Partner International Stock Portfolio

Schedule of Investments as of September 30, 2011
(unaudited)

Shares	Common Stock (98.4%)	Value
Australia (5.1%)		
91,853	Ansell, Ltd.	$1,148,687
121,320	Australia & New Zealand Banking Group, Ltd.	2,251,793
449,028	BHP Billiton, Ltd.	14,867,198
390,289	Brambles, Ltd.	2,405,977
561,444	Challenger, Ltd.	2,277,124
50,546	Flight Centre, Ltd.[a]	820,103
255,734	Fortescue Metals Group, Ltd.	1,068,173
264,806	GrainCorp, Ltd.	1,818,126
201,534	Iluka Resources, Ltd.	2,358,829
683,003	Mount Gibson Iron, Ltd.	861,784
561,608	NRW Holdings, Ltd.	1,237,396
77,259	Rio Tinto, Ltd.	4,525,229
	Total Australia	**35,640,419**
Austria (0.1%)		
21,454	Voestalpine AG	620,183
	Total Austria	**620,183**
Belgium (0.8%)		
100,351	Anheuser-Busch InBev NV	5,326,603
	Total Belgium	**5,326,603**
Brazil (0.4%)		
131,300	Petroleo Brasileiro SA ADR	2,947,685
	Total Brazil	**2,947,685**
Canada (5.3%)		
46,401	Agrium, Inc.	3,088,529
78,645	Alimentation Couche-Tard, Inc.	2,206,473
109,940	Barrick Gold Corporation	5,152,356
126,843	Brookfield Asset Management, Inc.	3,507,883
22,600	Canadian National Railway Company[a]	1,510,333
59,267	Finning International, Inc.	1,083,083
75,450	Goldcorp, Inc.	3,461,095
119,415	Neo Material Technologies, Inc.[b]	727,042
95,309	Potash Corporation of Saskatchewan, Inc.	4,138,333
54,833	Shoppers Drug Mart Corporation[a]	2,137,540
185,869	Suncor Energy, Inc.	4,746,497
38,044	Tim Hortons, Inc.[a]	1,768,416
79,493	Trican Well Service, Ltd.	1,127,270
171,829	Yamana Gold, Inc.[a]	2,357,955
	Total Canada	**37,012,805**
Denmark (0.7%)		
47,380	Novo Nordisk AS	4,725,364
	Total Denmark	**4,725,364**
Finland (0.6%)		
271,550	Neste Oil Oyj	2,356,671
86,311	Sampo Oyj	2,167,928
	Total Finland	**4,524,599**
France (6.7%)		
36,327	AtoS	1,567,896
493,325	AXA SA	6,418,116
154,100	Cap Gemini SA	5,123,640
19,689	Christian Dior SA	2,204,440
103,050	Compagnie de Saint-Gobain	3,931,528
72,368	Faurecia	1,541,485

Shares	Common Stock (98.4%)	Value
France (6.7%) - continued		
13,721	Remy Cointreau SA	$945,920
83,494	Safran SA	2,554,185
216,727	Total SA	9,561,946
71,605	Vinci SA	3,071,302
397,954	Vivendi SA	8,102,395
23,213	Wendel SA	1,454,750
	Total France	**46,477,603**
Germany (5.8%)		
35,200	BASF SE	2,146,002
49,667	Bayerische Motoren Werke AG	3,281,096
2,454,300	Commerzbank AG[b]	6,150,875
129,450	Daimler AG	5,757,265
113,900	Deutsche Boerse AG[b]	5,760,618
94,972	SAP AG ADR	4,832,438
68,665	Siemens AG	6,177,881
103,348	Suedzucker AG	2,936,266
24,387	Volkswagen AG	3,218,346
	Total Germany	**40,260,787**
Hong Kong (2.7%)		
335,000	CLP Holdings, Ltd.	3,018,084
3,478,400	Guangzhou Automobile Group Company, Ltd.	3,380,490
685,450	Hutchison Whampoa, Ltd.	5,072,634
5,259,100	New World Development Company, Ltd.	5,028,608
846,000	SJM Holdings, Ltd.	1,494,530
107,932	Swire Pacific, Ltd.	1,108,988
	Total Hong Kong	**19,103,334**
Indonesia (0.2%)		
1,921,051	Telekomunikasi Indonesia Tbk PT	1,638,419
	Total Indonesia	**1,638,419**
Ireland (0.4%)		
48,091	Kerry Group plc	1,688,082
25,641	Paddy Power plc	1,320,178
	Total Ireland	**3,008,260**
Israel (0.9%)		
174,800	Teva Pharmaceutical Industries, Ltd. ADR	6,506,056
	Total Israel	**6,506,056**
Italy (2.5%)		
190,471	Davide Campari - Milano SPA	1,389,770
70,412	DiaSorin SPA[a]	2,599,150
375,000	Eni SPA	6,597,317
6,911,850	Telecom Italia SPA	6,722,015
	Total Italy	**17,308,252**
Japan (23.1%)		
46,000	Aisin Seiki Company, Ltd.	1,531,590
365,000	Bank of Yokohama, Ltd.	1,830,367
426,500	Bridgestone Corporation	9,677,148
116,800	Canon, Inc.	5,303,425
56,200	Capcom Company, Ltd.	1,400,805
384	Central Japan Railway Company	3,351,092
89,000	Daihatsu Motor Company, Ltd.	1,614,913
404,700	Daiichi Sankyo Company, Ltd.	8,436,576
92,700	Daito Trust Construction Company, Ltd.	8,498,656

The accompanying Notes to Schedule of Investments are an integral part of this schedule.

Partner International Stock Portfolio

Schedule of Investments as of September 30, 2011
(unaudited)

Shares	Common Stock (98.4%)	Value
Japan (23.1%) - continued		
1,917,300	Daiwa Securities Group, Inc.	$7,159,688
29,600	Dena Company, Ltd.	1,239,988
147,900	East Japan Railway Company	8,966,679
55,600	Gree, Inc.	1,695,653
424,000	Hitachi, Ltd.	2,104,764
34,800	Honda Motor Company, Ltd.	1,019,461
30,400	Idemitsu Kosan Company, Ltd.	2,723,280
972,000	IHI Corporation	2,142,896
258,200	ITOCHU Corporation	2,467,315
184,400	Kao Corporation	5,136,340
367,000	Kawasaki Heavy Industries, Ltd.	935,881
551	KDDI Corporation	3,793,282
54,600	Lawson, Inc.	3,090,641
276,000	Marubeni Corporation	1,541,173
333,000	Mitsubishi Electric Corporation	2,949,669
78,200	Mitsui & Company, Ltd.	1,132,748
364,400	Mori Seiki Company, Ltd.	3,277,839
323,645	MS and AD Insurance Group Holdings, Inc.	7,041,765
198,000	Namco Bandai Holdings, Inc.	2,681,697
370,300	Nikon Corporation	8,735,003
32,900	Nippon Telegraph & Telephone Corporation	1,576,178
342,000	Nippon Yusen KK	927,649
1,082,800	Nissan Motor Company, Ltd.	9,580,656
52,500	Pola Orbis Holdings, Inc.	1,544,967
45,600	Start Today Company, Ltd.	988,054
660,000	Sumitomo Corporation	8,166,551
247,900	Sumitomo Electric Industries, Ltd.	2,911,436
2,703,300	Sumitomo Mitsui Trust Holdings, Inc.	8,947,640
118,200	Sumitomo Rubber Industries, Ltd.	1,511,356
582,000	Tokyu Corporation	2,924,649
48,000	Toyo Suisan Kaisha, Ltd.	1,316,397
54,900	Trend Micro, Inc.	1,717,008
397,600	UNY Company, Ltd.	3,694,661
76,300	West Japan Railway Company	3,270,677
23,120	Yamada Denki Company, Ltd.	1,607,978
	Total Japan	**162,166,191**
Netherlands (3.0%)		
1,676,900	Aegon NV[b]	6,797,017
177,573	Koninklijke DSM NV	7,720,690
194,023	Unilever NV	6,141,540
	Total Netherlands	**20,659,247**
Norway (2.3%)		
74,597	DnB NOR ASA	743,446
70,749	Seadrill, Ltd.	1,953,824
503,606	Statoil ASA	10,806,309
63,932	Yara International ASA	2,439,047
	Total Norway	**15,942,626**
Portugal (1.0%)		
5,825,717	Banco Comercial Portugues SA[a,b]	1,507,162
1,079,500	Banco Espirito Santo SA[a]	2,859,142
146,179	Jeronimo Martins SGPS SA	2,282,813
	Total Portugal	**6,649,117**
Singapore (1.1%)		
789,415	Keppel Corporation, Ltd.	4,629,295
275,000	Oversea-Chinese Banking Corporation, Ltd.	1,694,870

Shares	Common Stock (98.4%)	Value
Singapore (1.1%) - continued		
511,000	SembCorp Industries, Ltd.	$1,318,895
	Total Singapore	**7,643,060**
South Korea (1.9%)		
19,200	POSCO	5,916,754
25,110	SK Telecom Company, Ltd.	3,171,122
274,540	SK Telecom Company, Ltd. ADR	3,862,778
	Total South Korea	**12,950,654**
Spain (3.1%)		
838,228	Banco Bilbao Vizcaya Argentaria Rights, 0.10 EUR, expires 10/17/2011[b]	123,533
838,228	Banco Bilbao Vizcaya Argentaria SA	6,940,312
730,225	Banco Popular Espanol SA[a]	3,368,877
283,300	Indra Sistemas SA	4,072,931
43,866	Industria de Diseno Textil SA (Inditex)	3,744,672
122,935	Repsol YPF SA	3,245,359
	Total Spain	**21,495,684**
Sweden (2.2%)		
143,775	Atlas Copco AB	2,544,870
62,994	Elekta AB	2,369,789
57,291	Kinnevik Investment AB	1,060,070
159,020	Nordea Bank AB	1,286,958
235,741	Swedbank AB	2,602,829
239,726	Telefonaktiebolaget LM Ericsson	2,301,833
328,480	Volvo AB	3,226,892
	Total Sweden	**15,393,241**
Switzerland (9.5%)		
113,130	ABB, Ltd.[b]	1,935,180
123,700	Adecco SA[b]	4,875,573
32,497	Aryzta AG	1,411,099
235,450	Credit Suisse Group[b]	6,159,652
4,943	Galenica AG[a]	2,531,041
6,477	Givaudan SA[b]	5,051,371
113,486	Holcim, Ltd.[b]	6,022,445
170,701	Nestle SA	9,397,538
155,000	Novartis AG	8,658,556
125,460	Roche Holding AG	20,263,299
	Total Switzerland	**66,305,754**
Thailand (1.3%)		
446,725	Bangkok Bank pcl	2,112,563
814,600	PTT pcl	6,768,428
	Total Thailand	**8,880,991**
United Kingdom (17.7%)		
30,573	Anglo American plc	1,052,001
25,030	AstraZeneca plc	1,110,769
2,409,101	BAE Systems plc	9,949,328
358,144	BG Group plc	6,854,049
146,715	BHP Billiton plc	3,919,164
226,055	British American Tobacco plc	9,544,822
729,232	BT Group plc	1,954,474
138,684	Burberry Group plc	2,518,283
107,435	Croda International plc	2,740,472
167,461	Drax Group plc	1,245,160
820,003	HSBC Holdings plc	6,280,253
168,150	HSBC Holdings plc ADR[a]	6,396,425
97,524	IMI plc	1,070,407

The accompanying Notes to Schedule of Investments are an integral part of this schedule.

Partner International Stock Portfolio

Schedule of Investments as of September 30, 2011
(unaudited)

Shares	Common Stock (98.4%)	Value
United Kingdom (17.7%) - continued		
154,285	Imperial Tobacco Group plc	$5,206,499
280,076	Inchcape plc	1,209,659
470,355	Intermediate Capital Group plc	1,563,914
510,546	Kingfisher plc	1,960,344
820,784	Legal & General Group plc	1,225,737
237,450	Pearson plc	4,188,199
242,609	Prudential plc	2,083,419
107,188	Rio Tinto plc	4,753,378
41,418	Royal Dutch Shell plc	1,288,653
124,007	SABMiller plc	4,046,035
176,513	Shire plc	5,504,244
154,972	SSE plc	3,109,686
147,829	Tate & Lyle plc	1,433,340
1,430,100	Tesco plc	8,376,555
90,263	Unilever plc	2,827,274
3,524,537	Vodafone Group plc	9,083,116
828,738	William Morrison Supermarkets plc	3,736,364
849,900	WPP plc	7,871,747
	Total United Kingdom	**124,103,770**
	Total Common Stock (cost $793,795,871)	**687,290,704**

Shares	Collateral Held for Securities Loaned (3.2%)	Value
22,384,906	Thrivent Financial Securities Lending Trust	22,384,906
	Total Collateral Held for Securities Loaned (cost $22,384,906)	**22,384,906**

Principal Amount	Short-Term Investments (0.4%)[c]	Value
	Federal Home Loan Mortgage Corporation Discount Notes	
3,000,000	0.020%, 11/28/2011[d]	2,999,903
	Total Short-Term Investments (at amortized cost)	**2,999,903**
	Total Investments (cost $819,180,680) 102.0%	**$712,675,513**
	Other Assets and Liabilities, Net (2.0%)	**(14,232,852)**
	Total Net Assets 100.0%	**$698,442,661**

a All or a portion of the security is on loan.
b Non-income producing security.
c The interest rate shown reflects the yield, coupon rate or the discount rate at the date of purchase.
d Denotes investments that benefit from credit enhancement or liquidity support provided by a third party bank, institution or government.

Definitions:

ADR - American Depositary Receipt, which are certificates for an underlying foreign security's shares held by an issuing U.S. depository bank.

Unrealized Appreciation (Depreciation)

Gross unrealized appreciation and depreciation of investments, based on cost for federal income tax purposes, were as follows:

Gross unrealized appreciation	$ 28,985,495
Gross unrealized depreciation	(135,490,662)
Net unrealized appreciation (depreciation)	$ (106,505,167)
Cost for federal income tax purposes	$ 819,180,680

Partner International Stock Portfolio

Schedule of Investments as of September 30, 2011
(unaudited)

Fair Valuation Measurements

The following table is a summary of the inputs used, as of September 30, 2011, in valuing Partner International Stock Portfolio's assets carried at fair value.

Investments in Securities	Total	Level 1	Level 2	Level 3
Common Stock				
Consumer Discretionary	106,858,814	–	106,858,814	–
Consumer Staples	84,490,635	–	84,490,635	–
Energy	51,416,139	2,947,685	48,468,454	–
Financials	113,640,923	6,396,425	107,244,498	–
Health Care	62,704,844	6,506,056	56,198,788	–
Industrials	102,779,850	–	102,779,850	–
Information Technology	32,205,286	–	32,205,286	–
Materials	93,946,164	–	93,946,164	–
Telecommunications Services	31,801,384	3,862,778	27,938,606	–
Utilities	7,446,665	–	7,446,665	–
Collateral Held for Securities Loaned	22,384,906	22,384,906	–	–
Short-Term Investments	2,999,903	–	2,999,903	–
Total	**$712,675,513**	**$42,097,850**	**$670,577,663**	**$–**

Other Financial Instruments	Total	Level 1	Level 2	Level 3
Asset Derivatives				
Foreign Currency Forward Contracts	1,695	–	1,695	–
Total Asset Derivatives	**$1,695**	**$–**	**$1,695**	**$–**
Liability Derivatives				
Foreign Currency Forward Contracts	428	–	428	–
Total Liability Derivatives	**$428**	**$–**	**$428**	**$–**

Foreign Currency Forward Contracts	Counterparty	Contracts to Deliver/Receive	Settlement Date	Value on Settlement Date	Value	Unrealized Gain/(Loss)
Sales						
Australian Dollar	SSB	207,084	10/4/2011	$202,052	$200,391	$1,661
British Pound	SSB	136,702	10/3/2011	212,737	213,165	(428)
Euro	SSB	577	10/3/2011	781	773	8
Japanese Yen	SSB	470,395	10/3/2011	6,125	6,099	26
Total Sales				**$421,695**	**$420,428**	**$1,267**
Net Unrealized Gain/(Loss) on Foreign Currency Forward Contracts						**$1,267**

Counterparty

SSB - State Street Bank

Investment in Affiliates

Affiliated issuers, as defined under the Investment Company Act of 1940, include those in which the Portfolio's holdings of an issuer represent 5% or more of the outstanding voting securities of an issuer, or any affiliated mutual fund.

A summary of transactions for the fiscal year to date, in Partner International Stock Portfolio, is as follows:

Portfolio	Value December 31, 2010	Gross Purchases	Gross Sales	Shares Held at September 30, 2011	Value September 30, 2011	Income Earned January 1, 2011 - September 30, 2011
Thrivent Financial Securities Lending Trust	$7,579,024	$368,333,448	$353,527,566	22,384,906	$22,384,906	$803,961
Total Value and Income Earned	**7,579,024**				**22,384,906**	**803,961**

The accompanying Notes to Schedule of Investments are an integral part of this schedule.

SIGNIFICANT ACCOUNTING POLICIES

Valuation of Investments – Securities traded on U.S. or foreign securities exchanges or included in a national market system are valued at the official closing price at the close of each business day unless otherwise stated below. Over-the-counter securities and listed securities for which no price is readily available are valued at the current bid price considered best to represent the value at that time. Security prices are based on quotes that are obtained from an independent pricing service approved by the Board of Directors. The pricing service, in determining values of fixed-income securities, takes into consideration such factors as current quotations by broker/dealers, coupon, maturity, quality, type of issue, trading characteristics, and other yield and risk factors it deems relevant in determining valuations. Securities which cannot be valued by the approved pricing service are valued using valuations obtained from dealers that make markets in the securities. Exchange listed options and futures contracts are valued at the last quoted sales price. Swaps are valued using pricing sources approved by the Board of Directors and the change in value, if any, is recorded as unrealized gains or losses. Mutual funds are valued at the net asset value at the close of each business day.

For all Portfolios, other than Money Market Portfolio, short-term securities with maturities of 60 days or less are valued at amortized cost. Securities held by Money Market Portfolio are valued on the basis of amortized cost (which approximates market value), whereby a portfolio security is valued at its cost initially and thereafter valued to reflect a constant amortization to maturity of any discount or premium. The market values of the securities held in Money Market Portfolio are determined once per week using prices supplied by the Portfolios' independent pricing service. Money Market Portfolio and the Portfolios' investment adviser follow procedures necessary to maintain a constant net asset value of $1.00 per share.

All securities for which market values are not readily available or deemed unreliable are appraised at fair value as determined in good faith under the direction of the Board of Directors.

Generally Accepted Accounting Principles defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value requirements, which improve the consistency and comparability of fair value measurements used in financial reporting. Various inputs are summarized in three broad levels: Level 1 includes quoted prices in active markets for identical securities; Level 2 includes other significant observable inputs such as quoted prices for similar securities, interest rates, prepayment speeds and credit risk; and Level 3 includes significant unobservable inputs such as the Portfolio's own assumptions and broker evaluations in determining the fair value of investments.

Fair Valuation of International Securities – Because many foreign markets close before the U.S. markets, events may occur between the close of the foreign market and the close of the U.S. markets that could have a material impact on the valuation of foreign securities. The Portfolios, under the supervision of the Board of Directors, evaluates the impacts of these events and may adjust the valuation of foreign securities to reflect the fair value as of the close of the U.S. markets. The Board of Directors has authorized the investment adviser to make fair valuation determinations pursuant to policies approved by the Board of Directors.

Foreign Currency Forward Contracts — In connection with purchases and sales of securities denominated in foreign currencies all Portfolios, except Money Market Portfolio, may enter into foreign currency forward contracts. Additionally, the Portfolios may enter into such contracts to hedge certain other foreign currency denominated investments. These contracts are recorded at value and the related realized and unrealized foreign exchange gains and losses are recorded. In the event that counterparties fail to settle these forward contracts, the Portfolios could be exposed to foreign currency fluctuations. Foreign currency contracts are valued daily and unrealized appreciation or depreciation is recorded daily as the difference between the contract exchange rate and the closing forward rate applied to the face amount of the contract. A realized gain or loss is recorded at the time a forward contract is closed. These contracts are over-the-counter and the Portfolio is exposed to counterparty risk equal to the discounted net amount of payments to the Portfolio. This risk is partially mitigated by the Portfolio's collateral posting requirements. As the foreign currency contract increases in value to the Portfolio, the Portfolio receives collateral from the counterparty.

Options — All Portfolios, with the exception of Money Market Portfolio, may buy put and call options and write put and covered call options. The Portfolios intend to use such derivative instruments as hedges to facilitate buying or selling securities or to provide protection against adverse movements in security prices or interest rates. The Portfolios may also enter into options contracts to protect against adverse foreign exchange rate fluctuations. Option contracts are valued daily and unrealized appreciation or depreciation is recorded. A Portfolio will realize a gain or loss upon expiration or closing of the option transaction. When an option is exercised, the proceeds upon sale for a written call option or the cost of a security for purchased put and call options is adjusted by the amount of premium received or paid.

Buying put options tends to decrease a Portfolio's exposure to the underlying security while buying call options tends to increase a Portfolio's exposure to the underlying security. The risk associated with purchasing put and call options is limited to the premium paid and has no significant counterparty risk as the exchange guarantees the contract against default. Writing put options tends to increase a Portfolio's exposure to the underlying security while writing call options tends to decrease a Portfolio's exposure to the underlying security. The writer of an option has no control over whether the underlying security may be bought or sold, and therefore bears the market risk of an unfavorable change in the price of the underlying security. The counterparty risk for written options arises when the Portfolio has purchased an option, exercised that option, and the counterparty does not buy or sell the Portfolio's underlying asset as required. In the case where the Portfolio has sold an option, the Portfolio does not have counterparty risk. Counterparty risk on written options is partially mitigated by the Portfolio's collateral posting requirements. As the written option increases in value to the Portfolio, the Portfolio receives collateral from the counterparty.

Futures Contracts — Certain Portfolios may use futures contracts to manage the exposure to interest rate, market and currency fluctuations. Gains or losses on futures contracts can offset changes in the yield of securities. When a futures contract is opened, cash or other investments equal to the required "initial margin deposit" are held on deposit with and pledged to the broker. Additional securities held by the Portfolios may be earmarked to cover open futures contracts. The futures contract's daily change in value ("variation margin") is either paid to or received from the broker, and is recorded as an unrealized gain or loss. When the contract is closed, the realized gain or loss is recorded equal to the difference between the value of the contract when opened and the value of the contract when closed. Futures contracts involve, to varying degrees, risk of loss in excess of the variation margin. Exchange-traded futures have no significant counterparty risk as the exchange guarantees the contracts against default.

Swap Agreements — Certain Portfolios enter into swap transactions, which involve swapping one or more investment characteristics of a security, or a basket of securities, with another party. Such transactions include market risk, risk of default by the other party to the transaction, risk of imperfect correlation and manager risk and may involve commissions or other costs. Swap transactions generally do not involve delivery of securities, other underlying assets or principal. Accordingly, the risk of loss with respect to swap transactions is generally limited to the net amount of payments that the Portfolio is contractually obligated to make, or in the case of the counterparty defaulting, the net amount of payments that the Portfolio is contractually entitled to receive. If there is a default by the counterparty, the Portfolio may have contractual remedies pursuant to the agreements related to the transaction. The contracts are valued daily and unrealized appreciation or depreciation is recorded. Swap agreements are valued at fair value of the contract as provided by an independent pricing service. The pricing service takes into account such factors as swap curves, default probabilities, recent trades, recovery rates and other factors it deems relevant in determining valuations. Periodic payments and receipts and payments received or made as a result of a credit event or termination of the contract are recognized as realized gains or losses. Collateral, in the form of cash or securities, may be required to be held with the Portfolio's custodian, or third party, in connection with these agreements. These swap agreements are over-the-counter and the Portfolio is exposed to counterparty risk, which is the discounted net amount of payments owed to the Portfolio. This risk is partially mitigated by the Portfolio's collateral posting requirements. As the swap increases in value to the Portfolio, the Portfolio receives collateral from the counterparty.

Credit Default Swaps — A credit default swap is a swap agreement between two parties to exchange the credit risk of a particular issuer, basket of securities or reference entity. In a credit default swap transaction, a buyer pays periodic fees in return for payment by the seller which is contingent upon an adverse credit event occurring in the underlying issuer or reference entity. The seller collects periodic fees from the buyer and profits if the credit of the underlying issuer or reference entity remains stable or improves while the swap is outstanding, but the seller in a credit default swap contract would be required to pay the amount of credit loss, determined as specified in the agreement, to the buyer in the event of an adverse credit event in the reference entity. A buyer of a credit default swap is said to buy protection whereas a seller of a credit default swap is said to sell protection. The Portfolios may be either the protection seller or the protection buyer.

Certain Portfolios enter into credit default derivative contracts directly through credit default swaps (CDS) or through credit default swap indices (CDX Indices). CDX indices are static Portfolios of equally weighted credit default swaps referencing corporate bonds and/or loans designed to provide diversified credit exposure to these asset classes. Portfolios sell default protection and assume long-risk positions in individual credits or the indices. Index positions are entered into to gain exposure to the corporate bond and/or loan markets in a cost efficient and diversified structure. In the event that a position would default, by going into bankruptcy and failing to pay interest or principal on borrowed money, within any given CDX index held, the maximum potential amount of future payments required would be equal to the pro-rata share of that position within the index based on the notional amount of the index. In the event of a default under a CDS contract the maximum potential amount of future payments would be the notional amount. For CDS contracts, the default events could be bankruptcy and failing to pay interest or principal on borrowed money or a restructuring. A restructuring is a change in the underlying obligations which would include reduction in interest or principal, maturity extension and subordination to other obligations. Refer to the credit default swap tables located within the Portfolio's Schedule of Investments for additional information.

Additional information for the Portfolios' policy regarding valuation of investments and other significant accounting policies can be obtained by referring to the Portfolios' most recent annual or semiannual shareholder report.