



Share Class Category Definitions

Share class categories will be determined using a set of filters, ultimately determined by the target investor for each share class.

The first filter requires fund companies to choose from one of the following distribution channels:

- 1) **Commission based advice**
- 2) **Fee based advice**
- 3) **DIY**
- 4) **Institutional**

The secondary filter would be set up as a yes or no tag. While the primary filter is set up to be mutually exclusive, the secondary filter is not.

- 1) **Fixed distribution**
- 2) **High-net-worth**

Definitions:

Commission based Advice

Funds are targeted to investors using the services of an advisor. In this definition, “advisor” includes, but is not limited to, investment advisors, financial planners, and branch advisors. Advisors are compensated with a load and/or embedded trailer.

Fee based Advice

Funds are targeted to investors using the services of an advisor. In this definition, “advisor” includes, but is not limited to, investment advisors, financial planners, and branch advisors. Under this option, investors must negotiate advisor compensation directly with their advisor. This includes, but is not limited to F-class funds, which are generally used to identify share classes available through fee based advisors.

Do-It-Yourself

Funds are targeted to investors purchasing funds without the services of an advisor; this could be through a discount broker or directly from the fund company. There is either no advisor commission or a discounted commission embedded in the management fee.

Institutional

Funds are targeted to institutional investors or other investors at the discretion of the fund company. Investors negotiate management fees directly with the fund company. There is no stated management expense ratio for the fund. Returns for this share class are presented gross of fees.

Fixed distribution

Funds are targeted to investors who want to receive a fixed monthly cash flow. These include T series funds or other funds that may use return-of-capital as part of the distribution payout.

High-net-worth

Funds are targeted to investors meeting a fund company's criteria for a high net worth client.