

ITW Savings and Investment Plan

ITW Common Stock Fund

As Of: March 31, 2014

INVESTMENT OBJECTIVE

A very aggressive and concentrated investment, the fund's strategy is to invest solely in ITW common stock.

UNDERLYING INVESTMENT TARGET ALLOCATION

<u>CATEGORY</u>	<u>UNDERLYING INVESTMENT</u>	<u>TARGET</u>	<u>BROAD TARGET ALLOCATION</u>
Company Stock	ITW Common Stock	100%	Company Stock 100%

CALENDAR YEAR RETURNS								
	<u>YTD</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Fund	-3.3%	37.7%	31.5%	-10.2%	13.9%	40.7%	-32.8%	17.6%
Benchmark¹	1.8%	32.4%	16.0%	2.1%	15.1%	26.5%	-37.0%	5.5%

AVERAGE ANNUAL TOTAL RETURNS								
	<u>MO</u>	<u>1 Yr</u>	<u>2 Yr</u>	<u>3 Yr</u>	<u>5 Yr</u>	<u>7 Yr</u>	<u>10 Yr</u>	<u>Incept.*</u>
Fund	-1.4%	33.0%	19.4%	15.8%	23.2%	8.6%	N.A.	9.6%
Benchmark¹	0.8%	21.9%	17.8%	14.7%	21.2%	6.3%	N.A.	7.3%

Total Annual Operating Expenses (as a %): 0.09%

Total Annual Operating Expenses (per \$1,000 investment): \$0.90

Annualized Standard Deviation Since Inception^{*}: 23.40%

Past performance is not necessarily an indication of how the Investment Portfolio will perform in the future.

**The inception date of the Investment Portfolio is December 31, 2005*

¹ The Investment Portfolio's Benchmark: S&P 500 Index

Since the fund holds a small percentage in cash for liquidity purposes and has an administrative fee, returns will not always match the performance of ITW common stock.

To help achieve long-term retirement security, you should give careful consideration to the benefits of a well-balanced and diversified investment portfolio. Spreading your assets among different types of investments can help you achieve a favorable rate of return, while minimizing your overall risk of losing money. This is because market or other economic conditions that cause one category of assets, or one particular security, to perform very well often cause another asset category, or another particular security to perform poorly. If you invest more than 20% of your retirement savings in any one company or industry, your savings may not be properly diversified. Although diversification is not a guarantee against loss, it is an effective strategy to help you manage investment risk.

Information about your investments in the ITW Common Stock Fund will be kept confidential. No ITW officer or employee may obtain a record of participants who have invested in the ITW Common Stock Fund and their transactions involving the fund, with one exception: the Employee Benefits Committee of ITW Inc. (as the Plan fiduciary responsible for monitoring compliance with the confidentiality procedures) has appointed the Corporate Managers of Retirement Programs and Benefits Accounting and their staffs as the sole ITW employees who may obtain such information for purposes of securities law filings and other government reports and to address administrative issues involving specific stock trades. The Employee Benefits Committee will appoint an independent fiduciary to handle participant directions whenever the Committee determines that there exists the potential for undue employer influence with respect to your exercise of shareholder rights, such as a tender offer or contested board election.

Please refer to the disclosures and glossary sections at the end of the fact sheets for additional important investment-related information and definitions regarding the Investment Portfolios.

DISCLOSURES:

The following disclosures provide additional important investment-related information concerning Investment Portfolios offered in your defined contribution plan. Capitalized terms found in these disclosures are defined in the Glossary provided below.

WEBSITE

To obtain additional information on the Investment Portfolios offered in your defined contribution plan or to request and obtain a complimentary paper copy of the information provided herein, please contact the defined contribution plan's record keeper at 1-866-489-2468, Option 3 or visit itwemployee.com.

INVESTMENT PORTFOLIOS: FUNDS AND MODEL PORTFOLIOS

Investment Portfolios: The preceding fact sheets cover certain Investment Portfolios offered in the defined contribution plan. For purposes of these disclosures, an Investment Portfolio is either a Fund or a Model Portfolio.

Fund: An Investment Portfolio with "Fund" in the name is a (Unitized) Fund. A Fund has a Net Asset Value (NAV) that is calculated at the end of each business day based on the (fluctuating) fair market value of its Underlying Investments. The Fund performance referenced on the fact sheet(s) under the headers "Average Annual Total Returns" or "Calendar Year Returns" is calculated from the Fund's NAV and reflects the actual investment return earned by investors of the Fund (net of Total Annual Operating Expenses) for each designated time period.

Model Portfolio: Investment Portfolios with "Model" in the name are Model Portfolios developed by the plan sponsor generally as a means to allocate account assets among specific Designated Investment Alternatives offered in the defined contribution plan.

To the extent that a Model Portfolio shows any historical investment performance on the preceding fact sheet(s) under the headers "Average Annual Total Returns" or "Calendar Year Returns," this performance is hypothetical and does not necessarily reflect the actual investment return earned by an individual investor in the Model Portfolio for each designated time period. As a result, these hypothetical investment returns are provided for illustrative purposes only. The hypothetical Model Portfolio performance is calculated based on the weighted-average investment returns of each of the Model Portfolio's Underlying Investments (net of Total Annual Operating Expenses) for each designated time period. Actual investment returns earned by individual investors in the Model Portfolios will vary from the hypothetical Model Portfolio investment returns due to, among other factors, the precise timing of a participant or beneficiary's contributions to and distributions from the Model Portfolio, the precise timing of Rebalancing of the Model Portfolio, and the precise timing of changes made to Underlying Investments and the Broad Target Allocation of the Model Portfolio. No assurance can be given to investors that the hypothetical Model Portfolio investment returns were achieved. Actual investment returns realized by the individual investor may be higher or lower than the hypothetical Model Portfolio investment return for a designated time period.

DESIGNATED INVESTMENT ALTERNATIVES

The Investment Portfolios constitute Designated Investment Alternatives offered in the defined contribution plan. The Investment Issuer of the Designated Investment Alternatives is the plan sponsor of the defined contribution plan. The preceding fact sheets were created by the plan sponsor (with assistance from the defined contribution plan's investment consultant).

FEE & EXPENSE DISCLOSURE

Fees and expenses are only one of several factors that participants and beneficiaries should consider when making investment decisions. The cumulative effect of fees and expenses can substantially reduce the growth of the participant's or beneficiary's retirement account. Participants and beneficiaries can visit the Employee Benefits Security Administration's website for an example demonstrating the long-term effect of fees and expenses.

ADMINISTRATIVE EXPENSES DISCLOSURE

In addition to the expenses reported on the preceding fact sheets, some of the defined contribution plan's administrative expenses for the preceding quarter were paid from the Total Annual Operating Expenses of one or more of the defined contribution plan's Investment Portfolios through Revenue Sharing arrangements in place with one or more of the Underlying Investments in an Investment Portfolio.

SHAREHOLDER-TYPE FEES OR OTHER RESTRICTIONS

The Investment Portfolios that are Funds generally do not assess shareholder-type fees (*e.g.* commissions, sales loads, sales charges, redemption fees, surrender charges, exchange fees, account fees or purchase fees) directly against a participant's or beneficiary's investment that are not already included in the Total Annual Operating Expenses for the Fund. The Investment Portfolios that are Funds generally do not impose restrictions on a participant's or beneficiary's ability to purchase, transfer or withdraw from the Fund unless disclosed on the applicable Fund's fact sheet.

The Investment Portfolios that are Model Portfolios do not assess shareholder-type fees that are not already included in the Total Annual Operating Expenses for the Model Portfolio; however, one or more of the underlying Designated Investment Alternatives in a Model Portfolio, if applicable for the defined contribution plan, may levy fees or impose certain withdrawal restrictions relating to short-term trading. Other than an Underlying Investment of a Model Portfolio potentially having such a short-term trading fee, the Model Portfolios generally do not impose restrictions on a participant's or beneficiary's ability to purchase, transfer or withdraw from the Model.

Model Portfolio investors may review any short-term trading constraints applicable to a Designated Investment Alternative held in a Model Portfolio at the defined contribution plan's website address provided previously. If a Model Portfolio invests in one or more Underlying Investments that do not constitute Designated Investment Alternatives (by virtue of the Underlying Investment not being available for direct investment by participants and beneficiaries in the defined contribution plan), it is possible that one of those Underlying Funds may levy a short-term trading fee. If such a fee is applicable, it will be noted on the Investment Portfolio's fact sheet.

PRINCIPAL INVESTMENT STRATEGIES

The Investment Portfolios may invest in one or several Underlying Investments that allocate to the following Asset Classes. In order to identify the Principal Investment Strategies that apply to a particular Investment Portfolio, each investor should review the Broad Target Allocation for the Investment Portfolio on the applicable Investment Portfolio's fact sheet. The Broad Target Allocation on the fact sheet lists the Asset Classes held by the Investment Portfolio.

U.S. Equity (or U.S. Stocks): Common stock and other equity securities of U.S. based companies of all capitalization sizes, including growth stocks, value stocks, and stocks of companies in all industries or sectors.

Foreign Equity (or Foreign Stocks): Common stock and other equity securities of foreign companies both in developed markets and emerging markets.

U.S. Fixed Income (or U.S. Bonds and Other Fixed-Income Instruments): Bonds and other debt securities, including but not limited to U.S. government and agency debt securities, investment grade corporate debt securities, mortgage-backed securities, convertible debt securities and debt securities rated below investment grade (also known as “high yield securities” or “junk bonds”).

Foreign Fixed Income (or Foreign Bonds and Other Fixed-Income Instruments): Bonds and other debt securities of international issuers, including but not limited to government and corporate, and investment grade or rated below investment grade (also known as “high yield securities” or “junk bonds”).

U.S. or Global Real Estate (or REITs): Interests in Real Estate Investment Trusts (or REITs) or similar securities that invest in real estate directly, either through properties or mortgages in the United States or in foreign countries.

Commodities (or Commodity Derivative Securities): Commodities are assets that have tangible properties, such as oil, metals and agricultural products. Rather than investing directly in these physical commodities, commodity derivative securities constitute a broad array of investment instruments that gain exposure to the price movements of various commodities.

Energy MLPs (or MLPs): MLPs (or Master Limited Partnerships) are typically publicly traded partnerships that generally engage in the business of transportation, storage, processing, refining, marketing, exploration, production, and mining of minerals and natural resources.

Global Fixed Income (or Global Bonds): Includes the Principal Investment Strategies listed above under U.S. Fixed Income and Foreign Fixed Income.

Global Equity (or Global Stocks): Includes the Principal Investment strategies listed above under U.S. Equity and Foreign Equity.

Real Assets: May include the Principal Investment Strategies listed above under U.S. or Global Real Estate, Commodities and/or Energy MLPs. In certain circumstances, Real Assets may also include certain U.S. and Foreign Fixed-income Securities.

PRINCIPAL INVESTMENT RISKS

The following paragraphs identify types of Principal Investment Risks associated with Asset Classes held in the Investment Portfolios. In order to identify the Principal Investment Risks of a particular Investment Portfolio, each investor should review the Broad Target Allocation for the Investment Portfolio on the applicable Investment Portfolio’s fact sheet. The Broad Target Allocation on the fact sheet lists the Asset Classes held by the Investment Portfolio.

Market Risk: The price of the investments in which the Underlying Investments invest may decline for a number of reasons. **Market Risk applies to all investments in any Investment Portfolio.**

U.S. Equity (or U.S. Stocks) Risks: The price declines of common stocks may be steep, sudden and/or prolonged. The prices of small capitalization and mid-capitalization stocks can be particularly volatile. Value stock investing and growth stock investing may fall out of favor causing the performance of such stocks to suffer.

Foreign Equity (or Foreign Stocks) Risks: The equity securities of foreign issuers may be less liquid and more volatile than equity securities of comparable U.S. issuers. The costs associated with securities transactions are often higher in foreign countries than in the U.S. The U.S. dollar value of foreign equity securities traded in foreign currencies may be affected unfavorably by foreign currency exchange rates. Foreign governments and foreign economies are often less stable than the U.S. government and the U.S. economy. There may be less publicly available information about foreign equity issuers than comparable U.S. equity issuers.

U.S. Fixed Income (or U.S. Bonds and Other Fixed-income Instruments) Risks: Increasing interest rates may result in a drop in value of domestic fixed-income securities. The issuers of domestic fixed-income securities may not be able to make principal and interest payments. In particular, high yield securities or “junk bonds” may be less liquid and have greater credit risk than investment grade securities. Mortgage-backed securities and other asset-backed securities are also subject to prepayment risk (borrowers repay mortgages quicker than anticipated during periods of falling rates) or extension risk (borrowers repay mortgages slower than anticipated during periods of rising interest rates).

Foreign Fixed Income (or Foreign Bonds and Other Fixed-income Instruments) Risks: The fixed-income securities of foreign issuers may be less liquid and more volatile than fixed-income securities of comparable U.S. issuers. The costs associated with securities transactions are often higher in foreign countries than in the U.S. The U.S. dollar value of foreign fixed-income securities traded in foreign currencies may be affected unfavorably by foreign currency exchange rates. Foreign governments and foreign economies are often less stable than the U.S. government and the U.S. economy. There may be less publicly available information about foreign fixed-income issuers than comparable U.S. fixed-income issuers.

U.S. or Global Real Estate (or REITs) Risks: The value of interests in Real Estate Investment Trusts (or REITs) or similar real estate securities may decline due to economic downturns or due to changes in real estate values, rents, property taxes, interest rates, tax treatment or regulations. Real estate, in general, may be subject to substantial price fluctuations and declines on a local, regional, national and international basis. Foreign real estate securities may be less liquid and more volatile than securities of comparable U.S. issuers. The costs associated with real estate securities transactions are often higher in foreign countries than in the U.S. The U.S. dollar value of foreign real estate securities traded in foreign currencies may be affected unfavorably by foreign currency exchange rates. Foreign governments and foreign economies are often less stable than the U.S. government and the U.S. economy. There may be less publicly available information about foreign real estate issuers than comparable U.S. real estate issuers.

Derivatives Risks: The use of derivatives in Underlying Investments of an Investment Portfolio involves additional risks and transaction costs which could leave the Investment Portfolio in a worse position than if the Underlying Investments had not used those instruments. Derivatives may entail investment exposures that are greater than their cost would suggest. Small investments in derivatives could have a large negative impact on performance. Certain derivative securities are also subject to counterparty risk, which is the risk that one party to the trade is unable to meet its obligation to the other party. **Derivative risks may apply to all Underlying Investments in any Investment Portfolio.**

Commodities (or Commodity Derivative Securities) Risks: Commodities or commodity-linked derivatives may have greater volatility than traditional fixed-income or equity securities. Any number of factors may adversely affect the prices of commodities or commodity-linked investments including, but not limited to, drought, floods, weather, livestock disease, embargoes, tariffs and international economic, political and regulatory developments. Certain commodity derivative securities are also subject to counterparty risk, which is the risk that one party to the trade is unable to meet its obligation to the other party.

Energy MLPs (or MLPs) Risks: Investments in interests of MLPs may involve risks that differ from investments in common stocks, including risks related to limited rights to vote on matters affecting the MLP, risks related to the potential conflicts of interest between the MLP and the MLP's general partner, cash flow risks, dilution risks and risks related to the MLP's general partner's right to require unit holders to sell their common units at an undesirable time or price.

Global Fixed Income Risks: Includes the Principal Investment Risks listed above under Market, U.S. Fixed Income, Foreign Fixed Income and Derivatives Risks.

Global Equity Risks: Includes the Principal Investment Risks listed above under Market, U.S. Equity, Foreign Equity and Derivatives Risks.

Real Assets Risks: May include the Principal Investment Risks listed above under Market, Derivatives, U.S. or Global Real Estate, Commodities, and Energy MLPs Risks. In certain circumstances, Real Assets Risk may also include U.S. and Foreign Fixed Income Risks.

TARGET RETIREMENT DATE INVESTMENT PORTFOLIO DISCLOSURES

Please see the Target Retirement Date Investment Portfolios' fact sheets for more information about the Glide Path (or how Target Allocations change as the Target Retirement Date arrives).

No assurance can be given that the Target Retirement Date Investment Portfolios will be appropriate in all circumstances for every investor with a particular Target Retirement Date.

Participants may lose money by investing in Target Retirement Date Investment Portfolios, including losses near and following retirement. No assurance can be given that the Target Retirement Date Investment Portfolios will provide adequate retirement income.

INVESTMENT PORTFOLIO TARGET ALLOCATIONS

Each Investment Portfolio's fact sheet identifies its Target Allocation to various Underlying Investments and its Broad Target Allocation. The Investment Portfolios are periodically Rebalanced back to their respective Underlying Investment Target Allocations and Broad Target Allocations. However, due to market fluctuations, the actual allocation of an Investment Portfolio may be above or below its Underlying Investment Target Allocation and Broad Target Allocation.

The Underlying Investment Target Allocations and Broad Target Allocations of the Investment Portfolios may change from time to time without notice. The Underlying Investments held within an Investment Portfolio may also change from time to time without notice.

NOTICE

In creating the Investment Portfolio fact sheets, these disclosures and the glossary, the plan sponsor and its investment consultant relied on information provided by a variety of outside sources. The plan sponsor makes no representations as to the completeness or accuracy of the information provided on the Investment Portfolio fact sheets, disclosures or the glossary. DiMeo Schneider & Associates, L.L.C., the defined contribution plan's investment consultant, makes no representations as to the completeness or accuracy of the information provided on the Investment Portfolio fact sheets, disclosures or the glossary. Neither the plan sponsor nor DiMeo Schneider & Associates, L.L.C. is responsible for any damages or losses arising from any use of this information.

GLOSSARY:

This glossary defines terms in the context of the Investment Portfolios covered by the preceding fact sheets.

Annualized Standard Deviation: One widely-used measure of risk, Annualized Standard Deviation measures the dispersion (or variability) of an investment's annual return around its Average Annual Total Return. The further an Investment Portfolio oscillates from its Average Annual Total Return over multiple time periods, the higher the calculated standard deviation. For Investment Portfolios with fact sheets that are generated quarterly, the quarterly standard deviation is multiplied by the square root of four to determine the Annualized Standard Deviation. For Investment Portfolios with fact sheets that are generated monthly, the monthly standard deviation is multiplied by the square root of twelve to determine the Annualized Standard Deviation.

Asset Class: A group of securities or other investment instruments that generally exhibit similar characteristics, behave similarly in the marketplace, and are generally subject to the same laws and regulations. Examples of asset classes include, but are not limited to, equity securities (or stocks), fixed-income securities (or bonds), cash equivalents (or cash), commodities, real estate investment trusts (or REITs), and master limited partnerships (or MLPs). In certain cases, asset classes can be further delineated between domestic, foreign and global classifications.

Average Annual Total Return: A percentage figure used when reporting an Investment Portfolio's historical average annual compounded rate of investment return, such as the three-, five- and ten-year average investment returns of an investment. The Average Annual Total Return is stated net of an Investment Portfolio's Total Annual Operating Expenses.

Benchmark: A standard against which the performance of an Investment Portfolio can be measured. The Benchmark is generally either a broad-based securities market index or a mixture of multiple indexes that are intended to represent the strategy or objective of a particular Investment Portfolio. Indexes are not managed and investors cannot invest directly in an index.

Broad Target Allocation: A pre-determined target mix of Asset Classes in a given Investment Portfolio. Over time, an Investment Portfolio's Underlying Investments will periodically fluctuate from its Broad Target Allocation due to disparate performance of Underlying Investments as well as due to the timing of cash flows in and out of the Investment Portfolio, among other reasons. Broad Target Allocations may be subject to change by the plan sponsor from time to time without notice.

Calendar Year Return: A percentage figure for an Investment Portfolio's total investment return between January 1 and December 31 during any given year. The Calendar Year Return is stated net of an Investment Portfolio's Total Annual Operating Expenses.

Designated Investment Alternative: An investment alternative the defined contribution plan designates, into which participants and beneficiaries may direct the investment of assets held in, or contributed to, their individual accounts.

Fund (or Unitized Fund): A Fund (or Unitized Fund) has a Net Asset Value (NAV) that is calculated at the end of each business day based on the (fluctuating) fair market value of the Fund's Underlying Investments. If an Investment Portfolio has the word "Fund" in its name, it is a Fund.

Glide Path: Refers to a formula that defines the Broad Target Allocation of a Target Retirement Date Investment Portfolio based on the number of years to the Target Retirement Date. The glide path describes how the Broad Target Allocation becomes more conservative (i.e., includes more fixed-income and less equity investments) the closer the Investment Portfolio gets to its Target Retirement Date.

Inception Date: Either when the Investment Portfolio was created or the first date that reliable performance history data is available. Generally speaking, it is the longest time period for which reliable performance measurements can be calculated.

Investment Issuer: The organization that sponsors a particular investment alternative offered in the defined contribution plan. For Designated Investment Alternatives that are Investment Portfolios, the plan sponsor may be considered the Investment Issuer because the plan sponsor adopted the Underlying Investment Target Allocation and Broad Target Allocation applicable to the particular Investment Portfolio. However, Investment Portfolios are comprised of Underlying Investments, which may be sponsored by their own respective Investment Issuers.

Investment Objective: A description of the Investment Portfolio's objective.

Investment Portfolio: Either a Fund or a Model Portfolio that has a fact sheet. If the Investment Portfolio has the word "Fund" in its name, it is a Fund. If the Investment Portfolio has the word "Model" in its name, it is a Model Portfolio.

Model Portfolio: A Target Allocation adopted by the plan sponsor (with the assistance of the defined contribution plan's investment consultant) with target weights to various Underlying Investments, which may or may not be Designated Investment Alternatives. For participants and beneficiaries invested in Model Portfolios, individual accounts' assets are allocated proportionally among various Underlying Investments based on the Model Portfolio's Target Allocation. A Model Portfolio's Target Allocation is subject to periodic changes. If an Investment Portfolio has the word "Model" in its name, it is a Model Portfolio.

Net Asset Value (NAV): A Fund's price per-share value. The per-share dollar amount of the Fund is calculated by dividing the (net) total value of all the Underlying Investments by the number of Fund shares outstanding.

Principal Investment Strategies: The principal investment strategies that various Investment Portfolios, in whole or in part, may pursue.

Principal Investment Risks: The principal investment risks that various Investment Portfolios, in whole or in part, may have exposure to.

Real Assets: Tangible assets (including but not limited to commodities, U.S. or foreign real estate, or Energy MLPs) as opposed to financial assets (such as bonds or stocks). In some cases, Treasury-Inflation Protected Securities (or TIPS) can be described as Real Assets due to their inflation-protection characteristics.

Rebalance: To buy and sell interests in Underlying Investments in order to bring an Investment Portfolio back to its Broad Target Allocation and/or Target Allocation to Underlying Investments.

Revenue Sharing: When the Investment Issuer of an Underlying Investment makes payments to another service provider.

Target Allocation: A pre-determined mix of Underlying Investments and Asset Classes in a given Investment Portfolio. Over time, the Investment Portfolio will periodically fluctuate from its Underlying Investment Target

Allocation and Broad Target Allocation due to disparate performance of Asset Classes held in Underlying Investments as well as due to the timing of cash flows in and out of the Investment Portfolio, among other reasons. When an Investment Portfolio is Rebalanced, it is generally brought back to its Target Allocation. Target Allocations may be subject to change by the plan sponsor from time to time without notice.

Target Retirement Date: The calendar year an investor expects to retire.

Target Retirement Date Investment Portfolio: A broadly diversified Investment Portfolio that is tailored to the Target Retirement Date of the investor. Investors select the Target Retirement Date Investment Portfolio with the date in the name that is closest to their expected retirement dates. The Target Retirement Date Investment Portfolios is more aggressive when a particular investor has a more distant target retirement date and gradually becomes more conservative over time. As the target retirement date gets closer, the fund's allocation to equity assets gradually declines while the allocation to fixed-income assets rises.

Total Annual Operating Expenses (as a %): Each Investment Portfolio has a Total Annual Operating Expense (as a %) listed on its fact sheet, which is the weighted-average net expense ratio of the Investment Portfolio's Underlying Investments. If an Investment Portfolio has an additional administrative expense, it is also included in the Total Annual Operating Expense (as a %).

Total Annual Operating Expenses (per \$1,000 investment): The Total Annual Operating Expense (per \$1,000 investment) listed on each fact sheet assumes no investment returns and is based on the Total Annual Operating Expense (as a %) multiplied by \$1,000.

Turnover: A measure of the trading activity occurring in each Investment Portfolio. Since each Investment Portfolio may have multiple Underlying Investments, Turnover is calculated by taking the weighted-average turnover of each Underlying Investment. A lower Turnover rate may indicate that the Underlying Investments' managers are not buying and selling securities frequently. A higher Turnover rate may indicate that the Underlying Investments' managers are frequently buying and selling securities. Transaction costs from buying and selling securities are not represented in the Total Annual Operating Expenses of an Investment Portfolio. Turnover has no bearing on the frequency or magnitude of changes to each Investment Portfolio's Target Allocation to various Underlying Investments or Asset Classes.

Underlying Investments: A mutual fund, other type of commingled fund, and/or a separate account with an investment manager that invests in individual securities.

Underlying Investment Target Allocation: A description of the target weights to various Underlying Investments and/or Asset Classes within each Investment Portfolio.