

July 17, 2014

Mutual Fund Method of Sales Definitions

Classifications are made by reviewing mutual fund prospectuses for language included in these definitions.

Retail

- **Sales force** fund shares are sold primarily through a network of broker-dealers.
- **Direct market** fund shares are sold predominantly by the fund company without intermediaries, either online, at offices, or by telephone, mail, or bank wire.
- **Variable annuity** fund shares are sold to the public exclusively through tax-deferred annuity wrap accounts.
- **Retirement** fund shares are sold predominantly to employer-sponsored retirement plans. Fund shares sold to both employer-sponsored retirement plans and institutional investors are not included in this category.

Institutional

- **Institutional** fund shares are sold primarily to institutional investors or institutional accounts. This also includes accounts that are purchased by or through an institution such as an employer, trustee, or fiduciary on behalf of its clients, employees, or owners; employer-sponsored retirement plans; and certain qualified individual investors, which includes high net worth individuals and fee-based or wrap account participants.