

Form ADV Part 2A: Firm Brochure

Ibbotson Associates Advisors, LLC

Investment Consulting and Sub-Advisory Services

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March 2011

Summary of Material Changes

The following is a summary of the material changes to this brochure since our last annual update, made March 2010.

On July 28, 2010, the United States Securities and Exchange Commission (SEC) adopted amendments to Form ADV Part 2, the disclosure brochure we provide to clients and potential clients to supply important information about our qualifications and business practices. This Firm Brochure is prepared according to the SEC's new guidelines, and thus is materially different in structure from our previous Form ADV Part 2. You should read this entire document and contact us if you have any questions.

In the future, on an annual basis by April 30 of each year, we will provide you with a Summary of Material Changes describing only material changes to our qualifications or business practices since the last annual update. In addition, if material changes occur throughout the year, we will promptly furnish you with a summary of those changes. Any Summary of Material Changes will also include instructions for you to obtain a complete copy of the Firm Brochure if you wish. As an alternative to providing a Summary of Material Changes, in some circumstances we may opt to provide you with a complete copy of the Firm Brochure.

You may request a complete copy of our current Firm Brochure free of charge at any time by contacting Ibbotson Associates at Compliancemail@morningstar.com.

This brochure provides information about the qualifications and business practices of Ibbotson Associates, Inc. If you have any questions about the contents of this brochure, please contact us at Compliancemail@morningstar.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Ibbotson Associates, Inc. is a registered investment advisor and wholly owned subsidiary of Morningstar, Inc. Registration does not imply a certain level of skill or training.

Additional information about Ibbotson Associates, Inc. also is available on the SEC's website at www.adviserinfo.sec.gov.

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Advisory Business

Ibbotson Associates Advisors, LLC is a registered investment advisor and wholly owned indirect subsidiary of Morningstar, Inc., a publicly-traded company (Nasdaq Ticker: MORN). Joseph Mansueto, CEO of Morningstar, individually holds more than 25% of the company's outstanding shares of stock (as of December 31, 2010). Ibbotson has made notice filings in all states, the District of Columbia, and Puerto Rico. Ibbotson was founded in 1977.

Investment Consulting and Sub-advising

Ibbotson offers investment consulting and sub-advisory services to financial service institutions including broker-dealers, asset management firms, banks, and insurance companies. The core services offered to these institutions consist of asset allocation and portfolio construction. In most cases, this involves the construction of risk based asset-class and/or investment-specific models (e.g., models ranging from conservative to aggressive). These services are typically used by the financial service institution as part of their wrap program, variable annuity asset allocation programs or similar types of programs. Ibbotson will review and make necessary adjustments to the models at a minimum annually. Ibbotson's selection of investments for the investment-specific models is limited to the universe of investments that are available under that particular institution's wrap program or similar type of asset allocation program. In most cases, those investments are limited to open-end mutual funds.

Ibbotson also offers institutions with a manager selection service. In this service, Ibbotson identifies fund managers that the institution may want to consider for its wrap program or similar type of asset allocation program. The identification of fund managers is based upon factors such as manager style, consistency, discipline in the investment management process, manager performance expectations, and the desire to manage active risk.

Ibbotson may be sub-adviser to registered, open-end fund-of-funds. In those cases, Ibbotson offers asset allocation strategies and the identification and selection of securities based on a universe of investments as defined by the sponsor of the fund-of-fund (i.e., fund-of-fund's investment adviser hereafter referred to as "Product Sponsor"). Ibbotson may also provide Product Sponsors with rebalancing triggers and recommendations as to when allocations to the asset class and/or the underlying securities should be revisited or adjusted.

Assets under Management

Data as of 12/31/2010

Discretionary Assets: \$2,642,000,000

Non-Discretionary Assets: \$0

Assets under Advisement: \$29,508,000,000

Ibbotson defines Assets under Advisement ("AUA") where Ibbotson obtains fees from the client based on assets. AUA does not include assets that are considered discretionary (i.e. Sub-advising).

Fees and Compensation

Fees charged for the above services by Ibbotson may include (1) a percentage of assets; (2) an annual, monthly or project-based fixed fee; or (3) a combination of the two.

All fees are negotiated on a client-by-client basis. Asset based fees are typically collected quarterly in arrears based on assets in the Product Sponsor's product at the end of a calendar quarter-end. Fixed fees for services are typically billed as they are incurred or upon completion of the engagement. Payment schedules and terms are negotiated on a client-by-client basis and are included in the contract with the client.

Please Note: The Ibbotson fees noted above do not include the fees and expenses charged by the investment options including redemption fees, and fees and expenses charged by the Product Sponsor.

Performance-Based Fees and Side-by-Side Management

Neither Ibbotson nor any of our supervised persons receives Performance-Based Fees.

Types of Clients

Ibbotson offers investment consulting and sub-advisory services to financial service institutions including broker-dealers, asset management firms, and insurance companies. The core services offered to these institutions consist of asset allocation and portfolio construction

Methods of Analysis, Investment Strategies and Risk of Loss

1. Develop Asset Class Inputs

Ibbotson's "building block" methodology was developed in the 1970s and we continue to improve upon it. Ibbotson develops capital market forecasts for every asset class by using a combination of relative historical return data and current market information. Specifically, three components of current market information are incorporated into our capital market expectations: a) the current U.S. government bond yield curve (identifies the current risk-free rate); b) historical valuation changes (neutralizes the current effect of the historical valuation change), and, c) current equilibrium valuation data (moves the premium estimate toward the long-run equilibrium valuation level).

Correlations and asset class standard deviations are estimated using a variety of techniques on both relevant historical returns as well as market implied volatility information. When estimating correlations we over-weight more recent observations and under-weight more distant history based on our belief that the more recent observations are more indicative of the future relationship of asset classes with one another. When estimating standard deviations, we use the longest applicable time periods. For most fixed income asset classes this is 1973 and for many equity asset classes this is 1926. For asset classes with short histories we construct backfilled asset class proxy histories that estimate the returns of an asset class, had it existed over the longer time period. This technique enables us to have a more complete picture of the risk characteristics of asset classes with short histories.

In some projects we also look at the non-normal return properties, such as skewness (non-symmetry) and kurtosis (thickness of the tails of the distribution).

2. Create Asset Class Models

When developing strategic asset allocation models, Ibbotson employs a variety of advanced techniques, including traditional mean-variance optimization, higher moment optimization (mean-conditional value-at-risk), surplus optimization (liability-driven investing), resampling techniques, simulation analysis, and sensitivity analysis.

For over 50 years, the gold standard for determining an efficient asset allocation mix has been Harry Markowitz's Nobel Prize-winning economic theory known as mean-variance optimization. Traditional mean-variance optimization leads to an efficient frontier that maximizes return per unit of variance, or equivalently, minimizes variance for a given level of return. While we are heavy users of mean-variance optimization, we believe it is important to also go beyond traditional mean-variance optimization and use higher moment optimizations techniques that recognize that asset class returns are not normally distributed. Our preferred approach is mean-conditional value-at-risk where our definition of risk expressly accounts for non-normal returns. History has taught us that extreme events, like the financial crisis of 2008, occur much more frequently than predicted by the lognormal distribution.

After establishing several potential policy portfolios, Ibbotson often conducts forward-looking Monte Carlo simulations that attempt to accurately incorporate spending patterns, donations, and forward-looking capital market assumptions. The goal of the simulations is to provide the client with a reasonably accurate picture of the distribution of potential outcomes associated with different policy portfolios so that the client can better assess what type of portfolio best fits their own risk tolerance.

Our simulation process combines a sophisticated econometric term structure model with a Truncated Lévy Flight simulation procedure. The econometric models work to preserve serial correlations and mean reversion characteristics of asset class returns while the Truncated Lévy Flight simulation procedure helps preserve the forecasted cross-correlation structure of the different asset classes as well as the non-normal characteristics of returns, namely skewness and kurtosis. The end result is simulated asset class returns based on forward-looking capital market assumptions, with appropriate serial correlation, mean-reversion, and cross-correlation characteristics, coupled with fat tails that recognize that bad events happen far more often than the normal distribution would predict.

After establishing the relevant opportunity set, Ibbotson will conduct a series of optimizations based on both historical and forward-looking capital market assumptions. When conducting forward-looking optimization Ibbotson will use a resampling technique that recognizes that forward-looking capital market assumptions are not known with certainty. The optimizations will be based on two different definitions of risk – standard deviation and conditional value-at-risk. Standard deviation is a sufficient definition of risk when returns are normally distributed, while conditional value-at-risk is more appropriate when returns are not normally distributed. To address this issue, we will conduct both mean-variance optimization and mean-conditional value-at-risk optimizations. The result of this exercise will be a set of efficient frontiers built under the opportunity-set constraints determined in the simulation phase. The final policy portfolio will be determined based on the assessment of this information.

Sensitivity analysis is a technique under which we vary the inputs based on specific scenarios and then evaluate their impact. Probability distributions are used to evaluate whether a portfolio is appropriate for a particular investor type. The result of this analysis is a set of strategic asset class level recommendations that provide consistent risk and return characteristics under a variety of capital markets scenarios.

Optional Step: Product Type Optimization

When developing asset allocation models or portfolios for individual investors, Ibbotson may use a Product Type Optimizer to help determine either a life insurance recommendation for an asset accumulator or an annuity recommendation for retiree.

Step 3: Fund/Manager selection

The goal of analyzing funds or managers is to determine their true investment style, identify superior managers, forecast the alpha of the managers, and identify the idiosyncratic risk (manager-specific tracking error) of the managers. To accomplish these goals, Ibbotson starts with a proprietary peer grouping analysis. Within each peer group, we separate index funds and active funds into two sub-peer groups. For active funds, we conduct both holdings-based and returns-based style analysis to determine the manager's investment style over time. We examine a manager's long-term and short-term alpha, tracking error, and information ratio. After an extensive quantitative review, Ibbotson reviews an investment option's qualitative factors such as manager investment philosophy, investment process, etc. to form the final selection of active funds within each peer group. For portfolios in which the implementation is based on ETF products, the fund selection process focuses on fees, liquidity, and tracking measurements versus the desired asset class or index.

Step 4: Construct the Portfolio

Once the asset class models are determined and the investment managers are selected for inclusion in the portfolios, Ibbotson determines the appropriate combination of the investment managers using an alpha-tracking error optimization. Alpha is a measure of excess return provided by the investment manager. Manager-specific tracking error is a measure of the variability of the alpha. In addition to alpha and tracking error, the styles of the investment options are used to determine the optimal mix of investment options to implement the target asset allocations. When working with alternative investment vehicles with non-normal returns, such as hedge funds or commodity trading advisors (CTAs), skewness and kurtosis are also considered. Within our risk management framework, we not only control for the tracking error of the managers, but also the correlation among the manager active returns, and more importantly the underlying asset class exposures. The underlying asset class exposures are measured using both holdings-based and returns-based style analysis. During 2008, we further enhanced our portfolio construction and monitoring process by incorporating a more in depth factor model in our process.

How Ibbotson Evaluates Manager Combinations

Our top-down process starts by setting asset class targets for each model. When selecting managers, our primary focus is hitting the exposure targets that were set for each model. Another goal of our process is to select managers that have the potential to add alpha, while maintaining a reasonable level of risk. Our primary portfolio construction tool includes Ibbotson's forward-looking alpha, tracking error, and alpha correlations to recommend an initial combination of managers that maximizes alpha while minimizing tracking error. Although two managers may have high-expected alphas, if their alphas are highly correlated,

we may consider using alternative or additional uncorrelated managers in the portfolio. Qualitative characteristics are also considered for portfolios.

Step 5: Monitor the Portfolio

There are many different reasons why an asset allocation or fund-specific portfolio may need to be changed over time. Varying market conditions, manager changes, and fund style drift are just a few of the factors that can cause a portfolio to drift from its stated objective. For these reasons, Ibbotson reviews each portfolio regularly to ensure that it stays in line with its stated strategic asset allocation target.

Attribution for each portfolio is calculated and analyzed each quarter at the asset class and underlying fund levels. At the asset class level, attribution helps Ibbotson, our clients, and investors understand the primary drivers of return. It also identifies sources of relative performance and helps gauge the impacts of style drift and implementation error. At the underlying fund manager level, Ibbotson blends a customized benchmark for each manager based on returns-based style analysis, holdings-based style analysis, and manager conversations, and compares each manager's performance to the custom benchmark. This alpha relative to the custom benchmark identifies sources of true alpha better than basic methodologies that compare fund returns to a single benchmark or peer group.

All fund specific and model asset allocation portfolios are reviewed by a senior investment person before they are released. Prior to being reviewed by the senior investment person, the analyst assigned to the client will apply Ibbotson's proprietary methodology listed above to create the portfolio. Only when the portfolio is complete will the senior investment person review the portfolio.

Those senior investment persons currently include:

- Peng Chen, President
- Thomas Idzorek, Chief Investment Officer and Director of Research
- Scott Wentzel, Vice President
- John Thompson, Vice President
- Carrie Scherkenbach, Portfolio Manager
- Brian Huckstep, Portfolio Manager
- Jeremy Stempien, Senior Consultant
- Cindy Galiano, Portfolio Manager
- Chris Armstrong, Portfolio Manager

For manager selection services, Ibbotson uses a number of qualitative and quantitative techniques to evaluate and select investment managers. These techniques may include returns-based style analysis, cluster analysis, performance attribution, performance evaluation, manager interviews, holdings-based analysis, review of portfolio risk and return characteristics and situation analysis in which the impact on the total portfolio of the inclusion/exclusion of a manager is evaluated.

When developing dynamic asset allocation programs, Ibbotson uses a number of qualitative and quantitative techniques, primarily indications of underlying economic strength, valuations and momentum, to recommend the over/under weight of broad asset classes relative to strategic policy asset allocation within a pre-

determined range. Where applicable, Ibbotson may recommend short-term over/under weights to specific asset classes that deviate from the strategic asset allocation policy within a predetermined range that is agreed upon by Ibbotson and the client. For the basis of these recommendations, Ibbotson considers the underlying economic fundamentals of that particular asset class, price and earnings momentum, and valuation.

The dynamic asset allocation programs are developed by a separate investment policy committee within Ibbotson, but will still need to be reviewed by a senior investment person listed above. The individuals on the dynamic asset allocation investment policy committee are:

- Peng Chen – President
- Thomas Idzorek – Chief Investment Officer and Director of Research
- Tadaaki Komatsubara – Managing Partner, Chief Investment Officer, Ibbotson Japan
- Scott Wentzel – Vice President
- John Thompson – Vice President
- Jeremy Stempien – Senior Consultant
- Francisco Torralba – Research Consultant
- Carrie Scherkenbach – Portfolio Manager
- Daniel Needham – General Manager, Investments, Ibbotson Australia

Risk of Loss & Strategy Risk

You should remember that all investments involve risk and will not always be profitable. We do not guarantee that our recommendations will result in achieving the desired goal. We cannot guarantee that negative returns can or will be avoided in any of our recommendations. An investment's future performance may differ substantially from its historical performance and as a result, may incur a loss. Past performance is no guarantee of future results.

Asset Allocations and Diversification are investment strategies which spread assets across various investment types for long-term investing. However, as with all investment strategies, it does not assure a profit and does not guarantee against losses in a declining market.

Tax Considerations

Potential tax consequences may exist. We do not provide tax advice. We encourage you to consult with a tax professional about these and other tax consequences.

Disciplinary Information

Ibbotson does not have any legal or disciplinary events that materially affect our advisory business.

Other Financial Industry Activities and Affiliations

Ibbotson Associates Advisors parent, Ibbotson Associates, Inc., a wholly owned subsidiary of Morningstar, Inc., makes available various products and services to the public. Some of its clients are affiliated with a mutual fund(s) such as money managers or fund distributors (collectively "fund providers"). In some cases

the mutual funds of these fund providers may underlie the portfolios Ibbotson has constructed. However to mitigate any conflicts of interest, Ibbotson does not take Morningstar, Inc.'s relationship with these fund providers into account when selecting funds for portfolios. In addition, Ibbotson does not know about, participate in or influence any discussion or negotiations between Morningstar, Inc. and the fund providers.

Morningstar, Inc. provides to the public information about various investments, including open-end mutual funds and exchange-traded funds. In some cases, this information includes written analysis of a mutual fund or exchange-traded fund. While Ibbotson may utilize certain products, services or databases of Morningstar, Inc., it does not participate in or have any input in the written analysis Morningstar, Inc. provides its subscribers. Ibbotson and its employees are separate and distinct from Morningstar, Inc. and as such conducts its own research and analysis of the funds it may use in a portfolio.

Ibbotson may make its clients aware of various products and services offered by its corporate parent Morningstar, Inc. or its affiliates Morningstar Associates, LLC and Morningstar Investment Services, Inc. Ibbotson does not receive compensation from its parent or its affiliates in bringing these potential opportunities to them.

Ibbotson's parent, Ibbotson Associates, Inc. and Morningstar, Inc. may also receive compensation for their analytic activities from a variety of financial services companies including large banks, brokerage firms, insurance companies, and mutual fund companies. Each entity performs its own analytic activities in order to preserve the independence and objectivity of each analytic process.

Ibbotson provides advisory services to registered funds-of-funds. In this role, we have the authority to determine the funds-of-funds asset allocation, underlying holdings and when to rebalance and/or reallocate. To mitigate the potential conflict of interest of providing investment recommendations to individuals which includes these funds-of-funds, we will exclude these funds-of-funds from the universe of investment options available from which we make our recommendations.

In certain situations, Ibbotson may recommend an exchange-traded fund(s) whose investment objective is to track indexes created and maintained by Ibbotson's parent, Morningstar, Inc. In those cases, the sponsor of the exchange-traded fund ("ETF Sponsor") enters into a licensing agreement with Morningstar, Inc. To mitigate any conflicts of interest arising from Ibbotson's usage of such ETFs, Morningstar, Inc.'s compensation from the ETF Sponsor will not be based on nor will it include assets that are a result of Ibbotson's client's investment in those ETFs. In addition, Morningstar, Inc. does not and will not, have any input into Ibbotson's investment decisions, including what ETFs will be recommended for its portfolios.

Ibbotson receives no payments from any source to offer or recommend any mutual fund or other investment vehicle. However, clients should be aware that with Ibbotson's extensive client base, Ibbotson may be providing one or more of the services described above to institutions whose funds or its affiliate's funds are part of the investment universe that Ibbotson has to choose from.

There may be situations where the underlying holdings of one or more of the portfolios constructed by Ibbotson own shares in corporate parent company, Morningstar, Inc. Such an investment in Morningstar, Inc. is solely the decision of the fund's portfolio manager. Ibbotson has no input into a fund's investment

decision nor does it require that the fund own shares of Morningstar, Inc. Whether or not a fund has a position in Morningstar, Inc. has no impact on Ibbotson's fund selection process.

Ibbotson, as owner-of-record, maintains various portfolios whose underlying holdings consist of equity securities. Given that Ibbotson's recommendations to clients pertain to, in most cases, open-end mutual funds, conflicts relating to these portfolios are mitigated.

Ibbotson Associates Japan, Inc. (IAJ) is owned 70% by Ibbotson Associates, Inc. (as of 12/31/2010). IAJ's headquarters is in Tokyo and it is registered as an investment advisor with the Japanese Financial Services Agency. IAJ's major business consists of providing asset allocation software, presentation materials and consulting services to financial service firms and institutional investors.

Ibbotson Associates Australia Limited is a fully owned subsidiary of Morningstar Australasia Pty Limited, a Morningstar company. Ibbotson operates under an Australian Financial Services Licence (AFSL No. 228986). Ibbotson is a leading provider of Australian multi-manager and investment portfolio solutions, backed by capital markets and investment manager research. Ibbotson advises and manages funds for superannuation funds, institutions, platform distributors, financial advisers and individuals.

Any conflicts of interest that can arise due to outside business activities and out side affiliations are addressed in our code of ethics.

D. Scott Schilling is the Chief Compliance Officer and Secretary for Ibbotson Associates, Inc. He is also a registered representative of Morningstar Investment Services an indirect registered affiliate of Ibbotson.

Officers of Ibbotson also serve as officers of Ibbotson Associates, Inc., a registered investment advisor and a wholly-owned subsidiary of Morningstar, Inc.

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

Code of Ethics

Ibbotson is dedicated to providing effective and proper professional investment management services to its clients including protecting their sensitive information. Ibbotson's reputation is a reflection of the quality of its employees and their dedication in supporting the ethical culture of the firm. Because this culture is of critical importance, Ibbotson has adopted a Code of Ethics that all employees must adhere to. Every Ibbotson employee is expected to demonstrate the highest standards of moral and ethical conduct including placing client's interests ahead of their own and those of Ibbotson. The Code of Ethics covers such topics as:

- Fiduciary responsibility to our clients,
- Prevention of client's non-public personal information being disclosed,
- Giving and receiving of gifts,
- Mitigating and disclosing conflicts of interests,
- Reporting and monitoring employees' personal security transactions, and

- Insider trading prohibitions.

At a minimum, on an annual basis, the Code of Ethics is distributed to all employees. In conjunction with this, the Compliance Department reminds employees of the key points of the Code as well as points out and discusses any new or modified provisions that have been put in place since the last time the Code was distributed to them. Upon their review of the Code and the aforementioned communication by the Compliance Department, the employee will be required to provide the Compliance Department with a written acknowledgement indicating that they have read, understood, and will adhere to the Code of Ethics.

At anytime you may request Ibbotson's Code of Ethics policy by contacting Ibbotson at the above address.

Participation or Interest in Client Transactions

Ibbotson personnel may purchase or sell for their own accounts the same or different investments from those recommendations made to its clients. However, Ibbotson personnel can not transact in securities listed on its parent company's restricted list. Also, all Ibbotson employees are required to submit to the Compliance Department an initial and annual holdings report as well as quarterly transaction reports. These prohibitions are intended to mitigate any appearance of conflicts of interest. Ibbotson seeks to ensure that potential or actual conflicts of interests are appropriately addressed, putting client's interests ahead of its own.

Ibbotson has adopted policies to prevent employees from trading on the basis of material nonpublic information. Employees in possession of material, nonpublic information may not trade in securities to which the information relates or tip such information to others. In certain instances, the firm will employ information blocking devices, watch lists, and restricted lists as a means of preventing illegal insider trading.

Brokerage Practices

Trades initiated by Ibbotson as a result of the services described herein are communicated and executed by the firm or firms designated by the Plan Provider, the Plan and/or the Product Sponsor.

Review of Accounts

Depending on the contract between Ibbotson and the client; reviews on the account can be done quarterly, semi-annually, or at minimum annually.

Client Referrals and Other Compensation

Client Referrals

Situations may arise in which others may introduce accounts to Ibbotson or solicit clients for Ibbotson. In those cases, Ibbotson will enter into a written agreement with the solicitor that complies with the "Cash Solicitation Rule" (Rule 206(4)-3) under the Investment Advisers Act of 1940, as amended. The agreement will identify the specific percentage of the annual fee to be shared with the solicitor commensurate with the degree of effort and assistance provided. Ibbotson's fee charged to clients will not be affected if they were introduced or referred by a solicitor.

Custody

Ibbotson does not maintain custody for client funds or securities. Statements regarding individual participant accounts are sent by the plan provider and/or qualified custodian.

Investment Discretion

In the course of its business relationships with financial institutions; Ibbotson may maintain investment discretion in regards to its sub-advisory relationships

Voting Client Securities

Proxy Voting Policy and Procedures

Rule 206(4)-6 of the Investment Advisers Act of 1940, as amended, places a number of requirements on those investment advisors who have voting authority with respect to securities held in their clients' accounts. These requirements are to:

- adopt proxy voting policies and procedures designed to ensure that the advisor votes proxies in the best interests of its clients;
- disclose to clients how they may obtain information about how proxies were voted; and
- describe to clients the firm's proxy voting policies and procedures and how to obtain them.

In very limited circumstances will Ibbotson agree to vote proxies on those securities underlying an institution's client account.

Proxy Voting Committee

In efforts to mitigate conflicts of interest, Ibbotson has in place a Proxy Voting Committee ("Committee"). This Committee consists of the Chief Compliance Officer, an operations (or its equivalent) person and certain members of Ibbotson's investment team. The Committee is responsible for tasks such as:

- developing, implementing and updating policy and procedures to ensure voting of proxies is conducted in a manner that is in the best interests of its clients;
- making voting decisions and ensuring votes are cast on time; and
- maintaining documents material to the voting decision.

Proxy Voting Process

Upon receiving a proxy statement, an investment team member will review the proxy and make a recommendation to the Committee. The recommendation will primarily be based on pre-determined factors identified by the Committee for that particular type of proxy proposal.

The Committee members will review the proxy issue and the recommendation and will cast their vote as to whether they agree or disagree with the recommendation. If the other Committee members agree with the recommendation, the proxy will be voted in that manner. If there is not a consensus the Committee will hold a meeting to resolve the issue.

How you can Obtain Proxy Voting Information

At anytime you may request information on how Ibbotson has voted proxies and/or request a copy of Ibbotson's proxy voting policies and procedures. Requests can be submitted by:

- Writing: Ibbotson Associates, Inc.
Compliancemail@morningstar.com

Financial Information

Other than previously stated in this brochure, Ibbotson does not have any other discretionary or custody conditions that will impair our ability to meet our contractual commitments to clients