a counterparty is unable or unwilling to fulfill its contractual obligation. Such uncleared over-the-counter derivatives therefore involve greater counterparty and credit risk and may be more difficult to value than exchange-traded derivatives that are cleared by a central counterparty.

Leveraging Risk: Derivatives may be leveraged such that a small investment can have a significant impact on a Portfolio's exposure to stock market values, interest rates, currency exchange rates or other investments. As a result, a relatively small price movement in a derivatives contract may cause an immediate and substantial loss or gain, and a Portfolio could lose more than the amount it invested. A Portfolio may experience leveraging risk in connection with investments in derivatives because its investments in derivatives may be small relative to the investment exposure assumed, leaving more assets to be invested in other investments. Such investments may have the effect of leveraging a Portfolio because the Portfolio may experience gains or losses not only on its investments in derivatives, but also on the investments purchased with the remainder of the assets. If the value of a Portfolio's investments in derivatives is increasing, this could be offset by declining values of the Portfolio's other investments. Conversely, it is possible that a rise in the value of a Portfolio's non-derivative investments could be offset by a decline in the value of the Portfolio's investments in derivatives. In either scenario, a Portfolio may experience losses. In a market where the value of a Portfolio's investments in derivatives is declining and the value of its other investments is declining, the Portfolio may experience substantial losses. Some derivatives can have the potential for unlimited losses, regardless of the size of the initial investment.

Liquidity Risk: It may be difficult or impossible for a Portfolio to purchase or sell certain derivatives in sufficient amounts to achieve the desired level of exposure, which may result in a loss or may be

costly to the Portfolio. In addition, the possible lack of a liquid secondary market for certain derivatives, and the resulting inability of a Portfolio to sell or otherwise close out a derivatives position, could expose the Portfolio to losses and could make such derivatives more difficult for the Portfolio to value accurately.

Management Risk: Derivative products are highly specialized instruments. Investing in derivatives involves investment techniques and risk analyses different from, and risks in some respects greater than, those associated with investing in more traditional investments, such as stocks and bonds. The use of a derivative requires an understanding not only of the underlying asset, reference rate, index or event, but also of the derivative itself, without the benefit of observing the performance of the derivative under all possible market conditions.

Market and Interest Rate Risk: Some derivatives are more sensitive to market price fluctuations and to interest rate changes than other investments. The successful use of derivatives will usually depend on the Registrant's or a sub-adviser's ability to accurately forecast movements in the market relating to the underlying asset, reference rate, index or event. If the Registrant or a sub-adviser does not predict correctly the direction of asset prices, interest rates and other economic factors, a Portfolio's derivatives positions could lose value. Derivatives may not behave as anticipated by the Registrant or a sub-adviser, especially in abnormal market conditions. Derivatives strategies that are successful under certain market conditions may be less successful or unsuccessful under other market conditions. While some derivatives strategies can reduce the risk of loss, they can also reduce the opportunity for gain or result in losses by offsetting favorable price movements in other Portfolio investments.

Valuation Risk: Derivatives also may be subject to the risk of mispricing or improper valuation, and valuation may be more difficult in times of market turmoil. Improper valuations can result in increased cash payment requirements to counterparties or a loss of value to a Portfolio. Changes in the value of a derivative may not correlate perfectly, or at all, with the underlying asset, reference rate or index.

Other Risks: Derivatives also may be subject to risks related to potential operational issues, including documentation issues, settlement issues, systems failures, inadequate controls, and human error, as well as legal risks, such as insufficient documentation, the lack of capacity or authority of a counterparty to execute or settle a transaction, or the legality or enforceability of a contract.

When a derivative is used as a hedge against a position that a Portfolio holds, any loss generated by the derivative should generally be offset by gains on the hedged instrument, and vice versa. While hedging can reduce or eliminate losses, it also can reduce or eliminate gains. Hedges are sometimes subject to imperfect matching between the derivative and the hedged investment, and there can be no assurance that a Portfolio's hedging transactions will be effective. Also, suitable derivative transactions may not be available in all circumstances, and there can be no assurance that a Portfolio will engage in derivative transactions to reduce exposure to other risks when that might be beneficial or that, if used, such strategies will be successful.

When a Portfolio uses derivatives, it will likely be required to provide margin or collateral; these practices are intended to satisfy contractual undertakings and regulatory requirements and will not prevent the Portfolio from incurring losses on derivatives. The need to provide margin or collateral could limit a Portfolio's ability to pursue other opportunities as they arise. Derivatives that have

margin requirements involve the risk that if a Portfolio has insufficient cash or eligible margin securities to meet daily variation margin requirements, it may have to sell securities or other instruments from its portfolio at a time when it may be disadvantageous to do so. Derivatives also may involve fees, commissions, or other costs that may reduce a Portfolio's gains or exacerbate its losses from the derivatives.

The federal income tax treatment of a derivative may not be as favorable as a direct investment in an underlying asset and may adversely affect the timing, character and amount of income a Portfolio realizes from its investments. In addition, certain derivatives are subject to mark-to-market or straddle provisions of the Internal Revenue Code. The federal income tax treatment of certain derivatives, such as swaps, is unsettled and may be subject to future legislation, regulation or administrative pronouncements issued by the Internal Revenue Service.

Legislative and regulatory developments may limit the availability of certain derivatives, may reduce the attractiveness or increase the cost of derivatives, and may otherwise adversely impact the performance and value of derivatives. Legislative and regulatory developments also may change the way in which a Portfolio itself is regulated. Such developments may impact a Portfolio's ability to invest, or remain invested, in certain derivatives, adversely affect a Portfolio's ability to achieve its investment objective, and adversely affect a Portfolio's efficiency in implementing its investment strategies. Complying with new requirements also may increase the cost of a Portfolio's investments and the cost of implementing a Portfolio's investment program and related operations, which could adversely affect a Portfolio and its investors. For example, the SEC has adopted requirements and restrictions governing registered funds' (including the Portfolios') use of derivatives ("Rule 18f-4"). The Portfolios have implemented policies and procedures to comply with Rule 18f-4. Unless a Portfolio limits its derivatives exposure to 10% or less of its net assets and qualifies as a "limited derivatives user" under Rule 18f-4, the rule, among other things, requires that the Portfolio establish a derivatives risk management program, comply with certain value-at-risk based leverage limits, appoint a derivatives risk manager, and provide additional disclosure both publicly and to the SEC regarding its derivatives positions. If a Portfolio qualifies as a limited derivatives user, Rule 18f-4 requires the Portfolio to implement policies and procedures reasonably designed to manage its derivatives risk. The requirements of Rule 18f-4 are intended to reduce derivatives risk, but they may not work as intended. Analyses, judgments and decisions made in connection with administering the derivatives risk management program may be incorrect or otherwise may not produce the desired results. In addition, changes in market conditions, which may occur rapidly and unpredictably, may adversely affect the administration of the program.

A discussion of additional risks associated with particular derivative instruments follows:

Forward Contract Risk: There are no limits on daily price fluctuations of forward contracts. Changes in foreign exchange regulations by governmental authorities might limit the trading of forward contracts on currencies. There have been periods during which certain counterparties have refused to continue to quote prices for forward contracts or have quoted prices with an unusually wide spread (i.e., the difference between the price at which the counterparty is prepared to buy and the price at which it is prepared to sell).

Futures Contract Risk: There can be no assurance that a liquid market will exist for any particular futures contract at any particular time. Exchanges may establish daily price fluctuation limits for futures contracts and may halt trading if a contract's price moves upward or downward more than

the limit in a given day. On volatile trading days when the price fluctuation limit is reached or a trading halt is imposed, it may be impossible to enter into new positions or close out existing positions. If the market for a contract is not liquid because of price fluctuation limits or other market conditions, it could prevent prompt liquidation of unfavorable positions, and potentially could require a Portfolio to continue to hold a position until delivery or expiration regardless of changes in its value. As a result, a Portfolio's access to other assets held to cover its futures positions could also be impaired.

Options Contract Risk: There can be no guarantee that the use of options will increase a Portfolio's return or income. By writing (selling) a put option, a Portfolio takes on the risk of a decline in the value of the underlying instrument, including the possibility of a loss up to the entire strike price of the option it sells, but without the corresponding opportunity to benefit from a potential increase in the value of the underlying instrument. When a Portfolio writes a put option, it assumes the risk that it must purchase the underlying instrument at a strike price that may be higher than the market price of the instrument. If there is a broad market decline and a Portfolio is not able to close out its written put options, it may result in substantial losses to the Portfolio. By writing (selling) a call option, a Portfolio assumes the risk that it must sell the underlying instrument at a strike price that may be lower than the market price of the instrument. When a Portfolio writes a covered call option, it gives up the opportunity to profit from a price increase in the underlying instrument above the strike price. If a call option that a Portfolio has written is exercised, the Portfolio will experience a gain or loss from the sale of the underlying instrument, depending on the price at which the Portfolio purchased the instrument and the strike price of the option. A Portfolio will receive a premium from writing options, but the premium received may not be sufficient to offset any losses sustained from exercised options. If a call option that a Portfolio has written expires unexercised, the Portfolio will experience a gain in the amount of the premium it received; however, that gain may be offset by a decline in the market value of the underlying instrument during the option period. If an option that a Portfolio has purchased is never exercised or closed out, the Portfolio will lose the amount of the premium it paid and the use of those funds.

Swaps Risk: Swap transactions generally do not involve delivery of reference instruments or payment of the notional amount of the contract. Accordingly, the risk of loss with respect to swaps generally is limited to the net amount of payments that a Portfolio is contractually obligated to make or, in the case of the other party to a swap defaulting, the net amount of payments that a Portfolio is contractually entitled to receive. As a seller of a credit default swap, a Portfolio effectively adds economic leverage because, in addition to its total net assets, the Portfolio is subject to investment exposure on the entire notional amount of the contract. See "Leveraging Risk" above. Additionally, holding a position in a credit default swap could result in losses if a Portfolio does not correctly evaluate the creditworthiness of the company on which the credit default swap is based. Some swaps are now executed through an organized exchange or regulated facility and cleared through a regulated clearing organization. The absence of an organized exchange or market for certain swap transactions may result in difficulties in trading and valuation, especially in the event of market disruptions. The use of an organized exchange or market for swap transactions is expected to result in swaps being easier to trade or value, but this may not always be the case.

Tax Risk: A Portfolio is subject to the risk that the tax treatment of swap agreements and other derivative instruments, such as commodity-linked derivative instruments, including commodity index-linked notes, and commodity options, futures, and options on futures, may be affected by future regulatory or legislative changes that could affect whether income from such investments is

“qualifying income” under Subchapter M of the Internal Revenue Code, or otherwise affect the character, timing and/or amount of a Portfolio’s taxable income or gains and distributions.

Risks of Other Investments

Banking Industry Sector Risk: To the extent a Portfolio invests in the banking industry, it is exposed to the risks generally associated with such industry, including interest rate risk, credit risk and the risk that regulatory or other developments relating to the banking industry may affect its investment. The value of a Portfolio’s shares could experience significantly greater volatility than the value of shares of portfolios investing more broadly.

In March 2023, the shutdown of certain financial institutions raised economic concerns over disruption in the U.S. banking system. There can be no certainty that the actions taken by the U.S. government to strengthen public confidence in the U.S. banking system will be effective in mitigating the effects of financial institution failures on the economy and restoring public confidence in the U.S. banking system. In addition, widespread loan defaults in the commercial real estate sector could have a cascading effect on the broader banking system, straining the financial health of lending institutions and potentially causing more banks to fail.

Commodity ETF Risk: Because the value of the shares of an Underlying ETF that is based on a particular commodity depends on the price of that commodity, the value of those shares is subject to fluctuations similar to those affecting the commodity.

Commodity Risk: Exposure to the commodities markets, or a particular sector of the commodities markets, may subject a Portfolio to greater volatility than investments in traditional securities, and changes in those markets may cause the Portfolio’s holdings to lose value. The commodities markets may fluctuate widely based on a variety of factors including changes in overall market movements, resource availability, domestic and foreign political and economic events and policies, trade policies and tariffs, war, acts of terrorism, changes in exchange rates, domestic or foreign interest rates or inflation rates and/or investor expectations concerning such rates, and trading activities in commodities. The frequency, duration and magnitude of such changes cannot be predicted. The prices of various commodities may also be affected by factors such as drought, floods and weather, pandemics, livestock disease, embargoes, tariffs and countermeasures, and regulatory developments. The prices of commodities can also fluctuate widely due to supply and demand disruptions in major producing or consuming regions. Certain commodities may be produced in a limited number of countries and may be controlled by a small number of producers. As a result, political, economic and supply related events in such countries could have a disproportionate impact on the prices of such commodities. Securities of companies that are dependent on a single commodity, or are concentrated in a single commodity sector, may exhibit even higher volatility attributable to commodity prices. No active trading market may exist for certain commodities investments, which may impair the ability of a Portfolio to sell or realize the full value of such investments in the event of the need to liquidate such investments. In addition, adverse market conditions may impair the liquidity of commodities investments.

Because the value of a commodity-linked derivative instrument typically is based upon the price movements of a physical commodity, the value of a commodity-linked derivative instrument may be affected by changes in overall market movements, commodity price volatility, commodity index volatility, changes in interest rates, or factors affecting a particular industry or commodity. The value

of these instruments will rise or fall in response to changes in the underlying commodity or related index of investment. Some commodity-linked investments are issued by companies in the financial services sector, including the banking, brokerage and insurance sectors. As a result, events affecting issuers in the financial services sector may adversely affect a Portfolio's performance. Although investments in commodities may move in different directions than traditional equity securities and debt instruments, when the value of those traditional investments is declining due to adverse economic conditions there is no guarantee that commodities will perform in that manner, and at certain times the price movements of commodity-linked investments have been parallel to those of traditional equity securities and debt instruments.

Convertible Securities Risk: A convertible security is a form of hybrid security; that is, a security with both debt and equity characteristics. The value of a convertible security fluctuates in relation to changes in interest rates and the credit quality of the issuer and also fluctuates in relation to changes in the price of the underlying common stock. A convertible security tends to perform more like a stock when the underlying stock price is high relative to the conversion price (because more of the security's value resides in the option to convert) and more like a debt security when the underlying stock price is low relative to the conversion price (because the option to convert is less valuable). Because its value can be influenced by many different factors, a convertible security generally is not as sensitive to interest rate changes as a similar non-convertible debt security, and generally has less potential for gain or loss than the underlying stock. A convertible security may be subject to redemption at the option of the issuer at a price established in the convertible security's governing instrument, which may be less than the current market price of the security. If a convertible security held by a Portfolio is called for redemption, the Portfolio will be required to permit the issuer to redeem the security, convert it into the underlying common stock, or sell it to a third party. Investments by a Portfolio in convertible debt securities may not be subject to any ratings restrictions, but a Portfolio's investment manager will consider ratings, and any changes to ratings, in its determination of whether the Portfolio should invest in and/or continue to hold the securities. Convertible securities are subject to equity risk, interest rate risk and credit risk and are often lower-quality securities. Lower quality may lead to greater volatility in the price of a security and may negatively affect a security's liquidity. Since it derives a portion of its value from the common stock into which it may be converted, a convertible security is also subject to the same types of market and issuer-specific risks that apply to the underlying common stock. Convertible securities are normally "junior" securities, which means an issuer usually must pay interest on its non-convertible debt securities before it can make payments on its convertible securities. If an issuer stops making interest or principal payments, these securities may become worthless and a Portfolio could lose its entire investment. In the event of a liquidation of the issuing company, holders of convertible securities may be paid before the company's common stock holders but after holders of any senior debt obligations of the company. To the extent a Portfolio invests in securities that may be considered "enhanced" convertible securities, some or all of these risks may be more pronounced.

Energy Sector Risk: The energy markets have experienced significant volatility in recent periods. The energy sector is cyclical and highly dependent on commodities prices. The market values of companies in the energy sector may fluctuate widely and could be adversely affected by, among other factors, the levels and volatility of global energy prices, commodity price volatility, energy supply and demand, changes in exchange rates and interest rates, imposition of import controls, increased competition, capital expenditures on and the success of exploration and production, depletion of resources, development of alternative energy sources and energy conservation efforts, technological developments, cybersecurity incidents, tax treatment, labor relations, and the economic growth and

stability of the key energy-consuming countries. Companies in this sector are subject to substantial government regulation and contractual fixed pricing, which may increase the cost of business and limit these companies' earnings, and a significant portion of their revenues depends on a relatively small number of customers, including governmental entities and utilities. As a result, governmental budget constraints may have a material adverse effect on the stock prices of companies in this industry. Energy companies may also operate in or engage in transactions involving countries with less developed regulatory regimes or a history of expropriation, nationalization or other adverse policies. Energy companies also face a significant risk of liability from accidents resulting in injury or loss of life or property, pollution or other environmental mishaps, equipment malfunctions or mishandling of materials and a risk of loss from terrorism, political strife, natural disasters or other catastrophes. Any such event could result in a material adverse impact to a Portfolio's holdings and the performance of a Portfolio. In addition, there is growing political pressure to reduce the use of fossil fuels, which could begin to impact the securities of companies in the fossil fuel industry and the prices of related commodities. The value of a Portfolio's shares could experience significantly greater volatility than the value of shares of portfolios investing more broadly.

Financial Services Sector Risk: To the extent a Portfolio invests in the financial services sector, the value of the Portfolio's shares may be particularly vulnerable to factors affecting that sector, such as the availability and cost of capital funds, changes in interest rates, the rate of corporate and consumer debt defaults, extensive government regulation and price competition. The financial services sector is also a target for cyberattacks. Cybersecurity incidents and technology malfunctions and failures have become increasingly frequent and have caused significant losses to companies in this sector, which may negatively impact a Portfolio. The value of a Portfolio's shares could experience significantly greater volatility than the value of shares of portfolios investing more broadly.

Health Sciences Companies Risk: Health sciences companies can be adversely affected by, among other things, intense competitive challenges; the need for government approval to offer products and services; product obsolescence; increases or decreases in the cost of or demand for medical products and services; an increased emphasis on outpatient services; pricing pressure (including price discounting); the failure of the issuer to develop new products; product liability or other litigation; price controls imposed by governments; reductions in government funding; and changes in legislation or government regulations, including uncertainty regarding health care reform and how it will be implemented. Health sciences companies are also heavily dependent on patent protections, and the expiration of a company's patent rights may adversely affect that company's profits.

Increases in Hedging Activity Risk: An increase in hedging activity by producers of a commodity could cause a decline in world prices of that commodity, negatively impacting the price of a fund investing in that commodity.

Industrials Sector Risk: The value of securities issued by companies in the industrials sector may be adversely affected by supply and demand changes related to their specific products or services and industrials sector products in general. The products of manufacturing companies may face obsolescence due to rapid technological developments and frequent new product introduction. Global events and changes in government regulations, economic conditions and exchange rates may adversely affect the performance of companies in the industrials sector. Companies in the industrials sector may be adversely affected by liability for environmental damage and product liability claims. The industrials sector may also be adversely affected by changes or trends in commodity prices, which may be influenced by unpredictable factors. Companies in the industrials sector, particularly

aerospace and defense companies, may also be adversely affected by government spending policies because companies in this sector tend to rely to a significant extent on government demand for their products and services. Any of these factors could result in a material adverse impact on a Portfolio's securities and the performance of a Portfolio.

Information Technology Sector Risk: Investment risks associated with investing in the information technology sector include, in addition to other risks, the intense competition to which information technology companies may be subject; the dramatic and often unpredictable changes in growth rates and competition for qualified personnel among information technology companies; effects on profitability from being heavily dependent on patent and intellectual property rights and the loss or impairment of those rights; rapid product obsolescence due to technological developments and frequent new product introduction; general economic conditions; and increased government and regulatory scrutiny. Any of these factors could result in a material adverse impact on a Portfolio's securities and the performance of a Portfolio.

Infrastructure Sector Risk: Companies in the infrastructure sector may be subject to a variety of factors that could adversely affect their business or operations, including high interest costs in connection with capital construction programs, high degrees of leverage, costs associated with governmental, environmental and other regulations, the effects of economic slowdowns, increased competition from other providers of services, uncertainties concerning costs, the level of government spending on infrastructure projects, the effects of natural disasters, and other factors. Infrastructure companies may be adversely affected by commodity price volatility, changes in exchange rates, import controls, depletion of resources, technological developments, and labor relations. There is also the risk that corruption may negatively affect publicly funded infrastructure projects, especially in emerging markets, resulting in delays and cost overruns.

Infrastructure issuers can be significantly affected by government spending policies because companies involved in this industry rely to a significant extent on U.S. and other government demand for their products. In addition, infrastructure companies may be adversely affected by government regulation or world events (e.g., expropriation, nationalization, confiscation of assets and property or the imposition of restrictions on foreign investments and repatriation of capital, military coups, social or labor unrest, or violence) in the regions in which the companies operate. Infrastructure companies may have significant capital investments in, or engage in transactions involving, emerging market countries, which may heighten these risks. In addition, the failure of an infrastructure company to carry adequate insurance or to operate its assets appropriately could lead to significant losses. Infrastructure companies may be adversely affected by environmental clean-up costs and catastrophic events such as earthquakes, hurricanes, fires, and terrorist acts. Infrastructure-related securities may be issued by companies that are highly leveraged, less creditworthy or financially distressed. These investments are considered to be speculative and are subject to greater risk of loss, greater sensitivity to interest rate and economic changes, valuation difficulties, and potential illiquidity. The value of a Portfolio's shares could experience significantly greater volatility than the value of shares of portfolios investing more broadly.

Infrastructure-Related Issuers Risk: Infrastructure-related companies may be subject to a variety of factors that could adversely affect their business or operations, including high interest costs in connection with capital construction programs, high degrees of leverage, costs associated with governmental, environmental and other regulations, the effects of economic slowdowns, increased competition from other providers of services, uncertainties concerning costs, the level of government

spending on infrastructure projects, the effects of natural disasters, and other factors. Infrastructure-related companies may be adversely affected by commodity price volatility, changes in exchange rates, import controls, depletion of resources, technological developments, and labor relations. There is also the risk that corruption may negatively affect publicly funded infrastructure projects, especially in emerging markets, resulting in delays and cost overruns.

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Natural Resources Sector Risk: The profitability of companies in the natural resources sector can be adversely affected by worldwide energy prices and other world events, limits on and the success of exploration projects, and production spending. Companies in the natural resources sector also could be adversely affected by commodity price volatility, changes in exchange rates, interest rates or inflation rates and/or investor expectations concerning such rates, changes in the supply of, or the demand for, natural resources, climate change, imposition of import controls, government regulation and intervention, civil conflict, economic conditions, increased competition, technological developments, and labor relations. In addition, companies in the natural resources sector may be subject to the risks generally associated with extraction of natural resources, such as the risks of mining and oil drilling, and the risks of the hazards associated with natural resources, such as natural or man-made disasters, fire, drought, liability for environmental damage claims, and increased regulatory and environmental costs. Prices of precious metals and of precious metal related securities have historically been very volatile due to various economic, financial, social and political factors and may adversely affect the financial condition of companies involved with precious metals. The value of a Portfolio's shares could experience significantly greater volatility than the value of shares of portfolios investing more broadly.

Oil and Gas Sector Risk: The profitability of companies in the oil and gas sector is related to worldwide energy prices, exploration costs, and production spending. Companies in the oil and gas sector may be at risk for environmental damage claims and other types of litigation, as well as negative publicity and perception. Companies in the oil and gas sector may be adversely affected by natural disasters or other catastrophes, changes in exchange rates, interest rates, changes in prices for competitive energy services, development of alternative energy sources and energy conservation efforts, economic conditions, tax treatment, government regulation and intervention, and unfavorable events in the regions where companies operate or along shipping routes (e.g.,

expropriation, nationalization, confiscation of assets and property or imposition of restrictions on foreign investments and repatriation of capital, military coups, hostilities, social unrest, violence or labor unrest). As a result, the value of these companies may fluctuate widely. Companies in the oil and gas sector may have significant capital investments in, or engage in transactions involving, emerging market countries, which may heighten these risks. The value of a Portfolio's shares could experience significantly greater volatility than the value of shares of portfolios investing more broadly.

Precious Metals Risk: Precious metals, such as gold and silver, generate no interest or dividends, and the return from investments in such precious metals will be derived solely from the gains and losses realized upon sale. Prices of precious metals may fluctuate, sharply or gradually, and over short or long periods of time. The prices of precious metals may be significantly affected by factors such as changes in inflation or expectations regarding inflation in various countries, the availability of supplies and demand, changes in industrial and commercial demand, developments in the precious metals mining industries, precious metals sales by governments, central banks or international institutions, investment speculation, hedging activity by producers, currency exchange rates, interest rates, and monetary and other economic policies of various governments. In addition, because the majority of the world's supply of gold and silver is concentrated in a few countries, such investments may be particularly susceptible to political, economic and environmental conditions and events in those countries.

Sales of Gold by the Official Sector Risk: A significant portion of the aggregate world gold holdings is owned by governments, central banks and related institutions. If one or more of these institutions decides to sell in amounts large enough to cause a decline in world gold prices, the price of an Underlying ETF that invests in gold will be adversely affected.

Science and Technology Industry Risk: Investment risks associated with investing in science and technology securities, which can negatively affect their value, include, in addition to other risks, operating in rapidly changing fields, abrupt or erratic market movements, limited product lines, markets or financial resources, management that is dependent on a limited number of people, short product cycles, aggressive pricing of products and services, new market entrants, obsolescence of existing technology, and effects on profitability from being heavily dependent on patent and intellectual property rights and the loss or impairment of those rights. In addition, these securities may be impacted by commodity and energy prices, which can be volatile and may increase the volatility of these securities.

Technology Sector Risk: The value of the shares of a Portfolio that invests primarily in technology companies is particularly vulnerable to factors affecting the technology sector, such as dependency on consumer and business acceptance as new technology evolves, large and rapid price movements resulting from competition, rapid obsolescence of products and services and short product cycles. Many technology companies are small and at an earlier stage of development and, therefore, may be subject to risks such as those arising out of limited product lines, markets and financial and managerial resources. The value of a Portfolio's shares could experience significantly greater volatility than the value of shares of portfolios investing more broadly.

Utilities Sector Risk: The utilities sector in general is subject to significant governmental regulation and review, which may result in limitations or delays with regard to changes in the rates that companies in this sector charge their customers. Other risk factors that may affect utility companies

include the risk of increases in fuel and other operating costs; the high cost of borrowing to finance capital construction during inflationary periods; restrictions on operations and increased costs and delays associated with compliance with environmental and safety regulations; the potential impact of natural or man-made disasters; difficulties in obtaining natural gas or other key inputs; risks related to the construction and operation of power plants; the effects of energy conservation and the effects of regulatory changes. Any of these factors could result in a material adverse impact on a Portfolio's securities and the performance of the Portfolio. The value of a Portfolio's shares could experience significantly greater volatility than the value of shares of portfolios investing more broadly.

Item 9: Disciplinary Information

There are no legal or disciplinary events that are material to the evaluation of the Registrant's business or the integrity of its management.

Item 10: Other Financial Industry Activities and Affiliations

As noted in Item 4, the Registrant is a Delaware limited liability company primarily engaged in providing investment advisory and, in certain cases, administration services to SEC-registered investment companies and private funds. The Registrant is a wholly-owned subsidiary of Equitable Financial, which, in turn, is an indirect subsidiary of Equitable Holdings. Equitable Financial is a New York life insurance company primarily engaged in the sale of traditional and variable insurance and fixed and variable annuity contracts.

Also as noted in Item 4, the Registrant has entered into sub-advisory agreements with numerous different sub-advisers, including AB, an affiliate of the Registrant.

The Registrant also is registered with the Commodity Futures Trading Commission ("CFTC") as a commodity pool operator ("CPO") under the Commodity Exchange Act, as amended, and serves as a CPO with respect to the EQ/500 Managed Volatility Portfolio, ATM Large Cap Managed Volatility Portfolio, EQ/400 Managed Volatility Portfolio, ATM Mid Cap Managed Volatility Portfolio, EQ/2000 Managed Volatility Portfolio, ATM Small Cap Managed Volatility Portfolio, EQ/International Managed Volatility Portfolio, ATM International Managed Volatility Portfolio, EQ/Franklin Small Cap Value Managed Volatility Portfolio, EQ/Global Equity Managed Volatility Portfolio, EQ/Goldman Sachs Growth Allocation Portfolio, EQ/International Core Managed Volatility Portfolio, EQ/International Value Managed Volatility Portfolio, EQ/Large Cap Core Managed Volatility Portfolio, EQ/Large Cap Growth Managed Volatility Portfolio, EQ/Large Cap Value Managed Volatility Portfolio, EQ/Mid Cap Value Managed Volatility Portfolio, EQ/Goldman Sachs Moderate Growth Allocation Portfolio, EQ/Invesco Moderate Allocation Portfolio, EQ/Invesco Moderate Growth Allocation Portfolio, EQ/JPMorgan Growth Allocation Portfolio, and EQ/Franklin Moderate Allocation Portfolio. The Registrant currently claims an exclusion or exemption from registration as a CPO (under CFTC Rule 4.5 or Rule 4.13(a)(3), as applicable) with respect to each of the other Portfolios. As further described below, as a subsidiary of a global financial services organization, the Registrant has business arrangements with related persons/companies that are material to the Registrant's advisory business or to its clients. In some cases, these business arrangements could create a potential conflict of interest, or the appearance of a conflict of interest, between the Registrant and a client.

Equitable Investment Management, LLC, an indirect subsidiary of Equitable Holdings, is a Delaware limited liability company and a registered investment adviser that provides certain administrative, accounting and compliance services to certain SEC-registered investment companies managed by the Registrant.

Equitable Distributors, a wholly owned subsidiary of Equitable Financial, is a Delaware limited liability company and a registered broker/dealer that provides statutory underwriting services to certain SEC-registered investment companies managed by the Registrant. Shares of certain Portfolios managed by the Registrant are offered and sold to insurance company separate accounts and other investors as described in Item 7 above.

Sanford C. Bernstein & Co., LLC, a registered broker/dealer, is an affiliate of the Registrant and may, from time to time, receive brokerage commissions from certain SEC-registered investment companies managed by the Registrant in connection with the purchase and sale of portfolio securities; provided, however, that those transactions, among other things, are consistent with seeking best execution.

The Registrant has proprietary investments in investment vehicles, such as private funds, that are managed by its affiliates or related persons, and may make other proprietary investments, which may be managed by affiliates or persons that are not affiliates, including companies with which the Registrant or its affiliates or its advisory clients may have business or other relationships. The Registrant may invest, through such investments, in the same securities or other instruments that the Registrant or an affiliate may recommend to clients.

Conflicts of Interest

The Registrant and its affiliates (including Equitable Financial, Equitable Holdings, Equitable Distributors, AB and Equitable Investment Management, LLC) and their respective managers, partners, directors, trustees, officers, and employees (collectively, "Affiliates") are insurance and related financial services companies engaged in life insurance, property and casualty insurance and reinsurance activities, as well as asset management, investment banking, securities trading, brokerage, real estate and other financial services activities, providing a broad range of services to a substantial and diverse client base. The broad range of activities, services, and interests of the Registrant and its Affiliates gives rise to actual, potential and/or perceived conflicts of interest, and could introduce certain investment or transactional restrictions, that could disadvantage the Portfolios and their shareholders.

Certain actual and potential conflicts of interest are discussed below and elsewhere in this Brochure. Investors should carefully review these discussions. These discussions are not, and are not intended to be, a complete discussion of all of the actual and potential conflicts of interest that could arise. Additional or unanticipated conflicts of interest could arise from time to time in the ordinary course of the Registrant's and its Affiliates' various businesses.

The Registrant has adopted practices, policies and procedures that are intended to identify, monitor, and mitigate conflicts of interest. These practices, policies and procedures include, among others, information barriers, codes of ethics, pre-clearance and reporting of securities transactions by certain persons, and the use of independent persons to review certain types of transactions. There is no assurance, however, that these practices, policies and procedures will be effective, and these

practices, policies and procedures also could limit the Portfolios' investment activities and affect their performance.

Certain Conflicts Related to the Registrant and its Affiliates Acting in Multiple Commercial Capacities

The Registrant and/or one or more Affiliates act or may act in various commercial capacities, including as investment manager, investment adviser, administrator, investor, commodity pool operator, underwriter, distributor, transfer agent, insurance company, investment banker, research provider, market maker, trader, lender, agent or principal, and may have direct and indirect interests in securities, commodities, currencies, derivatives and other instruments in which the Portfolios may directly or indirectly invest. Thus, it is likely that the Portfolios will have business relationships with and will invest in, engage in transactions with, make voting decisions with respect to, or obtain services from entities with which the Registrant and/or an Affiliate has developed or is trying to develop business relationships or in which the Registrant and/or an Affiliate has significant investments or other interests. For example, the Registrant could have an incentive to hire as a sub-adviser or other service provider an entity with which the Registrant or one or more Affiliates have, or would like to have, significant or other business dealings or arrangements. In addition, the Registrant and/or its Affiliates may have business dealings or arrangements with entities that are significant investors in, or have business relationships with, or provide services to Equitable Holdings, the Registrant's publicly traded indirect parent company, and these entities may try to influence the Registrant's and/or its Affiliates' existing or other business dealings or arrangements. Furthermore, when Affiliates act in various commercial capacities in relation to the Portfolios, the Affiliates could take commercial steps in their own interests, which could have an adverse effect on the Portfolios. The Registrant and/or an Affiliate will have an interest in obtaining fees or other compensation in connection with such activities that are favorable to it, and any fees or other compensation (which could include advisory fees, underwriting or placement fees, financing or commitment fees, and brokerage and other transaction fees) will not be shared with the Portfolios.

The Registrant and/or its Affiliates also derive ancillary benefits from providing investment management, investment advisory, investment sub-advisory, administration, shareholder servicing, distribution, distribution support, and transfer agency services to the Portfolios, and providing such services to the Portfolios could enhance the Registrant's and/or its Affiliates' relationships with various parties, facilitate additional business development, and enable the Registrant and/or its Affiliates to obtain additional business and generate additional revenue.

In addition, as a result of the Registrant's Affiliates acting in multiple commercial capacities, the Affiliates, from time to time, could come into possession of information about certain markets and investments that, if known to the Registrant or, as applicable, an affiliated sub-adviser, could cause the Registrant or, as applicable, the affiliated sub-adviser to seek to dispose of, retain, or increase interests in investments held by a Portfolio, acquire certain positions on behalf of a Portfolio, or take other actions. The Registrant or, as applicable, an affiliated sub-adviser generally will not have access, or will have limited access, to such information, even when it would be relevant to its management of a Portfolio. Such Affiliates could trade differently from the Portfolios potentially based on information not available to the Registrant or, as applicable, an affiliated sub-adviser. If the Registrant or, as applicable, an affiliated sub-adviser acquires or is deemed to acquire material non-public information regarding an issuer, it will be restricted from purchasing or selling securities of that issuer for its clients, including a Portfolio, until the information has been publicly disclosed or is no longer deemed material. (As discussed below, such an issuer could include an affiliated Underlying Portfolio.)

Certain Conflicts Related to the Use of Sub-Advisers

The Registrant is subject to certain conflicts of interest in connection with recommending the appointment and continued service of sub-advisers. Since the Registrant pays fees to the sub-advisers from the advisory fees that it earns from the sub-advised Portfolios, any increase or decrease in the sub-advisory fees negotiated with proposed or current sub-advisers will result in a corresponding decrease or increase, respectively, in the amount of the advisory fees retained by the Registrant. If the Registrant is affiliated with a sub-adviser, the Registrant will benefit not only from the net advisory fee the Registrant retains, but also from the sub-advisory fee paid by the Registrant to the affiliated sub-adviser. The Registrant or its Affiliates also may have distribution relationships with certain sub-advisers or their affiliates under which the sub-advisers or their affiliates distribute or support the distribution of investment products issued or sold by the Registrant or its Affiliates (including those in which Portfolios serve as investment options), which could financially benefit the Registrant and its Affiliates or provide an incentive to the Registrant in selecting one sub-adviser over another or a disincentive for the Registrant to recommend the termination of such sub-advisers. In addition, the Registrant's and/or its Affiliates' other existing or potential business relationships (e.g., distribution, sub-administration, or custody arrangements), including with sub-advisers and/or their affiliates (e.g., relationships between sub-advisers and the Registrant's Affiliates regarding management of other assets), or other financial or personal relationships or investments or other interests, could influence the Registrant's selection and retention or termination of sub-advisers as well as sub-advisory or other fee negotiations.

The Registrant may allocate a Portfolio's assets among multiple sub-advisers. While the Registrant seeks to allocate a Portfolio's assets among the Portfolio's sub-advisers in a manner that it believes is consistent with achieving the Portfolio's investment objective(s), the Registrant is subject to conflicts of interest in allocating the Portfolio's assets among sub-advisers, including an affiliated sub-adviser, because the Registrant pays different fees to the sub-advisers and due to other factors that could impact the Registrant's and/or its Affiliates' revenues and/or profits.

The aggregation of assets of multiple Portfolios or other funds or accounts for purposes of calculating breakpoints in sub-advisory fees could create an incentive for the Registrant to select sub-advisers where the selection would serve to lower a sub-advisory fee and possibly increase the advisory fee retained by the Registrant or could provide a disincentive for the Registrant to recommend the termination of a sub-adviser from a Portfolio if the termination would cause the sub-advisory fee payable by the Registrant or its Affiliates to increase on a Portfolio or other fund or account that aggregates its assets with the Portfolio. The aggregation of assets, or the potential to aggregate assets, also could influence the Registrant's and/or its Affiliates' sub-advisory or other fee negotiations.

The Registrant is a fiduciary for the shareholders of the Portfolios and must put their interests ahead of its own interests (or the interests of its Affiliates). When recommending the appointment or continued service of a sub-adviser, consistent with its fiduciary duties, the Registrant relies primarily on the qualitative and quantitative factors described in detail in Item 8 above. In addition, the appointment and continued service of a sub-adviser for a Portfolio that is registered under the 1940 Act are subject to the approval of the Portfolio's board of trustees. Moreover, the Registrant may not enter into a sub-advisory agreement with an Affiliate, such as AB, unless the sub-advisory agreement with the Affiliate, including compensation, is also approved by the affected Portfolio's shareholders (in the case of a new Portfolio, the initial sole shareholder of the Portfolio, typically the Registrant or an Affiliate, may provide this approval).

Furthermore, the range of activities, services, and interests of a sub-adviser and its personnel could give rise to actual, potential and/or perceived conflicts of interest that could disadvantage a Portfolio that it sub-advises and the Portfolio's shareholders. For example, a sub-adviser's portfolio managers may manage multiple funds and accounts for multiple clients. In addition to one or more Portfolios, these funds and accounts may include, for example, other mutual funds, separate accounts, collective trusts, and offshore funds. Managing multiple funds and accounts could give rise to actual or potential conflicts of interest, including, for example, conflicts among investment strategies, conflicts in the allocation of limited investment opportunities, and conflicts in the aggregation and allocation of securities trades. In addition, a sub-adviser's portfolio managers may manage or advise funds or accounts with different fee rates and/or fee structures, including performance-based fee arrangements. Differences in fee arrangements could create an incentive for a portfolio manager to favor higher-fee funds or accounts.

In addition, a sub-adviser or its affiliates or an officer, director, shareholder or employee (including a sub-adviser's portfolio managers) or any member of their families may or may not have an interest (including personal investments, either directly through personal investment accounts or indirectly through funds and accounts managed by the sub-adviser) in the securities or other instruments whose purchase or sale the sub-adviser recommends to a Portfolio that it sub-advises. A sub-adviser or its affiliates or an officer, director, shareholder or employee (including a sub-adviser's portfolio managers) or any member of their families also may take actions different from those recommended to a Portfolio by the sub-adviser with respect to the same securities or other instruments. Moreover, a sub-adviser may refrain from, or may be precluded from, rendering advice or services concerning securities of companies of which any of its (or its affiliates' or significant shareholders') officers, directors or employees (including a sub-adviser's portfolio managers) are officers or directors, or companies as to which the sub-adviser or any of its affiliates or significant shareholders or their respective officers, directors or employees (including a sub-adviser's portfolio managers) have a substantial economic interest or possess confidential or material non-public information. To the extent a sub-adviser's policies and procedures prohibit a client account (e.g., a Portfolio) from trading in certain securities or other instruments during certain periods of time (e.g., "black-out periods"), the account could be negatively impacted and the account's performance may not be what it would have been if the account was permitted to engage in such transactions. In addition, in the event that any of a sub-adviser's officers, directors or employees (including a sub-adviser's portfolio managers) are officers or directors of another company, they have fiduciary and other obligations to both such entities and/or their clients that could give rise to a potentially conflicting division of loyalties and/or responsibilities. In such a situation, if the sub-adviser recommends the purchase or sale of the securities or other instruments of such other company to a Portfolio that it sub-advises, the conflict of interest could have an adverse effect on the Portfolio and could benefit such officer, director or employee, the sub-adviser, and/or the other company.

Each sub-adviser has adopted practices, policies and procedures that are intended to identify, monitor, and mitigate conflicts of interest. There is no assurance, however, that a sub-adviser's practices, policies and procedures will be effective, and a sub-adviser's practices, policies and procedures also could limit the investment activities of a Portfolio that it sub-advises and affect the Portfolio's performance. A sub-adviser and/or its affiliates also could derive ancillary benefits from providing investment sub-advisory services to a Portfolio, and providing such services to a Portfolio could enhance the sub-adviser's and/or its affiliates' relationships with various parties, facilitate additional business development, and enable the sub-adviser and/or its affiliates to obtain additional business and generate additional revenue.

Certain Conflicts Related to the Fund-of-Funds Structure

In managing a fund-of-funds Portfolio, the Registrant will have the authority to select and substitute the Underlying Portfolios and Underlying ETFs. The Registrant is subject to conflicts of interest in selecting, and allocating a Portfolio's assets among, Underlying Portfolios and Underlying ETFs because it and its Affiliates earn fees for managing, administering, and providing other services to the affiliated Underlying Portfolios, but not the unaffiliated Underlying Portfolios or Underlying ETFs. In addition, the Registrant is subject to conflicts of interest in selecting, and allocating a Portfolio's assets among, various affiliated Underlying Portfolios because the revenue and/or profits the Registrant and its Affiliates receive from some of the affiliated Underlying Portfolios is higher than the revenue and/or profits received from other affiliated Underlying Portfolios for the services the Registrant and its Affiliates provide.

Because the Registrant's selection of Underlying Portfolios and/or Underlying ETFs could have a positive or negative impact on its or its Affiliates' revenues and/or profits, the Registrant has an incentive to select affiliated Underlying Portfolios for inclusion in a fund-of-funds Portfolio, even though there may be other, unaffiliated Underlying Portfolios and/or Underlying ETFs that may be more attractive for inclusion in the fund-of-funds Portfolio or that have superior historical returns, and to select affiliated Underlying Portfolios that are more profitable to the Registrant or its Affiliates. In addition, the Registrant's and/or its Affiliates' other existing or potential business relationships (e.g., distribution, sub-administration, or custody arrangements), including with affiliated or unaffiliated sub-advisers to, or sponsors of, Underlying Portfolios and Underlying ETFs, or other financial or personal relationships, could influence the Registrant's selection of Underlying Portfolios and Underlying ETFs. In addition, one or more Affiliates may invest (e.g., through its general account or separate accounts) in ETFs that are also held by the Portfolios, which could influence the Registrant's ETF investment decisions. The Registrant's selection of Underlying Portfolios and Underlying ETFs also could positively or negatively impact its obligations under an Expense Limitation Agreement and its ability to recoup previous waivers or payments made under an Expense Limitation Agreement.

A Portfolio investing in Underlying Portfolios may from time to time own or control a significant percentage of an Underlying Portfolio's shares. Accordingly, an Underlying Portfolio is subject to the potential for large-scale inflows and outflows as a result of purchases and redemptions of its shares by such a Portfolio. These inflows and outflows may be frequent and could negatively affect an Underlying Portfolio's and, in turn, a Portfolio's net asset value and performance and could cause an Underlying Portfolio to purchase or sell securities at a time when it would not normally do so. It would be particularly disadvantageous for an Underlying Portfolio if it experiences outflows and needs to sell securities at a time of volatility in the markets, when values could be falling. These inflows and outflows also could negatively affect an Underlying Portfolio's and, in turn, a Portfolio's ability to meet shareholder redemption requests or could limit an Underlying Portfolio's and, in turn, a Portfolio's ability to pay redemption proceeds within the time period stated in its prospectus because of unusual market conditions, an unusually high volume of redemption requests, or other reasons. During periods of declining or illiquid markets, the Registrant also could be subject to conflicts of interest in selecting shares of Underlying Portfolios for redemption and in deciding whether and when to redeem such shares. In addition, these inflows and outflows could increase an Underlying Portfolio's and, in turn, a Portfolio's brokerage or other transaction costs, and large-scale outflows could cause an Underlying Portfolio's and, in turn, a Portfolio's, actual expenses to increase, or could result in an Underlying Portfolio's current expenses being allocated over a smaller asset base, which, depending on any applicable expense caps, could lead to an increase in the Underlying Portfolio's and, in turn, a Portfolio's expense ratio. In addition, the Registrant could have an incentive to continue to invest a Portfolio's assets in an underperforming Underlying Portfolio to protect the

Underlying Portfolio from large-scale outflows, even when the portfolio managers believe that such an investment is not in the best interests of the Portfolio. The Registrant also could have an incentive not to invest a Portfolio's assets in certain affiliated Underlying Portfolios, even when the portfolio managers believe that doing so may be in the best interests of the Portfolio, to reserve potential limited capacity for other preferred investors.

In the ordinary course of business, the Registrant and/or its Affiliates may from time to time provide seed money to an affiliated Underlying Portfolio that is newly-formed or has a relatively small asset level to facilitate investment operations and/or maintain a competitive expense ratio. The Registrant could have an incentive to allocate a Portfolio's assets to an affiliated Underlying Portfolio to which the Registrant and/or its Affiliates have provided seed money to help increase the affiliated Underlying Portfolio's asset level. The Registrant also could have an incentive to allocate a Portfolio's assets to an affiliated Underlying Portfolio to reduce or eliminate the need for the Registrant and/or its Affiliates to provide seed money or reduce the length of time such seed money is needed. Redeeming seed money from an affiliated Underlying Portfolio could enable the Registrant or an Affiliate to reduce its costs associated with providing seed money and/or use the proceeds to provide seed money for other funds and products that it manages or is developing or realize other benefits.

The portfolio managers of a Portfolio that invests in affiliated Underlying Portfolios may have access to the holdings of, and may acquire non-public information (e.g., strategy changes, sub-adviser changes, or significant or anticipated redemptions) regarding, the affiliated Underlying Portfolios in connection with their official duties, including in connection with serving as portfolio managers of one or more affiliated Underlying Portfolios. The portfolio managers therefore face conflicts of interest in the timing and amount of allocations to affiliated Underlying Portfolios, as well as in the selection of affiliated Underlying Portfolios.

Consistent with its fiduciary duties, the Registrant seeks to implement each Portfolio's and each affiliated Underlying Portfolio's investment program in a manner that is in the best interest of that Portfolio and affiliated Underlying Portfolio and that is consistent with its investment objective, policies, and strategies.

Certain Conflicts Related to the Registrant's Insurance Company Affiliates

The Portfolios of EQ Advisors Trust are available through Contracts offered by insurance company Affiliates of the Registrant and these Portfolios may be used to fund all or a portion of certain benefits and guarantees available under the Contracts. To the extent the assets in a Portfolio are insufficient to fund those benefits and guarantees, the Registrant's insurance company Affiliates might otherwise be obligated to fulfill them out of their own resources. The Registrant is subject to conflicts of interest in connection with providing advice to, or developing strategies and models used to manage, a Portfolio (e.g., with respect to the allocation of assets among Underlying Portfolios or between passively and actively managed portions of a Portfolio and the development and implementation of the models used to manage a Portfolio). The performance of a Portfolio could impact the obligations and financial exposure of the Registrant's insurance company Affiliates under any death benefit, income benefit and other guarantees provided through Contracts that offer the Portfolio as an investment option, and the ability of an insurance company Affiliate to manage (e.g., through the use of various hedging techniques) the risks associated with these benefits and guarantees. The Registrant's investment decisions and the design of the Portfolios could be influenced by these factors. For example, the Portfolios or models and strategies may be managed or designed in a manner (e.g., using more conservative or less volatile investment styles, including volatility

management strategies) that could reduce potential losses and/or mitigate financial risks to insurance company Affiliates that provide the benefits and guarantees and offer the Portfolios as investment options in their products, and also could facilitate such an insurance company's ability to provide benefits and guarantees under its Contracts, including by making more predictable the costs of the benefits and guarantees and by reducing the regulatory capital needed to provide them. The financial benefits to the Registrant's insurance company Affiliates could be material. The performance of a Portfolio also could adversely impact the value of Contracts that offer the Portfolio as an investment option and could suppress the value of the benefits and guarantees offered under a Contract.

In managing certain Portfolios, the Registrant from time to time employs various volatility management techniques, including the use of futures and options to manage equity exposure. In addition, certain other Portfolios may invest from time to time in affiliated Underlying Portfolios that employ such volatility management techniques. Although the Registrant's volatility management techniques are intended to reduce the overall risk of investing in a Portfolio, they may not work as intended and may result in losses by a Portfolio or periods of underperformance, particularly during periods when market values are increasing but market volatility is high. The success of any volatility management strategy will be subject to the Registrant's ability to correctly assess the degree of correlation between the performance of the relevant market index and the metrics used by the Registrant to measure market volatility. Since the characteristics of many securities change as markets change or time passes, the success of any volatility management strategy also will be subject to the Registrant's ability to continually recalculate, readjust, and execute volatility management techniques in an efficient manner. Market conditions change, sometimes rapidly and unpredictably, and the Registrant may be unable to execute a volatility management strategy in a timely manner or at all. In addition, the Registrant and its Affiliates manage or advise other funds and accounts that engage in and compete for transactions in the same types of securities and instruments (such as futures contracts) as a Portfolio (or an Underlying Portfolio, as the case may be). Such transactions could affect the prices and availability of the securities and instruments in which a Portfolio (or an Underlying Portfolio) invests, directly or indirectly, and could have an adverse impact on a Portfolio's (or an Underlying Portfolio's) performance.

In connection with Portfolios that utilize managed volatility strategies ("Managed Volatility Portfolios") and investments in furtherance of this strategy ("Volatility Management Investments"), the Registrant may at the request of an insurance company that utilizes a Managed Volatility Portfolio as an investment option for its guaranteed variable annuity or variable life products ("Insurance Companies") provide certain analytical non-public information (but not actual portfolio holdings or specific trade information) regarding each Managed Volatility Portfolio's Volatility Management Investments and other holdings to the Insurance Companies, or other insurers assisting such insurance companies with hedging and/or risk management, for use in managing their risk under certain guarantees provided under the variable contracts. This information may include information about aggregate long and short exposure and changes in aggregate exposure to types of securities or other instruments, which may be broken down by type of security (e.g., equities, debt, cash, etc.), sector, index (e.g., large-cap, mid-cap, small-cap or foreign securities), country, or other characteristics, and which reflect completed transactions in futures contracts or other derivatives that are part of the Volatility Management Investments. The information may be provided as frequently as reasonably requested by an Insurance Company, including on an intra-day basis, and there need not be any lag between the effective time of the analytical information and the disclosure to an Insurance Company. While information shall not be provided about specific holdings, trades or pending transactions, the Insurance Companies may be able to deduce information about prior

trades from the analytical information that is provided. The analytical information shall be provided to the Insurance Companies solely for the limited purpose of helping the Insurance Companies in a hedging program they use for their own accounts to help manage their risks under the guarantees on the variable contracts, and only if each Insurance Company implements procedures that prohibit it and its employees, officers, agents and affiliates who receive such information from disclosing it or using it in any unauthorized fashion, including for personal trading or benefit. The procedures allow the analytical information to be provided under circumstances that are designed to ensure there is no harm to the Managed Volatility Portfolios or other Portfolios, but there is a risk that the Insurance Companies' hedging programs could adversely affect securities prices and the performance of the Managed Volatility Portfolio or other Portfolios.

A significant percentage of a Portfolio's shares may be owned or controlled by the Registrant and/or its Affiliates, other Portfolios advised by the Registrant (including funds-of-funds Portfolios), or other large shareholders, including primarily insurance company separate accounts and qualified plans. Accordingly, a Portfolio is subject to the potential for large-scale inflows and outflows as a result of purchases and redemptions of its shares by such shareholders, including in connection with substitution and other transactions by Affiliates of the Registrant. These inflows and outflows may be frequent and could negatively affect a Portfolio's net asset value and performance, and could cause a Portfolio to purchase or sell securities at a time when it would not normally do so. It would be particularly disadvantageous for a Portfolio if it experiences outflows and needs to sell securities at a time of volatility in the markets, when values could be falling. These inflows and outflows also could negatively affect a Portfolio's ability to meet shareholder redemption requests or could limit a Portfolio's ability to pay redemption proceeds within the time period stated in its prospectus because of unusual market conditions, an unusually high volume of redemption requests, or other reasons. During periods of declining or illiquid markets, the Registrant or its Affiliates also could be subject to conflicts of interest in selecting shares of Portfolios for redemption and in deciding whether and when to redeem such shares. In addition, these inflows and outflows could increase a Portfolio's brokerage or other transaction costs, and large-scale outflows could cause a Portfolio's actual expenses to increase, or could result in a Portfolio's current expenses being allocated over a smaller asset base, which, depending on any applicable expense caps, could lead to an increase in the Portfolio's expense ratio.

The Portfolios may be used as variable insurance trusts for unaffiliated insurance companies' insurance products. These unaffiliated insurance companies have financial arrangements (which may include revenue sharing arrangements) or other business relationships with the Registrant's insurance company Affiliates. These financial arrangements or other business relationships could create an incentive for the Registrant, in its selection process, to favor Underlying Portfolios and Underlying ETFs and sub-advisers that are affiliated with these unaffiliated insurance companies.

Consistent with its fiduciary duties, the Registrant seeks to implement each Portfolio's investment program in a manner that is in the best interests of the Portfolio and that is consistent with the Portfolio's investment objective, policies and strategies.

Certain Tax Conflicts Related to the Registrant's Insurance Company and Other Affiliates

The Portfolios of EQ Advisors Trust are available through Contracts offered by insurance company Affiliates of the Registrant. For federal income tax purposes, the insurance company Affiliates are considered owners of the Portfolio shares used to fund all or a portion of certain benefits and guarantees available under the Contracts. As regulated investment companies, the Portfolios are

required to distribute substantially all of their investment company taxable income (such as dividends and interest received from their portfolio securities) and net capital gain (long-term capital gain in excess of short-term capital loss) each year to their shareholders. By meeting such distribution requirements, the Portfolios avoid federal income tax on the distributed income and gains, which are instead included in the income of the Portfolios' shareholders for their federal income tax purposes. Due to the federal income tax treatment afforded life insurance companies, however, the insurance company Affiliates and the owners of the Contracts are not subject to federal income tax on such distributions.

Certain distributions by the Portfolios carry out to the shareholders tax benefits related to the sources of income on which the distributions are based. To the extent that a Portfolio's dividends are based on U.S. corporate dividends received by the Portfolio, a corporate shareholder of the Portfolio is entitled to a dividends received deduction equal to 50% of such dividends. Also, a Portfolio that invests more than 50% of its assets in the stock or securities of foreign corporations can elect to pass through to its shareholders the ability to claim a federal income tax credit for foreign taxes paid by the Portfolio. Even though the insurance company Affiliates are not subject to federal income tax on the dividends and capital gain distributions paid to them by the Portfolios, they are able to apply the dividends received deduction to reduce other income of the insurance companies that might otherwise be subject to income tax. The insurance company Affiliates are also able to apply the foreign tax credits passed through by the Portfolios to reduce their federal income taxes. These tax benefits can and generally do provide significant benefits to the insurance company Affiliates and could present the Registrant with conflicts of interest when choosing between potential investments by the Portfolios and taking other actions with respect to the Portfolios that would result in receipt of such benefits by the insurance companies and alternative investments or other actions that do not have that result.

Although the insurance company Affiliates are not the only shareholders of the Portfolios, their ownership percentages are sufficient to cause the Portfolios also to be considered affiliates of the insurance company Affiliates and the insurance companies' parent company for certain federal income tax purposes. As a result of this tax affiliation, as described in the following paragraph, certain events or decisions affecting one affiliated company's tax treatment can impact the tax treatment of the other affiliated companies, including the Portfolios.

If a Portfolio recognizes capital losses during a taxable year exceeding its recognized capital gains for the year, the excess losses are carried forward and can be used to offset capital gains recognized by the Portfolio in later taxable years. A Portfolio's ability to use such capital loss carryforwards in later years can become subject to annual limitations in the event that there is a change in the shareholders of the Portfolio exceeding certain thresholds (an "ownership change"). Due to the affiliation of the Portfolios with the insurance companies and the insurance companies' parent company, an ownership change for the parent company also is treated as an ownership change for the Portfolios. An ownership change for the parent company results in annual limitations on the ability of the parent company to use its net operating loss carryforwards and tax credit carryforwards (which are also subject to time limitations), as well as annual limitations on the Portfolios' ability to use their capital loss carryforwards (which are not subject to time limitations).

These annual limitations with respect to a company following an ownership change are determined under a formula based on the value of that company. In measuring the value of the parent company for purposes of determining its annual limitations, the values of the subsidiary affiliates, including

the Portfolios, are required to be subtracted from the parent company's value. Each subsidiary affiliate uses its own value to determine its own annual limitations following the parent company's ownership change. Each subsidiary affiliate, however, can elect to restore some or all of its own value to the parent company, resulting in a less restrictive annual limitation for the parent company, but thereby reducing the electing subsidiary's own value and resulting in a more restrictive annual limitation for the electing subsidiary. The decision regarding a Portfolio's making such an election to benefit the parent company could present a potential conflict of interest.

If a Portfolio makes such an election to benefit the insurance companies' parent company, it is possible that this will result in greater net capital gain distributions each year by the Portfolio to its shareholders. Due to the federal income tax treatment afforded life insurance companies, however, the insurance company Affiliates and the owners of the Contracts will not be subject to federal income tax on such increased distributions. The other shareholders of the Portfolios consist of other unaffiliated insurance companies, tax-exempt retirement accounts and fund-of-funds having similar shareholders, and these other shareholders also are not subject to federal income tax on such increased distributions.

Sales Incentives and Certain Related Conflicts Arising from the Registrant's and its Affiliates' Financial and Other Relationships with Financial Intermediaries

A Portfolio and its related companies may make payments to a sponsoring insurance company (or its affiliates) or other financial intermediary for distribution and/or other services. These payments could create a conflict of interest by influencing the insurance company or other financial intermediary and financial advisers to recommend a Portfolio over another investment or by influencing an insurance company to include the Portfolio as an underlying investment option in a Contract. The prospectus or other offering documents for such Contracts may contain additional information about these payments.

Many Portfolios have adopted plans pursuant to Rule 12b-1 under the 1940 Act that allow such Portfolios to pay distribution and shareholder servicing fees. The distribution fees may be used to pay the Registrant or an Affiliate of the Registrant or others for distribution services and sales support and shareholder liaison services provided in connection with the sale of certain classes of shares of such Portfolios. Shareholder servicing fees payable pursuant to the plans are fees payable for shareholder liaison and other services and not costs which are primarily intended to result in the sale of Portfolio shares. The fees may also be used to pay an Affiliate of the Registrant for related expenses such as payments made by an Affiliate of the Registrant to compensate or reimburse brokers, dealers, financial institutions and industry professionals for sales support services and related expenses.

The Rule 12b-1 plans permit the Registrant and its Affiliates to make payments relating to distribution and sales support activities out of their past profits or other sources available to them (and not as an additional charge to the Portfolios). The Registrant and its Affiliates may pay affiliated and unaffiliated financial institutions, broker-dealers or other entities compensation for distribution and sales support activities, including participation in marketing activities, educational programs, conferences, and technology development and reporting, or sub-accounting, administrative, shareholder processing or other services related to shares or shareholders of investment companies and other funds for which the Registrant provides investment advisory services, or for other services or activities that may facilitate investments by investors in such funds. These additional payments

may be in addition to the Rule 12b-1 plan payments described in the Portfolios' prospectuses and/or statements of additional information. The additional payments may include amounts that are sometimes referred to as "revenue sharing" payments. In some circumstances, these revenue sharing payments could create an incentive for the entity receiving such payments, its employees or associated persons, to recommend or sell shares of a Portfolio or other fund or product. The Registrant or an Affiliate may also make payments for administrative and sub-transfer agency, operational and recordkeeping, networking and shareholder servicing with respect to the Portfolios (as disclosed in the Portfolios' prospectuses and/or statements of additional information).

Equitable Distributors and its affiliates may make the payments described above in order to promote the sale of Portfolio shares and the retention of those investments by clients of insurance companies, and participants in retirement plans and other qualified investors. To the extent these financial intermediaries sell more shares of the Portfolios or retain shares of the Portfolios in their customers' accounts, the Registrant, Equitable Distributors and their Affiliates may directly or indirectly benefit from the incremental management and other fees paid to the Registrant and Equitable Distributors by the Portfolios with respect to those assets.

The Portfolios' portfolio transactions are not used as a form of sales-related compensation to financial intermediaries that promote or sell shares of the Portfolios and the promotion or sale of such shares is not considered as a factor in the selection of broker-dealers to execute the Portfolios' portfolio transactions. The Registrant places, and each sub-adviser is required to place, each Portfolio's portfolio transactions with broker-dealer firms based on the firm's ability to provide the best net results from the transaction to the Portfolio. To the extent that the Registrant or a sub-adviser determines that a financial intermediary can provide a Portfolio with the best net results, the Registrant or the sub-adviser may place the Portfolio's portfolio transactions with the financial intermediary even though it sells or has sold shares of the Portfolio.

Certain Conflicts Related to the Registrant and its Affiliates Acting for Multiple Clients

The Registrant and certain of its Affiliates manage or advise other funds and accounts that have investment objectives and strategies that are similar to those of the Portfolios and/or that engage in and compete for transactions in the same types of securities and instruments as the Portfolios. Such transactions could affect the prices and availability of the securities and instruments in which a Portfolio invests, directly or indirectly, and could have an adverse impact on a Portfolio's performance. For example, when another fund or account managed or advised by the Registrant or an Affiliate implements a portfolio decision or strategy ahead of, or at the same time as, similar portfolio decisions or strategies for one or more Portfolios, market impact, liquidity constraints, or other factors could result in a Portfolio receiving less favorable investment results, and the costs of implementing such portfolio decisions or strategies could be increased or a Portfolio could otherwise be disadvantaged. The Registrant and certain of its Affiliates also manage or advise other funds and accounts that have investment objectives and strategies that differ from, or may be contrary to, those of the Portfolios. Other funds and accounts could buy or sell positions while a Portfolio is undertaking the same or a different, including potentially opposite, strategy, which could disadvantage or adversely affect a Portfolio. A position taken by the Registrant and/or its Affiliates on behalf of one or more other funds or accounts could be contrary to a position taken on behalf of a Portfolio or could be adverse to a company or issuer in which a Portfolio has invested. For example, the Registrant and/or its Affiliates may advise other funds or accounts with respect to different parts of the capital structure of the same issuer, or with respect to classes of securities that are subordinate or senior to

securities, in which a Portfolio invests. As a result, the Registrant and/or its Affiliates could pursue or enforce rights or activities, or refrain from pursuing or enforcing rights or activities, on behalf of other funds and accounts with respect to a particular issuer in which one or more Portfolios have invested. In addition, the Registrant could pursue, or refrain from pursuing, on behalf of one or more of the Portfolios, class action litigation that may be adverse to the interests of certain of the Registrant's Affiliates.

A Portfolio's performance will usually differ from the performance of other funds or accounts that are also managed or advised by the Registrant or its Affiliates even in cases where the investment objectives and strategies of the relevant funds or accounts are similar. The Registrant and certain of its Affiliates may give advice to, or take actions with respect to, other funds or accounts that could compete or conflict with advice the Registrant may give to, or actions the Registrant may take with respect to, the Portfolios. In addition, when the Registrant and/or its Affiliates seek to buy or sell the same security or instrument on behalf of more than one fund or account, including a Portfolio, the Registrant and/or its Affiliates could have an incentive to allocate more favorable trades to certain funds or accounts, including a Portfolio. (For additional information about the Registrant's trade aggregation and allocation policies, please see Item 12.) It is possible that a Portfolio could sustain losses during periods in which one or more other funds or accounts that are managed or advised by the Registrant or its Affiliates achieve significant gains. The opposite result is also possible.

In addition, the Registrant or, as applicable, an affiliated sub-adviser may restrict the investment policies or the design of a Portfolio or its investment decisions and activities on behalf of a Portfolio in various circumstances, including as a result of regulatory or other restrictions applicable to one or more Affiliates, internal policies designed to comply with such restrictions, and/or potential reputational risk in connection with funds or accounts (including the Portfolios). For example, if the Registrant and/or its Affiliates come into possession of material non-public information regarding other funds or accounts that are also managed or advised by the Registrant or its Affiliates, they may be prohibited by legal and regulatory constraints, or internal policies and procedures, from using that information in connection with transactions made on behalf of the Portfolios. In addition, potential conflicts of interest exist when the Registrant and/or its Affiliates maintain certain overall limitations on investments in securities or other instruments due to, among other things, investment restrictions imposed on the Registrant and/or its Affiliates by law, regulation (for example, banking or insurance regulations), mechanisms imposed by certain issuers (for example, poison pills), or the Registrant's and/or its Affiliates' own internal policies (including, for example, for risk management purposes). Certain of these restrictions could impose limits on the aggregate amount of investments that may be made by affiliated investors. In these circumstances, the Registrant or, as applicable, an affiliated sub-adviser could be precluded from purchasing securities or other instruments (that it might otherwise purchase) for a Portfolio if the purchase would cause the Portfolio and its affiliated investors to exceed an applicable limit, or the Registrant or, as applicable, an affiliated sub-adviser could be required to sell securities or other instruments (that it might otherwise prefer that a Portfolio hold) in order to comply with such a limit. In addition, aggregate investment limitations could cause dispersion among funds and accounts managed or advised by the Registrant and/or its Affiliates with similar investment objectives and strategies.

In addition, the Registrant's Chief Executive Officer and other principal officers are also principals and/or employees and/or board members of its Affiliates, and these principals and employees and board members have obligations to such other entities and/or their clients, and could come into possession of information, that could give rise to a potentially conflicting division of loyalties and/or responsibilities, which could have an adverse effect on the Registrant's clients and could benefit the

Registrant and/or its Affiliates. For example, the Registrant's Chief Executive Officer serves as Chief Investment Officer for an Affiliate, and certain of the Registrant's other principal officers hold executive positions, including in operations, legal, and compliance, with its Affiliates. In addition, certain senior officers of the Registrant serve in similar capacities for Equitable Investment Management, LLC, which could give rise to conflicts of interest. The Registrant has implemented various policies and procedures to mitigate these conflicts.

Certain Conflicts Related to the Joint Use of Vendors and Other Service Providers

Certain service providers to the Portfolios (including sub-advisers, accountants, custodians, attorneys, lenders, bankers, brokers, consultants and investment or commercial banking firms) provide goods and services to, or have business, personal, financial or other relationships with, the Registrant and/or its Affiliates. Such service providers could be clients of the Registrant and/or its Affiliates, sources of investment opportunities, co-investors or commercial counterparties or entities in which the Registrant and/or its Affiliates have an investment or other interest. In addition, certain employees of the Registrant and/or its Affiliates could have immediate family members or other relatives or friends employed by or serving as board members of such service providers. These relationships could have the appearance of affecting or could potentially affect the Registrant in deciding whether to select or recommend such service providers to perform services for the Portfolios or to terminate such service providers. These relationships also could have the appearance of affecting or could potentially affect the Registrant's and/or its Affiliates' fee negotiations as well as their investment decisions and activities, including on behalf of the Portfolios.

Certain Conflicts Related to Securities Lending

A Portfolio may lend its portfolio securities to brokers, dealers, other financial institutions and other eligible persons in order to earn additional income on those securities. Certain of the sub-advisers to the sub-advised Portfolios (or affiliates of these sub-advisers) are approved borrowers under the Portfolios' securities lending program, and certain of these sub-advisers or their affiliates manage money market funds that are approved for the reinvestment of cash collateral received by a Portfolio in securities lending transactions.

Certain securities loan termination practices have the potential to benefit corporate shareholders and could have an adverse impact on a lending Portfolio. During the time a portfolio security is on loan, if the issuer of the security makes an interest or dividend payment, the borrower pays the lending Portfolio a substitute payment equal to any interest or dividends the lending Portfolio would have received directly from the issuer of the security had the Portfolio not loaned the security. When a lending Portfolio receives dividends directly from domestic or certain foreign corporations, a portion of the dividends paid by the Portfolio to its shareholders and attributable to those dividends (but not the portion attributable to substitute payments) may be eligible for: (i) treatment as "qualified dividend income" in the hands of individuals, or (ii) the dividends-received deduction in the hands of corporate shareholders. The Registrant has implemented processes to ensure that a Portfolio does not engage in securities loan termination practices that would cause the Portfolio to terminate a securities loan – and forgo any income on the loan after the termination – in anticipation of a dividend payment.

Certain Conflicts Related to the Valuation of the Portfolios' Investments

There is an inherent conflict of interest where the Registrant or its Affiliates value, or provide any assistance in connection with the valuation of, the Portfolios' investments and the Registrant or its Affiliates are receiving a fee based on the value of such investments. Overvaluing certain positions held by the Portfolios will inflate the value of the investments as well as the performance record of the Portfolios, which would likely increase the fees payable to the Registrant and/or its Affiliates. As a result, there could be circumstances where the Registrant has an incentive to determine valuations that are higher than the actual fair value of investments.

Certain Conflicts Related to Distributions of Assets Other Than Cash

With respect to redemptions from the Portfolios, the Portfolios may, in certain circumstances, have discretion to decide whether to permit or limit redemptions and whether to make distributions in connection with redemptions in the form of securities or other assets, and in such case, the composition of such distributions. In making such decisions, the Registrant could have a potentially conflicting division of loyalties and responsibilities with respect to redeeming shareholders (which, in certain cases, could be funds-of-funds Portfolios) and remaining shareholders.

Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

The Registrant has adopted a Code of Ethics, which includes guidelines to ensure that personal transactions do not conflict with securities recommended to clients. The Registrant's Code of Ethics provides that its Access Persons (as such term is defined in the Registrant's Code of Ethics, which is incorporated by reference), in connection with the purchase or sale, directly or indirectly, of shares held or to be acquired by any account managed by the Registrant, shall not employ any device, scheme or artifice to defraud any account managed by the Registrant. Further, no Investment Personnel shall purchase or sell, directly or indirectly, any Covered Security (i) over which any Investment Personnel exercised direct investment and trading authority (e.g., ETF trades) and (ii) in which the Investment Personnel had or by reason of such transaction acquires any Beneficial Ownership, within the Restricted Period (as such terms are defined in the Registrant's Code of Ethics), currently designated as seven (7) days before or after the time that the same (or a related) security is being purchased or sold by a Portfolio.

The Registrant also requires all Access Persons to submit initial and annual holdings reports and quarterly transaction reports in accordance with Rule 17j-1 under the 1940 Act and Rule 204A-1 under the Investment Advisers Act of 1940, as amended ("Advisers Act"). Additionally, the Registrant requires all Access Persons to certify on an annual basis that they have read, understand and have complied and will comply with the Code of Ethics and its contents to ensure that each Access Person strictly adheres to the highest standards of conduct and integrity in conducting business on behalf of the Registrant's clients. The Registrant's Code of Ethics complies with the requirements of Rule 17j-1 under the 1940 Act and Rule 204A-1 under the Advisers Act. Copies of the Code of Ethics and each Access Person's holdings and transaction reports are retained for the period required under applicable rules and regulations. The Registrant will provide a copy of the Code of Ethics to any client or prospective client upon request.

Certain Conflicts Related to Personal Securities Transactions

The Registrant and its Affiliates, including their respective managers, partners, directors, trustees, officers, and employees, face conflicts of interest when transacting in securities for their own accounts because they could benefit by trading in the same securities as a Portfolio, which could have an adverse effect on a Portfolio. In addition, the Registrant and its Affiliates, including their respective managers, partners, directors, trustees, officers, and employees, could acquire material non-public information regarding individual securities in connection with their official duties. The Registrant's Code of Ethics imposes certain restrictions on securities transactions in the personal accounts of Access Persons to help avoid conflicts of interest.

Certain Conflicts Related to Gifts and Entertainment, Political Contributions, and Outside Business Activities

The Registrant's Code of Ethics contains a policy to address the conflicts of interest related to the giving or receipt of gifts and/or entertainment to or from clients, intermediaries, current or potential sub-advisers, or current or potential service providers or third-party vendors to the Portfolios or the Registrant or its Affiliates, which could have the appearance of affecting or could potentially affect the judgment of Access Persons or the manner in which they conduct business. The policy requires the reporting and/or pre-clearance of gifts, meals and entertainment given or received that exceeds certain thresholds. The Registrant also has adopted a policy that prohibits certain employees from making any direct or indirect political contribution to any political party, elected official or candidate with the intention of soliciting or maintaining investment advisory business for the Registrant. Further, given the nature of the Registrant's business, its duties to its clients and the role of investment advisory professionals generally, Access Persons who engage in outside business activities could face numerous conflicts of interest. Outside business activities include, but are not limited to, service as an officer, employee or member of the board of another organization whether affiliated or unaffiliated with the Registrant, consulting engagements, and public and charitable positions. To avoid such conflicts, Access Persons must receive pre-approval from the compliance department prior to pursuing any outside business activities. Actual and potential conflicts of interest are analyzed during the pre-clearance and pre-approval processes.

Certain Conflicts Related to Transactions with Affiliates

Subject to applicable law and regulations, a Portfolio may enter into transactions in which the Registrant and/or its Affiliates, or companies that are deemed to be affiliates of the Portfolio (including other Portfolios), may have an interest that potentially conflicts with the interests of the Portfolio. Such transactions create an opportunity for the Registrant and/or an Affiliate to engage in self-dealing. The Registrant and its Affiliates face a potentially conflicting division of loyalties and responsibilities to the parties in such transactions, including with respect to a decision to enter into such transactions, as well as with respect to valuation, pricing, and other terms. For a Portfolio that is registered under the 1940 Act, any such transactions are executed in accordance with the provisions of Rule 17a-7 and Rule 17e-1, as applicable, under the 1940 Act. Applicable law and regulations also may prevent a Portfolio from engaging in transactions with an affiliate of the Portfolio, which may include the Registrant and/or its Affiliates, or from participating in an investment opportunity in which an affiliate of the Portfolio participates.

The Registrant and/or an Affiliate also faces conflicts of interest if a Portfolio purchases securities during the existence of an underwriting syndicate of which an Affiliate is a member because the Affiliate typically receives fees for certain services that it provides to the syndicate and, in certain cases, will be relieved directly or indirectly of certain financial obligations as a result of the Portfolio's purchase of securities. For a Portfolio that is registered under the 1940 Act, any such purchases are executed in accordance with the provisions of Rule 10f-3 under the 1940 Act.

Related persons of the Registrant may recommend to clients that they buy securities issued by mutual funds or unit investment trusts that may be sponsored and/or advised by the Registrant or a related person of the Registrant for which such related person may receive compensation as sponsor, promoter and/or service provider as set forth in the prospectus or offering memorandum for the securities. Related persons of the Registrant also may recommend to clients the purchase of a life insurance policy or annuity product issued by the Registrant or a related person of the Registrant for which such related person may receive compensation or fees, including commissions.

In some cases, such insurance policy or annuity product may be funded through a fund managed and/or advised by the Registrant or a related person of the Registrant, for which such person may receive compensation or fees. The participation of such related persons in connection with such recommendation is disclosed in the prospectus for the product.

The Registrant has proprietary investments in investment vehicles, such as private funds, that are managed by its Affiliates or related persons, and may make other proprietary investments, which may be managed by Affiliates or persons that are not Affiliates, including companies with which the Registrant or its Affiliates or its advisory clients may have business or other relationships. The Registrant may invest, through such investments, in the same securities or other instruments that the Registrant or an Affiliate may recommend to clients.

Item 12: Brokerage Practices

In many cases decisions concerning brokerage commissions and other transaction expenses are made by a Portfolio's sub-adviser(s), if applicable. The Registrant supervises the sub-advisers and monitors each sub-adviser's activities to assure compliance with applicable law and with the guidelines and directives of the Portfolios with respect to the selection of brokers, the payment of transaction expenses and soft dollar practices. In certain cases, the Registrant makes decisions regarding brokerage and transaction matters for a Portfolio.

Broker Selection and Best Practices

The Registrant retains sub-advisers (except, as noted above, for example in circumstances in which the Registrant is the sole provider of investment management services to a particular Portfolio) to make investment decisions on behalf of certain Portfolios (or portions thereof), place orders for the purchase and sale of investments for each such Portfolio with brokers or dealers selected by the Registrant and/or the sub-advisers and perform certain limited related administrative functions in connection therewith. The Registrant, on behalf of certain Portfolios (or allocated portions thereof) of EQ Advisors Trust, invests and trades in a defined universe of ETFs traded on an exchange in accordance with such Portfolios' investment objectives and strategies. Unless otherwise directed, the Registrant shall determine the brokers used and the commissions paid in connection with such trading on behalf of the Portfolios. In placing such securities transactions, the Registrant uses its best

efforts to obtain prompt execution of transactions at favorable prices and at commissions that are reasonable in relation to the services received. A Portfolio's sub-advisers have discretion, subject to oversight by the Registrant, to purchase and sell portfolio assets, consistent with the Portfolio's investment objectives, policies and restrictions and specific investment strategies developed by the Registrant. In its role as investment adviser for the Portfolios, the Registrant and the sub-advisers, as appropriate, seek to obtain the best net price and execution on all orders placed for the Portfolios, considering all circumstances.

Shares of Underlying Portfolios generally are purchased directly from the Underlying Portfolios without any brokerage commissions.

Certain Conflicts Related to Brokerage Transactions, including with Affiliates

To the extent permitted by applicable law, a Portfolio may engage in brokerage transactions with brokers that are affiliates of the Registrant or its Affiliates, including Sanford C. Bernstein & Co., LLC, sub-advisers, brokers who are affiliates of such sub-advisers, or unaffiliated brokers who trade or clear through affiliates of the Registrant or the sub-advisers. A Portfolio's portfolio managers may be able to select or influence the selection of the brokers that are used to execute securities transactions for the Portfolio. The Registrant's and/or its Affiliates' other existing or potential business relationships, including with sub-advisers, or other financial or personal relationships, could create an incentive for a Portfolio's portfolio managers, in the selection process, to favor certain brokers, including affiliated brokers. As noted above, the Registrant and the Portfolios' sub-advisers, as appropriate, seek to obtain the best net price and execution on all orders placed for the Portfolios, considering all the circumstances. For a Portfolio that is registered under the 1940 Act, any such transactions with an affiliated broker are executed in accordance with the provisions of Rule 17e-1 under the 1940 Act.

Trade Allocation

When the Registrant seeks to buy or sell the same security or other investment on behalf of one or more Portfolios, the purchase or sale will be carried out in a manner that is considered fair and equitable to all accounts. In general, the Registrant will make allocations among accounts with the same or similar investment objective based upon, among other things, the account's available cash, investment restrictions, permitted investment techniques, tolerance for risk, tax status, account size and other relevant considerations. The Registrant believes that such decisions are expected to result in a level of fairness over time. Generally, if an open order has not been filled prior to the decision to place a new order in the same security, the Registrant may: (i) close the portion of the initial order that has already been filled, allocate the initial order and create a new order comprised of the new order and the remaining portion of the initial order, or (ii) aggregate the new order with the initial order or any unfilled portion thereof. The Registrant retains discretion to determine whether it would be more efficient to complete the initial order. In so doing, the Registrant may consider such factors as the amount of the order remaining, the time elapsed since entering the prior order, and the overall liquidity of the security.

With respect to circumstances in which orders for the same security are aggregated, an order may not be aggregated unless it has been determined that aggregation is consistent with the duty to seek best execution for the clients to whom the order relates. In addition, an order may not be aggregated if to do so would violate that client's sub-advisory contract. Executed orders that have been

aggregated will be assigned the average price obtained and allocated to the appropriate accounts by the end of the day on which the order was executed. Generally, orders for the same security received within a reasonable period of time are aggregated. The Registrant retains discretion to determine the method of allocating orders.

The Model Portfolios have underlying mutual fund and ETF holdings that may overlap with client accounts. The Model Portfolios do not have client assets and will rebalance their underlying investments, which may include both mutual funds and ETFs, typically on a monthly basis. Model Portfolio rebalancing transactions typically occur closer to the end of the trading day. Client accounts will trade mutual funds and ETFs based on the daily client-directed subscriptions and redemptions. The trading of ETFs will typically occur at the beginning of the trading day. Given the nature of the Model Portfolios and the client accounts and the timing of their respective transactions, aggregation of orders in the same ETF(s) across all accounts may not always occur.

Trade Errors

Trade errors and other operational mistakes occasionally occur in connection with the Registrant's or an Affiliate's management of funds and accounts, including the Portfolios. Trade errors and other operational mistakes can result from a variety of situations, including situations involving portfolio management (e.g., inadvertent violation of investment restrictions), trading, processing, or other functions (e.g., miscommunication of information, such as wrong number of shares, wrong price, wrong account, calling a transaction a buy rather than a sell and vice versa, etc.). The Registrant's policies and procedures generally do not require perfect implementation of investment management decisions or trading, processing, or other functions performed by the Registrant. Therefore, depending on the facts and circumstances, not all mistakes will be considered compensable to an impacted fund or account, including a Portfolio.

Certain Conflicts Related to Trade Errors and Other Operational Mistakes

The Registrant or an Affiliate, including an affiliated sub-adviser, could face a potential conflict of interest when the Registrant identifies a trade error or other operational mistake that is considered compensable to an impacted Portfolio and the Registrant or an Affiliate, including an affiliated sub-adviser, is responsible for compensating the Portfolio.

The Registrant's policies and procedures require that all trade errors affecting a Portfolio's account be resolved promptly and fairly. Further, any transaction relating to the disposition of a trading error in which the Registrant's own interests are placed before those of its clients is prohibited. The Registrant will not use client assets to correct a trading error.

Research and Other Soft Dollars

Commissions charged by brokers that provide research services may be somewhat higher than commissions charged by brokers that do not provide research services. To the extent permitted by applicable law, the Registrant and sub-advisers may cause each Portfolio to pay a broker-dealer that provides brokerage and research services to the Registrant and sub-advisers an amount of commission for effecting a securities transaction in excess of the commission that another broker-dealer would have charged for effecting that transaction.

In such cases, the Registrant or a sub-adviser must make a good faith determination that the commission paid is reasonable in relation to the value of the brokerage and research services provided viewed in terms of either that particular transaction or its overall responsibilities with respect to the accounts for which it exercises investment discretion and that the services provided by a broker provide the Registrant or the sub-adviser with lawful and appropriate assistance in the performance of its investment decision-making responsibilities.

Accordingly, the price to a Portfolio in any transaction may be less favorable than that available from another broker if other aspects of the portfolio execution services offered reasonably justify the difference.

The overall reasonableness of commissions paid will be evaluated by rating brokers on such general factors as execution capabilities, quality of research (i.e., quantity and quality of information provided, diversity of sources utilized, nature and frequency of communication, professional experience, analytical ability and professional stature of the broker) and financial standing, as well as the net results of specific transactions, taking into account such factors as price, promptness, confidentiality, size of order and difficulty of execution. The research services obtained will, in general, be used by sub-advisers for the benefit of all accounts for which the responsible party makes investment decisions. As such, research services paid for with a particular Portfolio's brokerage commissions may not benefit that particular Portfolio, while research services paid for with the brokerage commissions of other clients may benefit a different Portfolio. The receipt of research services from brokers will tend to reduce a sub-adviser's expenses in managing the Portfolios. The research services include economic, market, industry and company research material. Based upon an assessment of the value of research and other brokerage services provided, proposed allocations of brokerage for commission transactions are periodically prepared internally.

Under the European Union's Markets in Financial Instruments Directive ("MiFID II"), effective January 3, 2018, EU investment managers, including certain sub-advisers utilized by the Registrant, may only pay for research from brokers and dealers directly out of their own resources or by establishing "research payment accounts" for each client, rather than through client commissions. MiFID II significantly limits the use of soft dollars by sub-advisers located in the EU or UK, or managing accounts in the EU or UK, if applicable, and in certain circumstances may result in other sub-advisers reducing the use of soft dollars as to certain groups of clients or as to all clients, which could, among other things, limit a sub-adviser's access to research, and also could result in changes to commission rates in other markets, which could increase trading costs for certain clients. Sub-advisers are expected to have policies and procedures in place to ensure that research costs are allocated appropriately and paid for in accordance with applicable law.

The Registrant and the sub-advisers do not engage brokers or dealers whose commissions are believed to be unreasonable in relation to brokerage and research services provided. Further, the Registrant has not engaged in, nor does it expect to engage in, any "soft dollar" transactions with respect to its own trading of ETFs.

Item 13: Review of Accounts

The Registrant tracks portfolio performance and assesses results and strategy. The Registrant compares the results of each Portfolio to benchmarks and peer groups. The Portfolios are monitored on a monthly, quarterly, and annual multi-year cycle, and more regularly as the Registrant deems

appropriate. In the case of newer Portfolios, the focus is on assessing the progress toward developing a favorable three-year performance history. For Portfolios with longer-term track records, three- and five-year performance is the primary basis for evaluation. The analysis and evaluation process will be based on a variety of considerations, including: (i) total returns of each Portfolio compared against appropriate market benchmarks, which are determined by the Registrant and, where applicable, a Portfolio's sub-adviser(s); (ii) peer group rankings based on a universe of funds with similar investment parameters and styles; (iii) other style-oriented benchmarks, which may provide insight into performance against a benchmark more closely related to the particular style of investment; and (iv) in cases where a sub-adviser manages one or more mutual funds (or separately managed accounts) in a similar manner to the Portfolio, the performance of the other funds or accounts. The Registrant's Portfolio Analytics team conducts ongoing reviews with key members of each sub-adviser's portfolio management team. Detailed performance profiles are prepared on a quarterly basis, including key statistical and qualitative data pertaining to each Portfolio. The Registrant's Portfolio Analytics team also employs various analytical tools to provide performance attribution, to measure style consistency and risk adjusted returns, and to prepare product risk profiles. These analyses serve as a basis for discussion with sub-advisers regarding their investment activities over selected reporting periods and also serve as a means for evaluating the effectiveness of their overall investment processes and disciplines. Client accounts also are monitored by the Registrant's compliance department daily for consistency with client objectives and restrictions.

Item 14: Client Referrals and Other Compensation

The Registrant does not have client referral arrangements.

Item 15: Custody

The Registrant does not have custody of client funds or securities.

Item 16: Investment Discretion

The Registrant accepts discretionary authority to manage the assets in a client's account. The Registrant observes investment limitations and restrictions. Prior to exercising such authority, the Registrant enters into an investment advisory agreement with such client in the manner required under applicable law.

Item 17: Voting Client Securities

The Registrant, on behalf of each Portfolio, has been delegated the proxy voting responsibilities with respect to certain matters. The Registrant has a fiduciary duty to vote proxies on behalf of a Portfolio in the best interest of the Portfolio and its shareholders.

With respect to each sub-advised Portfolio, the Registrant views proxy voting as a function that is incidental and integral to portfolio management, and it has in turn delegated the proxy voting responsibilities with respect to each sub-advised Portfolio (or portion thereof) to the applicable sub-adviser(s). The Registrant seeks to ensure that each sub-adviser has adequate proxy voting policies and procedures in place and to monitor each sub-adviser's proxy voting. Under certain circumstances, for example, when a sub-adviser notifies the Registrant that it is unable or unwilling to assume responsibility to vote a proxy for a sub-advised Portfolio (or portion thereof) due to a

potential material conflict of interest of the sub-adviser or otherwise, the Registrant has deemed it appropriate to assume responsibility for voting the proxies for shares held by a sub-advised Portfolio instead of delegating that responsibility to the sub-adviser. Under these circumstances, the Registrant's Proxy Voting Committee will vote such proxies in the best interest of the relevant sub-advised Portfolio and its shareholders.

The Registrant is responsible for proxy voting with respect to any Portfolios (or portions thereof) that it manages directly, including those fund-of-funds Portfolios that invest in Underlying Portfolios and/or Underlying ETFs. The Registrant will vote a fund-of-funds Portfolio's shares in affiliated Underlying Portfolios, including seed capital investments, either for or against approval of a proposal, or as an abstention, in the same proportion as the vote of all other security holders of the applicable affiliated Underlying Portfolio, whether or not the proposal presents an issue as to which the Registrant or its affiliates could be deemed to have a conflict of interest. If there are no security holders of an affiliated Underlying Portfolio except a fund-of-funds Portfolio, the Registrant will vote the fund-of-funds Portfolio's shares in the affiliated Underlying Portfolio in its discretion. If the Registrant or an affiliate is the sole shareholder of a Portfolio, the Registrant or the affiliate will vote the Portfolio's shares that it owns in its discretion.

The Registrant's Proxy Voting Committee will vote a fund-of-funds Portfolio's shares in unaffiliated Underlying Portfolios and Underlying ETFs, as applicable, in the best interest of the relevant fund-of-funds Portfolio and its shareholders.

With respect to voting proxies of unaffiliated Underlying Portfolios and Underlying ETFs where a Portfolio, and other members of its "advisory group" (as defined in Rule 12d1-4 under the 1940 Act) in the aggregate (i) hold more than 25% of the outstanding voting securities of an unaffiliated Underlying Portfolio or Underlying ETF as a result of a decrease in the outstanding voting securities of the acquired fund, or (ii) hold more than 10% of the outstanding voting securities of an unaffiliated Underlying Portfolio or Underlying ETF that is a registered closed-end management investment company or business development company, each member of such "advisory group" will vote its securities in the same proportion as the vote of all other holders of such securities; provided, however, that in circumstances where all holders of the outstanding voting securities of the unaffiliated Underlying Portfolio or Underlying ETF are required by the rule or otherwise under Section 12(d)(1) of the 1940 Act to vote such securities in the same proportion as the vote of all other holders of such securities, the Portfolio will seek instructions from its security holders with regard to the voting of all proxies with respect to such unaffiliated Underlying Portfolio or Underlying ETF securities and vote such proxies only in accordance with such instructions.

The Registrant, with the assistance of an affiliate, may engage an independent proxy voting service to assist with the research and analysis of voting issues, provide voting recommendations and/or carry out the actual voting process as deemed necessary. If the Registrant becomes aware that a proposal could present an issue as to which the Registrant or its affiliates could be deemed to have a material conflict of interest, the issue will be reviewed by a trust's Chief Compliance Officer or other member of the Registrant's Legal and Compliance Department. If a trust's Chief Compliance Officer or other member of the Registrant's Legal and Compliance Department determines that an affiliated person of the Registrant has a potential material conflict, the affiliated person will not participate in the voting decision.

The Registrant and the sub-advisers have implemented policies and procedures designed to prevent conflicts of interest from influencing proxy voting decisions that they make on behalf of their clients, including the Portfolios, and to help ensure that such decisions are made in accordance with their fiduciary obligations to their clients. Notwithstanding such proxy voting policies and procedures, actual proxy voting decisions made by the Registrant and/or the sub-advisers in respect of securities held by the Portfolios could have the effect of favoring the interests of the Registrant and/or its Affiliates and/or the sub-advisers and/or funds or accounts other than the Portfolios; provided, that the Registrant and/or the sub-advisers believe such voting decisions to be in accordance with their fiduciary obligations. Actual proxy voting decisions made by the Registrant and/or the sub-advisers in respect of securities held by the Portfolios also could have the effect of favoring the Registrant's and/or its Affiliates' other existing or potential business relationships. In addition, it is possible that the Registrant's Affiliates may invest in the same securities held by the Portfolios. The Registrant's Affiliates may have different proxy voting policies and procedures and, as a result, the Registrant could vote differently than its Affiliates.

It is anticipated that there will be a limited set of circumstances under which proxy votes would occur, specifically proxy events (such as election of trustees, investment strategy changes and fund fee changes) related to mutual funds. For certain matters set forth in the EQ Offshore Trust's Master Trust Deed (including the appointment and removal of trustees and the removal of the EQ Offshore Trust to another institution), Unitholders (i.e., holders of shares of the EQ Offshore Trust) shall be entitled to vote in such circumstances. Clients may obtain a copy of the Registrant's proxy voting policies and procedures by writing to the Registrant at the following address: 1345 Avenue of the Americas, New York, NY 10105.

Item 18: Financial Information

The Registrant does not solicit prepayment of client fees. Furthermore, there are no financial conditions that are reasonably likely to impair the Registrant's ability to meet any of its contractual commitments to its clients.

APPENDIX A

The Registrant's advisory fee schedules for the EQ Advisors Trust Portfolios are set forth below.

EQ Advisors Trust will pay the Registrant, at the end of each calendar month, compensation computed daily at an annual rate equal to the following:

(as a percentage of average daily net assets)				
<u>Index Portfolios</u>	<u>First \$2 Billion</u>	<u>Next \$4 Billion</u>	<u>Next \$2 Billion</u>	<u>Thereafter</u>
1290 VT Convertible Securities	0.500%	0.450%	0.425%	0.400%
1290 VT Natural Resources	0.500%	0.450%	0.425%	0.400%
1290 VT Real Estate	0.500%	0.450%	0.425%	0.400%
1290 VT Socially Responsible	0.500%	0.450%	0.425%	0.400%
EQ/Common Stock Index	0.350%	0.300%	0.275%	0.250%
EQ/Core Bond Index	0.350%	0.300%	0.275%	0.250%
EQ/Equity 500 Index	0.250%	0.200%	0.175%	0.150%
EQ/Intermediate Corporate Bond	0.350%	0.300%	0.275%	0.250%
EQ/Intermediate Government Bond	0.350%	0.300%	0.275%	0.250%
EQ/International Equity Index	0.400%	0.350%	0.325%	0.300%
EQ/Large Cap Growth Index	0.350%	0.300%	0.275%	0.250%
EQ/Large Cap Value Index	0.350%	0.300%	0.275%	0.250%
EQ/Long-Term Bond	0.350%	0.300%	0.275%	0.250%
EQ/Mid Cap Index	0.350%	0.300%	0.275%	0.250%
EQ/Small Company Index	0.250%	0.200%	0.175%	0.150%

(as a percentage of average daily net assets)			
<u>ETF Portfolios</u>	<u>First \$2 Billion</u>	<u>Next \$4 Billion</u>	<u>Thereafter</u>
1290 VT Multi-Alternative Strategies	0.500%	0.450%	0.425%

(as a percentage of average daily net assets)					
<u>Money Market Portfolio</u>	<u>First \$750 Million</u>	<u>Next \$750 Million</u>	<u>Next \$1 Billion</u>	<u>Next \$2.5 Billion</u>	<u>Thereafter</u>
EQ/Money Market	0.350%	0.325%	0.280%	0.270%	0.250%

(as a percentage of average daily net assets)					
<u>Equity Portfolios</u>	<u>First \$750 Million</u>	<u>Next \$750 Million</u>	<u>Next \$1 Billion</u>	<u>Next \$2.5 Billion</u>	<u>Thereafter</u>
1290 VT Equity Income	0.750%	0.700%	0.675%	0.650%	0.625%
1290 VT GAMCO Mergers & Acquisitions	0.900%	0.850%	0.825%	0.800%	0.775%
1290 VT GAMCO Small Company Value	0.750%	0.700%	0.675%	0.650%	0.625%
1290 VT SmartBeta Equity ESG	0.700%	0.650%	0.625%	0.600%	0.575%

(as a percentage of average daily net assets)					
Equity Portfolios	First \$750 Million	Next \$750 Million	Next \$1 Billion	Next \$2.5 Billion	Thereafter
EQ/American Century Mid Cap Value	0.900%	0.850%	0.825%	0.800%	0.775%
EQ/Capital Group Research	0.650%	0.600%	0.575%	0.550%	0.525%
EQ/ClearBridge Large Cap Growth ESG	0.650%	0.600%	0.575%	0.550%	0.525%
EQ/Fidelity Institutional AM® Large Cap	0.540%	0.500%	0.475%	0.450%	0.425%
EQ/Franklin Rising Dividends	0.600%	0.550%	0.510%	0.490%	0.475%
EQ/Goldman Sachs Mid Cap Value	0.770%	0.750%	0.725%	0.680%	0.670%
EQ/Invesco Comstock	0.650%	0.600%	0.575%	0.550%	0.525%
EQ/Invesco Global	0.850%	0.800%	0.775%	0.750%	0.725%
EQ/Invesco Global Real Assets	0.735%	0.700%	0.675%	0.650%	0.625%
EQ/Janus Enterprise	0.700%	0.650%	0.625%	0.600%	0.575%
EQ/JPMorgan Growth Stock	0.750%	0.700%	0.675%	0.650%	0.625%
EQ/JPMorgan Value Opportunities	0.600%	0.550%	0.525%	0.500%	0.475%
EQ/Lazard Emerging Markets Equity	1.000%	0.950%	0.925%	0.900%	0.875%
EQ/Loomis Sayles Growth	0.750%	0.700%	0.675%	0.650%	0.625%
EQ/MFS International Growth	0.850%	0.800%	0.775%	0.750%	0.725%
EQ/MFS International Intrinsic Value	0.860%	0.820%	0.700%	0.700%	0.700%
EQ/MFS Mid Cap Focused Growth	0.850%	0.800%	0.775%	0.750%	0.725%
EQ/MFS Technology	0.750%	0.700%	0.675%	0.650%	0.625%
EQ/MFS Utilities Series	0.730%	0.700%	0.670%	0.650%	0.625%
EQ/T. Rowe Price Health Sciences	0.950%	0.900%	0.875%	0.850%	0.825%
EQ/Value Equity	0.560%	0.540%	0.520%	0.500%	0.475%
EQ/Wellington Energy	0.850%	0.800%	0.775%	0.750%	0.725%

(as a percentage of average daily net assets)					
Allocation Portfolios	First \$750 Million	Next \$750 Million	Next \$1 Billion	Next \$2.5 Billion	Thereafter
1290 VT Moderate Growth Allocation	0.700%	0.650%	0.625%	0.600%	0.575%
EQ/AB Dynamic Aggressive Growth	0.750%	0.700%	0.675%	0.650%	0.625%
EQ/AB Dynamic Growth	0.750%	0.700%	0.675%	0.650%	0.625%
EQ/AB Dynamic Moderate Growth	0.750%	0.700%	0.675%	0.650%	0.625%
EQ/American Century Moderate Growth Allocation	0.800%	0.750%	0.725%	0.700%	0.675%
EQ/Franklin Moderate Allocation	0.800%	0.750%	0.725%	0.700%	0.675%
EQ/Goldman Sachs Growth Allocation	0.800%	0.750%	0.725%	0.700%	0.675%
EQ/Goldman Sachs Moderate Growth Allocation	0.800%	0.750%	0.725%	0.700%	0.675%
EQ/Invesco Moderate Allocation	0.800%	0.750%	0.725%	0.700%	0.675%
EQ/Invesco Moderate Growth Allocation	0.800%	0.750%	0.725%	0.700%	0.675%
EQ/JPMorgan Growth Allocation	0.800%	0.750%	0.725%	0.700%	0.675%

(as a percentage of average daily net assets)					
Pactive Equity Portfolios	First \$750 Million	Next \$750 Million	Next \$1 Billion	Next \$2.5 Billion	Thereafter
1290 VT Micro Cap	0.850%	0.800%	0.775%	0.750%	0.725%
1290 VT Small Cap Value	0.800%	0.750%	0.725%	0.700%	0.675%

(as a percentage of average daily net assets)					
<u>Pactive Equity Portfolios</u>	<u>First \$750 Million</u>	<u>Next \$750 Million</u>	<u>Next \$1 Billion</u>	<u>Next \$2.5 Billion</u>	<u>Thereafter</u>
EQ/AB Small Cap Growth	0.550%	0.500%	0.475%	0.450%	0.425%
EQ/Emerging Markets Equity PLUS	0.700%	0.650%	0.625%	0.600%	0.575%
EQ/Morgan Stanley Small Cap Growth	0.800%	0.750%	0.725%	0.700%	0.675%
Multimanager Aggressive Equity	0.580%	0.550%	0.525%	0.500%	0.475%
Multimanager Technology	0.950%	0.900%	0.875%	0.850%	0.825%

(as a percentage of average daily net assets)						
<u>Pactive Volatility Managed Equity Portfolios</u>	<u>First \$750 Million</u>	<u>Next \$750 Million</u>	<u>Next \$1 Billion</u>	<u>Next \$2.5 Billion</u>	<u>Next \$2.5 Billion</u>	<u>Thereafter</u>
EQ/ClearBridge Select Equity Managed Volatility	0.700%	0.665%	0.635%	0.610%	0.560%	0.540%
EQ/Franklin Small Cap Value Managed Volatility	0.700%	0.665%	0.635%	0.610%	0.560%	0.540%
EQ/Global Equity Managed Volatility	0.740%	0.720%	0.690%	0.665%	0.615%	0.590%
EQ/International Core Managed Volatility	0.600%	0.575%	0.550%	0.525%	0.475%	0.450%
EQ/International Value Managed Volatility	0.600%	0.575%	0.550%	0.525%	0.475%	0.450%
EQ/Large Cap Core Managed Volatility	0.500%	0.475%	0.450%	0.425%	0.375%	0.350%
EQ/Large Cap Growth Managed Volatility	0.500%	0.475%	0.450%	0.425%	0.375%	0.350%
EQ/Large Cap Value Managed Volatility	0.500%	0.475%	0.450%	0.425%	0.375%	0.350%
EQ/Mid Cap Value Managed Volatility	0.550%	0.525%	0.500%	0.475%	0.425%	0.400%

(as a percentage of average daily net assets)					
<u>Pactive Fixed Income Portfolios</u>	<u>First \$750 Million</u>	<u>Next \$750 Million</u>	<u>Next \$1 Billion</u>	<u>Next \$2.5 Billion</u>	<u>Thereafter</u>
1290 VT High Yield	0.600%	0.580%	0.560%	0.540%	0.530%
EQ/Quality Bond PLUS	0.400%	0.380%	0.360%	0.340%	0.330%
Multimanager Core Bond	0.550%	0.530%	0.510%	0.490%	0.480%

(as a percentage of average daily net assets)					
<u>Fixed Income Portfolios</u>	<u>First \$750 Million</u>	<u>Next \$750 Million</u>	<u>Next \$1 Billion</u>	<u>Next \$2.5 Billion</u>	<u>Thereafter</u>
1290 VT DoubleLine Opportunistic Bond	0.600%	0.575%	0.550%	0.530%	0.520%
EQ/AB Short Duration Government Bond	0.450%	0.430%	0.410%	0.390%	0.380%
EQ/Core Plus Bond	0.600%	0.580%	0.560%	0.540%	0.530%
EQ/PIMCO Global Real Return	0.600%	0.575%	0.550%	0.530%	0.520%
EQ/PIMCO Real Return	0.500%	0.475%	0.450%	0.430%	0.420%
EQ/PIMCO Total Return ESG	0.500%	0.475%	0.450%	0.430%	0.420%
EQ/PIMCO Ultra Short Bond	0.500%	0.475%	0.450%	0.430%	0.420%

(as a percentage of average daily net assets)						
	First \$2 Billion	Next \$2 Billion	Next \$2 Billion	Next \$3 Billion	Next \$3 Billion	Thereafter
ATM Portfolios						
ATM International Managed Volatility	0.450%	0.425%	0.400%	0.375%	0.350%	0.325%
ATM Large Cap Managed Volatility	0.450%	0.425%	0.400%	0.375%	0.350%	0.325%
ATM Mid Cap Managed Volatility	0.450%	0.425%	0.400%	0.375%	0.350%	0.325%
ATM Small Cap Managed Volatility	0.450%	0.425%	0.400%	0.375%	0.350%	0.325%
EQ/2000 Managed Volatility	0.450%	0.425%	0.400%	0.375%	0.350%	0.325%
EQ/400 Managed Volatility	0.450%	0.425%	0.400%	0.375%	0.350%	0.325%
EQ/500 Managed Volatility	0.450%	0.425%	0.400%	0.375%	0.350%	0.325%
EQ/International Managed Volatility	0.450%	0.425%	0.400%	0.375%	0.350%	0.325%

(as a percentage of average daily net assets)						
Strategic Allocation Portfolios	First \$1 Billion	Next \$1 Billion	Next \$3 Billion	Next \$4 Billion	Next \$3 Billion	Thereafter
EQ/Aggressive Growth Strategy	0.100%	0.0925%	0.0900%	0.0875%	0.0825%	0.0800%
EQ/Balanced Strategy	0.100%	0.0925%	0.0900%	0.0875%	0.0825%	0.0800%
EQ/Conservative Growth Strategy	0.100%	0.0925%	0.0900%	0.0875%	0.0825%	0.0800%
EQ/Conservative Strategy	0.100%	0.0925%	0.0900%	0.0875%	0.0825%	0.0800%
EQ/Growth Strategy	0.100%	0.0925%	0.0900%	0.0875%	0.0825%	0.0800%
EQ/Moderate Growth Strategy	0.100%	0.0925%	0.0900%	0.0875%	0.0825%	0.0800%
EQ/Ultra Conservative Strategy	0.100%	0.0925%	0.0900%	0.0875%	0.0825%	0.0800%

(as a percentage of average daily net assets)						
Classic Allocation Portfolios	First \$1 Billion	Next \$1 Billion	Next \$3 Billion	Next \$4 Billion	Next \$3 Billion	Thereafter
EQ/Aggressive Allocation	0.100%	0.0925%	0.0900%	0.0875%	0.0825%	0.0800%
EQ/Conservative Allocation	0.100%	0.0925%	0.0900%	0.0875%	0.0825%	0.0800%
EQ/Conservative-Plus Allocation	0.100%	0.0925%	0.0900%	0.0875%	0.0825%	0.0800%
EQ/Moderate Allocation	0.100%	0.0925%	0.0900%	0.0875%	0.0825%	0.0800%
EQ/Moderate-Plus Allocation	0.100%	0.0925%	0.0900%	0.0875%	0.0825%	0.0800%

(as a percentage of average daily net assets)	
EQ/All Asset Growth Allocation	0.100% of the Portfolio's average daily net assets

(as a percentage of average daily net assets)					
	First \$2 Billion	Next \$2 Billion	Next \$2 Billion	Next \$3 Billion	Thereafter
Equitable Growth MF/ETF	0.1500%	0.1425%	0.1400%	0.1375%	0.1350%
Equitable Moderate Growth MF/ETF	0.1500%	0.1425%	0.1400%	0.1375%	0.1350%
Equitable Conservative Growth MF/ETF	0.1500%	0.1425%	0.1400%	0.1375%	0.1350%

(as a percentage of average daily net assets)					
	First \$750 Million	Next \$750 Million	Next \$1 Billion	Next \$2.5 Billion	Thereafter
EQ/AB Sustainable U.S. Thematic	0.650%	0.600%	0.575%	0.550%	0.525%

(as a percentage of average daily net assets)	
<u>Target Date Portfolios</u>	
Target 2015 Allocation	0.10% of the Portfolio's average daily net assets
Target 2025 Allocation	0.10% of the Portfolio's average daily net assets
Target 2035 Allocation	0.10% of the Portfolio's average daily net assets
Target 2045 Allocation	0.10% of the Portfolio's average daily net assets
Target 2055 Allocation	0.10% of the Portfolio's average daily net assets