
US IMC – New Form ADV – Part 2A

Part 2A

Item 1. Cover Page

AXA Rosenberg Investment Management LLC
4 Orinda Way, Bldg. E
Orinda, California 94563
www.axarosenberg.com
925.254.6464

This brochure provides information about the qualifications and business practices of AXA Rosenberg Investment Management LLC. If you have any questions about the contents of this brochure, please contact us at 925-254-6464. 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.

Additional information about AXA Rosenberg Investment Management LLC also is available at the SEC's website at www.adviserinfo.sec.gov.

AXA Rosenberg Investment Management LLC is a SEC registered investment adviser. Registration with the SEC does not imply a certain level of skill or training.

Brochure version: March 22, 2012

Item 2. Material Changes

As part of our annual updating amendment AXA Rosenberg has made material changes to the following sections:

Item 4: Advisory Business – Update of Assets under Management
Item 7: Types of Clients – Minimum Investment Size
Item 9: Disciplinary Information
Item 10: Affiliations – Investment Advisory Affiliates

We have also made a number of changes to the description of our investment process and other aspects of our advisory business, which we do not consider material but, which we believe more accurately reflects our business.

Certain changes also reflect reorganizational changes within the AXA Rosenberg Group during the past 12 months.

Item 3. Table of Contents

	<u>Page</u>
Advisory Business	3
Fees and Compensation	5
Performance-Based Fees and Side-By-Side Management	6
Types of Clients	7
Methods of Analysis, Investment Strategies and Risk of Loss	7
Disciplinary Information	16
Other Financial Industry Activities and Affiliations	17
Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	20
Brokerage Practices	22
Review of Accounts	27
Client Referrals and Other Compensation	28
Custody	29
Investment Discretion	29
Voting Client Securities	30
Financial Information	32
Additional Information	33

Item 4. Advisory Business

A. Describe your advisory firm, including how long you have been in business. Identify your principal owner(s).

AXA Rosenberg Investment Management LLC (AXA Rosenberg) is a fundamental active investment manager devoted to the rigorous, dispassionate analysis of data. Together with our international investment adviser affiliates within the AXA Rosenberg Group (collectively, AXA Rosenberg Group), we are the specialist active global equity investment management firm within the AXA Investment Managers group.

Since 1985, AXA Rosenberg Group and its predecessors have refined a highly disciplined system that leverages proprietary and third-party computer software and data with the aim of overcoming the natural limitations of human decision making. We believe that our investment modeling can handle more data on more companies than a traditional analyst approach and enables us to evaluate more information on a much wider universe of stocks with greater efficiency than the traditional fundamental manager.

AXA Rosenberg is registered as an investment adviser with the US Securities and Exchange Commission, and also operates under the international adviser exemption in Canada.

Corporate structure

AXA Rosenberg Investment Management LLC is a wholly owned, indirect subsidiary of AXA Group, the diversified, global financial services company. Our chain of ownership to our ultimate parent holding company AXA SA is as follows:

- AXA SA directly and indirectly owns substantially all of AXA Investment Managers SA's equity ownership interests
- AXA Investment Managers SA indirectly owns 100% of AXA Rosenberg Group LLC
- AXA Rosenberg Group LLC owns 100% of AXA Rosenberg Investment Management LLC

B. Describe the types of advisory services you offer. If you hold yourself out as specializing in a particular type of advisory service, such as financial planning, quantitative analysis, or market timing, explain the nature of that service in greater detail. If you provide investment advice only with respect to limited types of investments, explain the type of investment advice you offer, and disclose that your advice is limited to those types of investments.

Our advisory services

AXA Rosenberg offers separate account portfolios as well as a variety of fund ranges for public and private pension funds, insurance companies, endowments, foundations, mutual fund sponsors, and other institutional investors. We use a bottom-up, fundamental stock-selection approach driven by systematic processes for managing equity portfolios, through which we seek to outperform a benchmark while diversifying investment risk across a portfolio's holdings. Risk control is designed to be an important component of our process which incorporates managing overall portfolio risk relative to the client designated benchmark.

We primarily invest in common stocks traded on the principal exchanges of major markets. The use of derivatives is currently not a strategic component of our investment approach. However, since our goal is to be fully invested in equities at all times When permitted, we may use stock index futures or exchange-traded funds to overlay cash or accruals and obtain exposure to the equity market

We offer our clients a variety of equity investment strategies, including regional and global broad market/large cap and mid/small cap, global emerging markets, long-term lower volatility (LTLV), actively

managed enhanced index, and strategies incorporating shorting techniques. We also work with our clients to develop customized equity investment solutions to meet their individual needs. We work closely with our investment adviser affiliates located in London and Singapore within the AXA Rosenberg Group to implement portfolios with strategies involving markets outside of the Americas for our clients, as described further in Item 10 below.

While our research, modeling and investment implementation activities are fully integrated, the Barr Rosenberg Research Center LLC (Research Center) is primarily responsible for long-term research initiatives and maintaining and enhancing the quantitative investment models used in the management of our investment strategies.

Please see “Item 8. Methods of Analysis, Investment Strategies and Risk of Loss” for a description of our investment process.

C. Explain whether (and, if so, how) you tailor your advisory services to the individual needs of clients. Explain whether clients may impose restrictions on investing in certain securities or types of securities.

Each separate account is designed specifically for the client; therefore, it is possible to tailor certain portfolio characteristics for the unique needs of each separate account client. Any client-directed characteristics, restrictions or services negotiated with the client are documented in the client's investment management agreement and investment guidelines.

Examples of portfolio characteristics that can be tailored are:

- Benchmark
- Markets
- Long/Short strategies
- Futures
- Socially responsible investments
- Restricted securities lists
- Currency hedging

Additional customizable services:

- Client reporting
- Proxy voting (described in the Voting Client Securities section)
- Client directed brokerage (described in the Brokerage Practices section)

AXA Rosenberg's commingled funds cannot be tailored to an individual client's needs.

D. If you participate in wrap fee programs by providing portfolio management services, (1) describe the differences, if any, between how you manage wrap fee accounts and how you manage other accounts, and (2) explain that you receive a portion of the wrap fee for your services.

AXA Rosenberg does not currently participate in wrap fee programs.

E. If you manage client assets, disclose the amount of client assets you manage on a discretionary basis and the amount of client assets you manage on a non-discretionary basis. Disclose the date “as of” which you calculated the amounts.

Assets under management

As of February 29, 2012, AXA Rosenberg Investment Management LLC had approximately \$290 million in discretionary assets under management and no non-discretionary assets under management.

As of December 31, 2011, AXA Rosenberg Group, which **includes** AXA Rosenberg Investment Management LLC and our AXA Rosenberg Group affiliates, had approximately \$21 billion in discretionary assets under management of which \$181 million are non-discretionary assets under management.

Item 5. Fees and Compensation

A. Describe how you are compensated for your advisory services. Provide your fee schedule. Disclose whether the fees are negotiable.

B. Describe whether you deduct fees from clients' assets or bill clients for fees incurred. If clients may select either method, disclose this fact. Explain how often you bill clients or deduct your fees.

C. Describe any other types of fees or expenses clients may pay in connection with your advisory services, such as custodian fees or mutual fund expenses. Disclose that clients will incur brokerage and other transaction costs, and direct clients to the section(s) of your brochure that discuss brokerage.

As an SEC registered adviser who advises only qualified purchasers as defined in section 2(a)(51)(A) of the Investment Company Act of 1940, AXA Rosenberg is not required to provide a fee schedule. Nevertheless, below is an overview of our compensation structure.

We charge an investment management fee for the accounts we manage based on a percentage of assets, performance, or combination of both. Our management fees vary based on the type of investment strategy, and may be subject to negotiation on a client-by-client basis in our sole discretion.

For separate accounts, payments are due quarterly, in arrears. They are calculated by multiplying one-quarter of the appropriate annual fee percentage by the average of the assets under management at the close of business on the last day of each month in the preceding quarter. Actual arrangements for calculation and payment of fees for separate accounts may vary, as agreed with our clients on an individual basis.

In addition to management fees paid to AXA Rosenberg as compensation for managing portfolios, our clients' portfolios also incur the brokerage costs for their respective portfolio transactions. Our separate account clients engage their own custodians and negotiate and pay their own custodial fees.

D. If your clients either may or must pay your fees in advance, disclose this fact. Explain how a client may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.

AXA Rosenberg clients are not required to pay fees in advance.

E. If you or any of your supervised persons accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds, disclose this fact.

Neither AXA Rosenberg nor any of our supervised persons accepts compensation for the sale of securities or other investment products.

Item 6. Performance-Based Fees and Side-By-Side Management

If you or any of your supervised persons accepts performance-based fees – that is, fees based on a share of capital gains on or capital appreciation of the assets of a client (such as a client that is a hedge fund or other pooled investment vehicle) – disclose this fact. If you or any of your supervised persons manage both accounts that are charged a performance-based fee and accounts that are charged another type of fee, such as an hourly or flat fee or an asset-based fee, disclose this fact. Explain the conflicts of interest that you or your supervised persons face by managing these accounts at the same time, including that you or your supervised persons have an incentive to favor accounts for which you or your supervised persons receive a performance-based fee, and describe generally how you address these conflicts.

We manage accounts from which we receive asset-based management fees, performance-based management fees, or a combination of both types of fees. Because performance-based fees have the potential to generate more revenue for us than asset-based fees, there is a conflict of interest which could cause AXA Rosenberg or its supervised persons to favor accounts that have a higher fee rate or cause such accounts to be invested differently than they might otherwise have been.

While such favoritism could occur during the investment of client portfolios such as in allocating investment opportunities, allocating aggregated trades, or trading between client accounts, we believe that our quantitative investment process and compliance policies and procedures effectively mitigate this potential conflict of interest.

As a matter of the utmost importance in managing our client's assets, our investment, trading and operations teams are instructed not to favor one client over another in the investment process. This is documented in our Code of Ethics, which all AXA Rosenberg's supervised persons receive and acknowledge. Additionally, our supervised persons are not individually compensated based on an account's performance; thereby reducing the incentive to favor one account over another.

Allocation of investment opportunities and allocation of aggregated trades

Through our quantitative investment process, we allocate investment opportunities equitably across the portfolios we manage. Each client's investment recommendations are based on its investment strategy and guidelines, which we implement by setting certain parameters in our investment models. Clients' trade recommendations are automatically generated as output from our portfolio construction process.

On any given day, the demand for a transaction for our client accounts may collectively be greater than we are able or willing to execute based on market liquidity as well as our consideration of best execution and market impact. We use an automated process to allocate the fills of aggregated trades, with some exception for manual intervention. A more detailed discussion of our process for allocating aggregated trades and the oversight procedures in place are provided in Item 12, Brokerage Practices section.

Trades between client accounts (cross trades)

In general we do not engage in "cross trades" between client accounts. However, where there might be a benefit to both client accounts (such as reduced market impact or transaction costs), we may effect such transaction to the extent it is consistent with applicable law, regulation and client investment guidelines. Should we determine to conduct a cross trade between client accounts, we will adopt compliance policies

and procedures that define internal approval procedures as well as client consent and notification procedures.

Item 7. Types of Clients

Describe the types of clients to whom you generally provide investment advice, such as individuals, trusts, investment companies, or pension plans. If you have any requirements for opening or maintaining an account, such as a minimum account size, disclose the requirements.

AXA Rosenberg Group's clients and prospective clients include a variety of U.S. and Canadian institutional investors. AXA Rosenberg's clients typically include:

- Public and private retirement plan sponsors
- Insurance companies
- Endowments
- Foundations
- Mutual fund sponsors
- Other types of institutional investors

Minimum investment size

Our minimum investment size varies by investment strategy and investment vehicle. In establishing minimum investment sizes, we consider the minimum amount required to establish a diversified portfolio. We generally have lower investment minimums for our pooled investment vehicles than our separate accounts.

For separate accounts, our minimum initial account size is \$10 million for single country or regional strategies and \$25 million for multi-regional strategies.

Required client information

We may require prospective clients as well as our existing clients to provide certain information and/or records necessary to meet any customer identification requirements set forth by our program for anti-money laundering and combating terrorist financing.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

A. Describe the methods of analysis and investment strategies you use in formulating investment advice or managing assets. Explain that investing in securities involves risk of loss that clients should be prepared to bear.

Investment decisions are driven principally by our investment modeling and portfolio construction processes which are based upon data and software—both proprietary and third party—in other words, a quantitative process. Our research analysts are responsible for maintaining our investment models and assimilating, checking and structuring the data going into the models. We use a team approach to manage portfolios. The portfolio managers ensure that the intentions of the models are expressed effectively in the portfolios. In addition, portfolio managers ensure that portfolio risk exposures are appropriate for both the strategy and the market environment. Finally, there are times when the portfolio management team may take special portfolio actions related to positioning if there is evidence that there is information in the market place which is either not being captured or is being captured incorrectly. These situations are infrequent and are subject to scrutiny; examples include M&A activity or significant company news.

Investment advisory affiliates within the AXA Rosenberg Group assist with investment implementation for investment strategies involving any non-American component. We believe that our team approach, combined with the use of technology helps to ensure that our investment strategy is applied consistently and thoughtfully across all portfolios.

The proprietary insights of AXA Rosenberg are encapsulated in our investment platform, which integrates the research and investment process, from data collection to trading.

AXA Rosenberg's investment process is driven by bottom-up stock selection with a process that is based on the fundamental analysis of company valuations and earnings. The AXA Rosenberg investment belief has remained constant since the formation of its predecessor in 1985: namely that Company fundamentals and earnings ultimately drive price performance and therefore by identifying and investing in companies that display superior fundamentals at an attractive price, it is possible to add value.

Fundamental company valuation

We rigorously analyze fundamental data and historical price performance of up to approximately 21,000 companies world-wide (data permitting); and we generate an earnings outlook and fundamental value estimation for each company relative to its peers. By using a systematic implementation of traditional analysts' methods, we believe we are able to conduct this analysis dispassionately and consistently on a global basis.

Portfolio construction – Core Equity

Our portfolio construction process is benchmark driven; we seek to outperform a portfolio's designated benchmark while appropriately managing portfolio risk relative to the benchmark.

As active managers, we are not interested in neutralizing all risks – common factor or stock-specific – within our portfolios. By analyzing the risk characteristics of the benchmark, we set targets for portfolio exposure to systematic factors of risk, such as country, industry and individual stock exposure, together with other factors such as market capitalization, price/earnings etc. Our portfolio construction process then aims to exploit the information developed by the stock selection process in order to maximize active return while striving to minimize unintended risks, resulting in recommended positions in companies designed, in the aggregate, to constitute efficient portfolio in terms of expected risk and reward as identified by our modeling.

Long/short and 130/30 strategies

AXA Rosenberg's long/short strategies aim to create balanced portfolios of long and short positions in stocks that, in the aggregate, should have little net exposure to equity market as a whole. Our 130/30 short extension strategies similarly combine long and short positions. The goal is to maintain close to net 100 percent market exposure. While we use the same fundamental valuation process described above that we use for our long-only core equity portfolios, and construct long/short and 130/30 portfolios relative to both their benchmarks, we use short selling in our long/short and 130/30 portfolios to take advantage of the positive and negative signals from our investment models. We hold long positions in stocks we believe are attractive, and short positions in those we believe to be unattractive.

The selection universe for our global 130/30 product includes large and midcap stocks in developed markets globally. In constructing a 130/30 portfolio, we aim to buy \$130 in stocks and sell shorts worth \$30 for every \$100 invested. However, we may increase or decrease an account's long or short exposure above or below these ranges from time to time.

Long-term low volatility (LTLV)

The objective of our LTLV strategy is to capture the long-term capital appreciation potential of equities with less exposure to short-term return fluctuations of traditional equity benchmarks. While we use the same fundamental valuation process described above that we use for our core equity portfolios, the benchmark for the strategy is a custom-weighted version of our developed large cap universe. The LTLV

benchmark seeks to de-emphasize the weight of stocks in the investment universe that have certain risk characteristics. This is achieved by reducing the weight of stocks with a higher current risk profile, such as speculative valuation levels, market risk (beta) or default risk.

Risk of loss

Investing in equities is speculative and involves risk due to the nature of the investments, the strategies to be employed, and the implementation of such investment strategies. Investing in a single strategy should not itself be considered a balanced investment program, but rather should be viewed as providing diversification within a more complete investment portfolio. Investors should understand the risks of investing in securities, including those described herein, and should be prepared to withstand the loss of their investment.

B. For each significant investment strategy or method of analysis you use, explain the material risks involved. If the method of analysis or strategy involves significant or unusual risks, discuss these risks in detail. If your primary strategy involves frequent trading of securities, explain how frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

C. If you recommend primarily a particular type of security, explain the material risks involved. If the type of security involves significant or unusual risks, discuss these risks in detail.

GENERAL INVESTMENT RISKS

Management Risk. Each Portfolio is subject to management risk because it is an actively managed investment portfolio. This includes the risk that AXA Rosenberg will make poor investment selections. There can be no guarantee that a Portfolio will produce the desired results. In some cases, certain investments may be unavailable or a Portfolio may not choose certain investments under market conditions when, in retrospect, their use would have been beneficial to the Portfolio.

Investment Risks. The value of a Portfolio may vary depending on external conditions affecting the Portfolio. These conditions depend upon market, economic, political, regulatory and other factors. Investment in a Portfolio is more volatile and risky than some other forms of investment.

Equity Securities Risk. Equity securities include common, preferred, and convertible preferred stocks and securities, the values of which are tied to the price of stocks, such as rights, warrants, and convertible debt securities. Common and preferred stocks represent equity ownership in a company. Stock markets are volatile, and the price of equity securities (and their equivalents) will fluctuate. The value of equity securities purchased by a Portfolio could decline if the financial condition of the companies in which the Portfolio invests decline or if overall market and economic conditions deteriorate.

Liquidity Risk. A Portfolio is exposed to liquidity risk when trading volume, lack of a market maker, or legal restrictions impair the Portfolio's ability to sell particular securities or close derivative positions at an advantageous price. Portfolios with principal investment strategies that involve securities of companies with smaller market capitalizations, foreign securities, derivatives, or securities with substantial market and/or credit risk tend to have the greatest exposure to liquidity risk.

ACTIVE TRADING RISK

A Portfolio that actively trades portfolio securities in an attempt to achieve its investment objective may have high portfolio turnover rates that may increase the Portfolio's brokerage and other transaction costs, accelerate the realization of taxable gains, and adversely impact Portfolio performance.

MARKET SEGMENT RISK

Market Segment Risk. Portfolios are subject to the risk that their principal market segment, such as large capitalization, mid capitalization, or small capitalization stocks, or growth or value stocks, may underperform compared to other market segments or to the equity markets as a whole. Thus:

- **MidCap:** A Portfolio's strategy of investing in mid cap stocks carries the risk that in certain markets mid cap stocks will underperform small cap or large cap stocks.
- **LargeCap:** A Portfolio's strategy of investing in large cap stocks carries the risk that in certain markets large cap stocks will underperform small cap or mid cap stocks.
- **SmallCap:** A Portfolio's strategy of investing in small cap stocks carries the risk that in certain markets small cap stocks will underperform mid cap or large cap stocks.

Small Company Risk. Investments in companies with smaller capitalizations may involve greater risk and price volatility than investments in larger, more mature companies. Smaller companies may be developing or marketing new products or services for which markets are not yet established and may never become established. While small, unseasoned companies may offer greater opportunities for capital growth than larger, more established companies, they also involve greater risks and should be considered speculative.

Mid Cap Stock Risk. Medium capitalization companies may be more vulnerable to adverse business or economic events than larger, more established companies. In particular, mid-size companies may pose greater risk due to narrow product lines, limited financial resources, less depth in management, or a limited trading market for their securities.

Sector Risk. This is the risk that a Portfolio may from time to time overweight investments in certain sectors or industries of the stock market. When a Portfolio's investments are concentrated or overweighted in a particular industry or sector of the economy (e.g., real estate, technology, financial services), they are far less diversified than the broad securities markets. Portfolios concentrating or overweighted in a particular industry sector tend to be more volatile than more broad-based portfolios, and the values of their investments tend to go up and down more rapidly. A Portfolio that concentrates in or overweights a particular industry or sector is particularly susceptible to the impact of market, economic, regulatory, and other factors affecting that industry or sector.

Growth Stock Risk. Growth stocks typically trade at higher multiples of current earnings than other securities. Growth stocks are often more sensitive to market fluctuations than other securities because their market prices are highly sensitive to future earnings expectations. Similarly, because growth securities typically do not make dividend payments to shareholders, investment returns are based on capital appreciation, making returns more dependent on market increases and decreases. Growth stocks may therefore be more volatile than non-growth stocks. A Portfolio's strategy of investing in growth stocks also carries the risk that in certain markets growth stocks will underperform value stocks.

Value Stock Risk. A Portfolio's investments in value stocks carry the risk that the market will not recognize a security's intrinsic value for a long time or that a stock judged to be undervalued may actually be appropriately priced. A value stock may not increase in price if other investors fail to recognize the company's value and bid up the price or invest in markets favoring faster growing companies. A Portfolio's strategy of investing in value stocks also carries the risk that in certain markets value stocks will underperform growth stocks.

SPECIFIC PORTFOLIO RISKS

Exchange Traded Funds and Other Pooled Vehicles Risk. To gain or hedge equity exposure, a Portfolio may invest or take short positions in exchange traded funds, and other types of pooled or bundled investment vehicles. Investment in such vehicles may involve a layering of fees and other costs. A

Portfolio's investment in such vehicles that are registered under the Investment Company Act of 1940, as amended, is limited under the provisions of that Act.

Master Limited Partnership ("MLP") Risk. MLPs are limited partnerships in which the ownership units are publicly traded. MLP units are registered with the U.S. Securities and Exchange Commission and are freely traded on a securities exchange or in the over-the-counter market. MLPs often own several properties or businesses (or own interests) that are related to oil and gas industries, but they also may finance research and development and other projects. To the extent that an MLP's interests are all in a particular industry, the MLP will be negatively impacted by economic event adversely impacting that industry. The risks of investing in a MLP are generally those involved in investing in a partnership as opposed to a corporation. For example, state law governing partnerships is often less restrictive than state law governing corporations. Accordingly, there may be fewer protections afforded to investors in a MLP than investors in a corporation. In addition, MLPs may be subject to state taxation in certain jurisdictions, which will have the effect of reducing the amount of income paid by the MLP to its investors.

OTC Transactions Risk. Portfolios may in certain instances trade in instruments that are not traded on organized exchanges and, as such, are not standardized. These transactions are known as over-the-counter ("OTC") transactions. In general, there is less governmental regulation and supervision in the OTC markets than of transactions entered into on an organized exchange. In addition, many of the protections afforded to participants on some organized exchanges, such as the performance guarantee of an exchange clearinghouse, will not be available in connection with OTC transactions. This leads to the risk that a counterparty will not settle a transaction because of a credit or liquidity problem or because of disputes over the terms of the contract. In addition, there is a chance that counterparties will be unable to perform with respect to transactions, whether due to insolvency, bankruptcy, governmental prohibition, or other causes, which could lead to losses.

Real Estate Investing Risk. Investing in REITs exposes investors to the risks of owning real estate directly, as well as to risks that relate specifically to the way in which REITs are organized and operated. Real estate is a cyclical business, highly sensitive to general and local economic developments and characterized by intense competition and periodic overbuilding. Real estate income and values also may be greatly affected by demographic trends, such as population shifts or changing tastes and values. Government actions, such as tax increases, zoning law changes or environmental regulations, also may have a major impact on real estate. Changing interest rates and credit quality requirements also will affect the cash flow of real estate companies and their ability to meet capital needs. REITs generally invest directly in real estate (equity REITs), in mortgages (mortgage REITs) or in some combination of the two (hybrid REITs). Operating REITs requires specialized management skills and a Portfolio or portion thereof indirectly bears REIT management and administration expenses along with the direct expenses of the Portfolio. Individual REITs may own a limited number of properties and may concentrate in a particular region or property type. REITs also must satisfy specific Internal Revenue Code requirements in order to qualify for the tax-free pass through of income.

Forward Trading Risk. Certain of our Portfolios may invest in forward contracts and options thereon. Forward contracts, unlike futures contracts, are not traded on exchanges and are not standardized; rather banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Forward and "cash" trading is substantially unregulated; there is no limitation on daily price movements and speculative position limits are not applicable. The principals who deal in the forward markets are not required to continue to make markets in the currencies or commodities they trade and these markets can experience periods of illiquidity, sometimes of significant duration. There have been periods during which certain participants in these markets have refused to quote prices for certain currencies or commodities or have quoted prices with an unusually wide spread between the price at which they were prepared to buy and that at which they were prepared to sell. Disruptions can occur in any market traded by a Portfolio due to unusually high trading volume, political intervention or other factors. The imposition of controls by government authorities might also limit such forward (and futures) trading to less than that which AXA

Rosenberg would otherwise recommend, to the possible detriment of a Portfolio. Market illiquidity or disruption could result in major losses to a Portfolio.

Purchase and Sale of Futures Risk. Certain of our Portfolios may invest in futures on individual securities, indexes and currencies. Futures are highly volatile and are influenced by a variety of factors, including national and international political and economic developments. In addition, because of the low margin deposits normally required in futures trading, a high degree of leverage is typical of a futures trading account. As a result, a relatively small price movement in a futures contract may result in substantial losses to a Portfolio. Positions in futures may be closed out only on the exchange on which they were entered into or through a linked exchange, and no secondary market exists for those contracts. Although relevant Portfolios typically will enter into futures contracts only if an active market exists for the contracts, no assurance can be given that an active market will exist for the contracts at any particular time. Moreover, futures positions are marked-to-market at the end of each trading day. This process ensures that outstanding futures obligations are limited by the maximum daily permissible price movement and to prevent losses from accumulating in any futures account. Accordingly, if a Portfolio's futures positions have declined in value, the Portfolio may be required to post additional margin to cover this decline. Alternatively, if a Portfolio's futures positions have increased in value, this increase will be credited to the Portfolio's account or transferred to the Portfolio's custodian. Unlike trading on U.S. futures exchanges, trading on non-U.S. futures exchanges is not regulated by the U.S. Commodity Futures Trading Commission and may be subject to greater risks than trading on U.S. exchanges. For example, some non-U.S. exchanges are principal markets so that no common clearing facility exists and a trader may look only to the broker for performance of the contract. In addition, unless a Portfolio successfully hedges against fluctuations in the exchange rate between the U.S. dollar and the currencies in which trading is done on foreign exchanges, any profits that the Portfolio might realize in trading could be eliminated by adverse changes in the exchange rate, or the Portfolio could incur losses as a result of those changes.

Credit Crisis Liquidity Risk. Certain types of credit instruments, such as investments in collateralized debt obligations, high-yield bonds, debt issued in leveraged buyout transactions, mortgage-related and asset-backed securities, and short-term asset-backed commercial paper, became very illiquid in the latter half of 2007 and in 2008. General market uncertainty and consequent re-pricing of risk led to market imbalances of sellers and buyers, which in turn resulted in significant valuation uncertainties in mortgage and credit-related securities and other instruments. These conditions resulted, and in many cases continue to result in, greater volatility, less liquidity, widening credit spreads and a lack of price transparency, with many instruments remaining illiquid and of uncertain value. Such market conditions, and the above factors, may make valuation for many investments uncertain and/or result in sudden and significant valuation declines in a Portfolio's assets (including pursuant to the investment and reinvestment of any cash balances and/or cash collateral for the Portfolio's securities lending activities, if any).

QUANTITATIVE MODEL/TECHNOLOGY RISKS

Technology and Licensing Risk. The investment strategy of AXA Rosenberg relies heavily on the use of proprietary and non-proprietary software, data and intellectual property being licensed to it on a non-exclusive basis by commercial software analytics, research and data supply entities. To the extent that an unforeseeable software or hardware malfunction or problem is caused by a defect, virus or other outside force, AXA Rosenberg's business, including its financial condition, and/or its Portfolios may be adversely affected. In addition if the licensed material is found to be owned by a third party, and not by the licensing company, as represented, AXA Rosenberg's business, including its financial condition, and/or its Portfolios could be adversely affected.

Analytical Model Risk. AXA Rosenberg seeks to achieve its clients' investment objectives in reliance on signals generated by AXA Rosenberg's analytical models. The accuracy of the signals produced by the models is dependent on a number of factors including without limitation the analytical and mathematical underpinning of the models, the accurate encapsulation of those principles in a complex computational

(including software code) environment, the quality of the data put into the models, changes in market conditions, and the successful deployment of the models' output into the investment portfolio construction process. Each factor may have subjective elements that present the possibility of human error.

While AXA Rosenberg employs controls designed to assure that its models are sound in their development and appropriately adapted, calibrated and configured, analytical error, software development errors, and implementation errors are an inherent risk of complex analytical models and the quantitative investment management processes. These errors may be extremely hard to detect in some cases, and some errors may go undetected for long periods of time, or not be detected at all. AXA Rosenberg's controls, including its escalation policies, are designed to assure that certain types of errors are subject to review once discovered. However, the effect of errors on investment performance, which can be either positive or negative, may not be fully apparent even when discovered. In most instances, because of the complexity of the process, AXA Rosenberg does not anticipate performing an analysis of the effect of an error on performance or it may determine to not undertake a complete analysis. AXA Rosenberg also may decide not to correct an error or it may delay correcting an error to coincide with other planned changes in its models. Because errors are inherent in the quantitative process, AXA Rosenberg does not expect to disclose error to clients in most instances.

Even if the signals produced by AXA Rosenberg's models are accurate, the ultimate investment performance still depends on AXA Rosenberg's ability to interpret the buy and sell signals generated by the models and to then implement these signals through the purchase and sale of securities and other investments. AXA Rosenberg has established certain systematic rules and processes for generating trading signals, implementing trades and managing risk, but there is no guarantee that these rules or processes will effectively implement the models' buy and sell signals or manage the risk associated with such signals.

Nonstandard Programming Language Risk. One or more nonstandard programming languages are utilized in some aspects of our investment process, which could subject us to a higher degree of exposure to modeling risk in two ways depending on their level of usage: one, nonstandard programming languages tend not have the breadth of developer support that other more mainstream languages have; therefore they can be heavily reliant upon self-development and self-testing of complex constructs. Two, there may only be a small community of developers for the language; therefore it may be difficult to hire and retain skilled programmers on short notice.

FOREIGN SECURITIES RISK (INCL. EMERGING MARKETS)

Foreign Securities Risk. A Portfolio's (or portion thereof) investments in foreign securities, including depositary receipts, involve risks not associated with investing in U.S. securities that can adversely affect a Portfolio's or portion's performance. Foreign markets, particularly emerging markets, may be less liquid, more volatile and subject to less government supervision than domestic markets. The value of a Portfolio's or portion's investment may be negatively affected by changes in the exchange rates between the U.S. dollar and foreign currencies. There may be difficulties enforcing contractual obligations, and it may take more time for trades to clear and settle. A Portfolio or portion thereof may be subject to the following risks associated with investing in foreign securities:

Currency Risk. The risk that fluctuations in currency exchange rates will negatively affect securities denominated in, and/or receiving revenues in, foreign currencies. Adverse changes in currency exchange rates (relative to the U.S. dollar) may erode or reverse any potential gains from a Portfolio's (or portion thereof) investment in securities denominated in a foreign currency or may widen existing losses.

Depository Receipts. A Portfolio or portion thereof may invest in securities of foreign issuers in the form of depository receipts or other securities that are convertible into securities of foreign issuers. American Depository Receipts (“ADRs”) are receipts typically issued by an American bank or trust company that evidence underlying securities issued by a foreign corporation. European Depository Receipts (issued in Europe) and Global Depository Receipts (“GDRs”) (issued throughout the world) each evidence a similar ownership arrangement. A Portfolio or portion thereof may invest in unsponsored depository receipts. The issuers of unsponsored depository receipts are not obligated to disclose information that is, in the United States, considered material. Therefore, there may be less information available regarding these issuers and there may not be a correlation between such information and the market value of the depository receipts. Depository receipts are generally subject to the same risks as the foreign securities that they evidence or into which they may be converted.

Emerging Markets Risks. Investments in emerging countries may be subject to potentially higher risks and greater volatility than in developed countries. These risks include (without limitation) (i) less social, political and economic stability; (ii) the small size of the markets for such securities and the low or non-existent volume of trading potentially resulting in a lack of liquidity and in greater price volatility; (iii) the existence of certain national policies which may restrict investment opportunities, including restrictions on investment in issuers or industries deemed sensitive to national interests; (iv) foreign taxation; (v) the absence of developed legal structures governing private or foreign investment or allowing for judicial redress for injury to private property; (vi) the absence, until recently in many developing countries, of a capital market structure or market-oriented economy, and (vii) the possibility that recent favorable economic developments in some emerging countries may be slowed or reversed by unanticipated political or social events in such countries. In addition, many emerging countries have experienced substantial, and in some periods extremely high, rates of inflation for many years. Inflation and rapid fluctuations in inflation rates have had and may continue to have negative effects on the economies and securities markets of certain countries. Investments in emerging countries may involve risks of nationalization, expropriation, confiscatory taxation and restrictive currency control regulations. In the event of an expropriation of property without adequate compensation, a Portfolio could lose a substantial portion of any investments it has made in the affected countries. Further, accounting standards may not exist in certain emerging countries. Finally, even though the currencies of some emerging countries, including (without limitation) certain Eastern European countries, may be convertible into U.S. dollars, the conversion rates may be artificial to the actual market values and may be adverse to investors. Repatriation of investment income, capital and proceeds of sales to foreign investors may require governmental registration or approval in some emerging countries. Delays in or a refusal to grant any required governmental registration or approval for such repatriation could adversely affect a Portfolio. Further, the economies of emerging countries generally are heavily dependent upon international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. The reliability of trading and settlement systems in some emerging markets may not be equal to that available in more developed markets, which may result in delays in realizing investments. In addition, market practices in relation to settlement of securities transactions and custody of assets in such markets could provide a material risk to a Portfolio. Furthermore, due to the local postal and banking systems, no guarantee can be given that all entitlements attaching to securities acquired by a Portfolio (including in relation to dividends) can be realized.

Geographic Risk. The economies and financial markets of certain regions, such as Latin America and Asia, can be highly interdependent and may decline all at the same time.

Political/Economic Risk. Changes in economic and tax policies, government instability, war or other political or economic actions or factors may have an adverse effect on a Portfolio’s (or portion thereof) foreign investments.

Regulatory Risk. Less information may be available about foreign companies. In general, foreign companies are not subject to uniform accounting, auditing and financial reporting standards or to other regulatory practices and requirements as are U.S. companies.

Settlement Risk. Settlement and clearance procedures in certain foreign markets differ significantly from those in the United States. Foreign settlement and clearance procedures and trade regulations also may involve certain risks (such as delays in payment for or delivery of securities) not typically associated with the settlement of U.S. investments. At times, settlements in certain foreign countries have not kept pace with the number of securities transactions. These problems may make it difficult for a Portfolio or portion thereof to carry out transactions. If a Portfolio or portion thereof cannot settle or is delayed in settling a purchase of securities, it may miss attractive investment opportunities and certain of its assets may be uninvested with no return earned thereon for some period. If a Portfolio or portion thereof cannot settle or is delayed in settling a sale of securities, it may lose money if the value of the security then declines or, if it has contracted to sell the security to another party, the Portfolio or portion thereof could be liable for any losses incurred.

Transaction Costs Risk. The costs of buying and selling foreign securities, including tax, brokerage and custody costs, generally are higher than those involving domestic transactions.

DERIVATIVES

Derivatives Risks. In certain instances, Portfolios may engage in a variety of derivative transactions. All derivative instruments, including options, forward contracts and swap contracts involve risks different from, and, in certain cases, greater than the risks presented by more traditional investments. Following is a general discussion of important risk factors and issues concerning the use of derivatives that investors should understand before investing in a Portfolio that engages in such transactions.

Market Risk. This is the general risk attendant to all investments that the value of a particular investment will change in a way detrimental to a Portfolio.

Management Risk. Derivative products are highly specialized instruments that require investment techniques and risk analyses different from those associated with stocks and bonds. The use of a derivative requires an understanding not only of the underlying instrument but also of the derivative itself, without the benefit of observing the performance of the derivative under all possible market conditions. In particular, the use and complexity of derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to a Portfolio and the ability to forecast price, interest rate or currency exchange rate movements correctly.

Credit Risk. This is the risk that a loss may be sustained by a Portfolio as a result of the failure of the other party to a derivative (usually referred to as a “counterparty”) to comply with the terms of the derivative contract. The credit risk for exchange-traded derivatives is generally less than for privately negotiated derivatives, since the clearing house, which is the issuer or counterparty to each exchange-traded derivative, provides a guarantee of performance. This guarantee is supported by a daily payment system (i.e., margin requirements) operated by the clearing house in order to reduce overall credit risk. For privately negotiated derivatives, there is no similar clearing agency guarantee. Therefore, AXA Rosenberg considers the creditworthiness of each counterparty to a privately negotiated derivative in evaluating potential credit risk.

Liquidity Risk. Liquidity risk exists when a particular instrument is difficult to purchase or sell. If a derivative transaction is particularly large or if the relevant market is illiquid (as is the case with many privately negotiated derivatives), it may not be possible to initiate a transaction or liquidate a position at an advantageous price.

Leverage Risk. Since many derivatives have a leverage component, adverse changes in the value or level of the underlying asset, rate or index can result in a loss substantially greater than the amount invested in the derivative itself. In the case of swaps, the risk of loss generally is related to a notional principal amount, even if the parties have not made any initial investment. Certain derivatives have the potential for unlimited loss, regardless of the size of the initial investment.

Other Risks. Other risks in using derivatives include the risk of mispricing or improper valuation of derivatives. Many derivatives, in particular privately negotiated derivatives, are complex and often valued subjectively. Improper valuations can result in increased cash payment requirements to counterparties or a loss of value to a Portfolio. Furthermore, derivatives do not always perfectly, or even highly, correlate or track the value of the assets, rates or indices they are designed to track. Consequently, a Portfolio's use of derivatives may not always be an effective means of, and sometimes could be counterproductive to, furthering the Portfolio's investment objective.

SHORT-SELLING RISK

Short-Selling Risk. Certain Portfolios may engage in short selling as part of any such Portfolio's general investment strategy. A short sale is effected by selling a security which the Portfolio does not own, or, if the Portfolio does own the security, is not to be delivered upon consummation of the sale. If the price of the security in the short sale decreases, the Portfolio will realize a profit to the extent that the short sale price for the security exceeds the market price. If the price of the security increases, the Portfolio will realize a loss to the extent that the market price exceeds the short sale price. Selling securities short runs the risk of losing an amount greater than the initial investment therein. Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating the loss. Short-selling can expose a Portfolio to unlimited risk with respect to that security due to the lack of an upper limit on the price to which an instrument can rise. For any Portfolio with a long/short, market neutral or limited shorting strategy, the Portfolio is subject to the risk that, for some period of time, the Portfolio's short positions may go up while the long positions decline (a "convergent impact"). The occurrence of a convergent impact would aggravate any losses the Portfolio may sustain.

Leverage Risk. For any Portfolios with a long/short, market neutral or limited shorting strategy, the Portfolio's strategy is inherently leveraged, and the Portfolio will be exposed to the risk of investment leverage. Leverage involves investment exposure to positions in excess of the amount actually invested. Because the use of leverage effectively compounds investment exposure, it can improve the return on invested capital if the leveraged investments increase in value. However, leverage may involve costs to a Portfolio and, through the compounding effect, will proportionally enhance the adverse impact to the Portfolio if leveraged investments decrease in value.

Item 9. Disciplinary Information

If there are legal or disciplinary events that are material to a client's or prospective client's evaluation of your advisory business or the integrity of your management, disclose all material facts regarding those events.

Pursuant to offers of settlement by AXA Rosenberg Group LLC, AXA Rosenberg Investment Management LLC, and Barr Rosenberg Research Center LLC in an order dated February 3, 2011, the US Securities and Exchange Commission ("SEC") found, and AXA Rosenberg Group, AXA Rosenberg Investment Management and Barr Rosenberg Research Center neither admitted nor denied, that AXA Rosenberg Group violated Sections 17(a)(2) and 17(a)(3) of the Securities Act of 1933 by making material misrepresentations and omissions concerning the quantitative investment model used by AXA Rosenberg Investment Management and the compliance and control procedures in effect at Barr Rosenberg Research Center; AXA Rosenberg Investment Management and Barr Rosenberg Research

Center violated Section 206(2) of the Investment Advisers Act of 1940 ("Advisers Act") by breaching their fiduciary duty to clients when they concealed and delayed fixing an error in the quantitative investment model (the "Coding Error"); and Barr Rosenberg Research Center violated Section 206(4) of the Advisers Act and Rule 206(4)-7 thereunder by failing to adopt and implement policies and procedures designed to ensure that it did not make false and misleading statements to clients and investors, including failing to ensure that the quantitative investment model performed as represented.

As part of the SEC order, AXA Rosenberg Group, AXA Rosenberg Investment Management, and Barr Rosenberg Research Center have undertaken: to make a payment, jointly and severally, in the amount of \$217 million to compensate clients of AXA Rosenberg Investment Management and certain affiliated entities; to subject Barr Rosenberg Research Center to all of AXA Rosenberg Group's internal controls and compliance policies and procedures; through at least 2015, to maintain a global compliance and ethics oversight structure encompassing AXA Rosenberg Group, AXA Rosenberg Investment Management, Barr Rosenberg Research Center, and certain affiliated entities that, among other things, would create a global compliance and ethics committee to review violations or potential violations of the code of ethics, escalation policy, and compliance policies and procedures; to retain an independent compliance consultant to, among other things, review compliance, supervisory, and other policies and procedures; to adopt the recommendations of such consultant subject to a mechanism for resolving disagreements; and to undergo third party compliance review by the consultant at the end of fiscal years 2012 and 2013.

With respect to the same incident above, pursuant to offers of settlement by AXA Rosenberg Group LLC, AXA Rosenberg Investment Management LLC, and Barr Rosenberg Research Center LLC also entered into a settlement agreement with the US Department of Labor ("DOL") dated January [5], 2012, based upon a finding by the Employee Benefits Security Administration of the DOL ("EBSA") that "one or more of the parties" also violated fiduciary duties under the Employee Retirement Income Security Act of 1974 ("ERISA") with respect to an affiliated 401(k) plan, and the pension plans of unrelated ERISA clients. AXA Rosenberg Group, AXA Rosenberg Investment Management and Barr Rosenberg Research Center neither admitted nor denied the findings by the EBSA, but agreed to certain undertakings designed to strengthen ERISA compliance controls. No payments were required to be made to the DOL or other parties as part of the settlement agreement.

Item 10. Other Financial Industry Activities and Affiliations

A. If you or any of your management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, disclose this fact.

B. If you or any of your management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities, disclose this fact.

As of the end of 2011, neither AXA Rosenberg nor its management persons are registered (nor have an application pending to register) as a broker-dealer, representative of a broker-dealer, futures commission merchant, commodity pool operator, or commodity trading advisor.

C. Describe any relationship or arrangement that is material to your advisory business or to your clients that you or any of your management persons have with any related person listed below. Identify the related person and if the relationship or arrangement creates a material conflict of interest with clients, describe the nature of the conflict and how you address it.

1. broker-dealer, municipal securities dealer, or government securities dealer or broker
2. investment company or other pooled investment vehicle (including a mutual fund, closed-end

- investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund)
3. other investment adviser or financial planner
 4. futures commission merchant, commodity pool operator, or commodity trading advisor
 5. banking or thrift institution
 6. accountant or accounting firm
 7. lawyer or law firm
 8. insurance company or agency
 9. pension consultant
 10. real estate broker or dealer
 11. sponsor or syndicator of limited partnerships.
- D. If you recommend or select other investment advisers for your clients and you receive compensation directly or indirectly from those advisers that creates a material conflict of interest, or if you have other business relationships with those advisers that create a material conflict of interest, describe these practices and discuss the material conflicts of interest these practices create and how you address them.

Investment Advisory Affiliates

As described in Items 4 and 8, we work closely with our investment adviser affiliates within the AXA Rosenberg Group to construct and manage portfolios for our clients. While our research, modeling and investment implementation activities are fully integrated, the Research Center is primarily responsible for long-term research initiatives and maintaining and enhancing the quantitative investment models used in the management of our investment strategies. For investment strategies investing in markets outside of the Americas, we work with our international adviser affiliates located in London and Singapore to implement the portfolios in their respective regions as follows.

Investment region	AXA Rosenberg Group Entity	Location
Americas	AXA Rosenberg Investment Management LLC	US
Pan-Asia Pacific	AXA Investment Managers Asia (Singapore) Ltd.	Singapore
Europe, Middle East, Africa (EMEA)	AXA Rosenberg Investment Management Ltd	United Kingdom

Our parent company – AXA Investment Managers

AXA Rosenberg is a wholly-owned subsidiary of AXA Investment Managers (“AXA IM”). Together with our international investment adviser affiliates within the AXA Rosenberg Group, we are a specialist active global equity investment management firm within the AXA Investment Managers group.

Accordingly, certain AXA Rosenberg functions, such as distribution, control and business support have been integrated with AXA IM’s shared functions in these areas across all of its geographical entities. AXA Rosenberg remains focused on the investment “expertise”, which includes primarily research and investment models, investment implementation, technology and data, while benefiting from broader resources, experience and global footprint of AXA IM’s shared support infrastructure. Notably, some functions are wholly dedicated to AXA Rosenberg and dually accountable to AXA Rosenberg and AXA IM.

AXA Investment Managers solicits clients and provides certain client services on our behalf. As a natural part of this interaction, in order to properly provide support to AXA Rosenberg and its clients, client information will naturally be shared with AXA IM employees on a need-to-know basis in order for AXA Rosenberg to provide its contractually agreed products and services to its clients, including compliance with any regulatory requirements such as anti-money laundering laws.

In addition, because of the joint marketing arrangements that exist among AXA IM and its subsidiaries representing its various business lines, we anticipate sharing client information with AXA IM and its

affiliates so that AXA IM can best assess the suitability of products and services for all of its clients, including those directly contracting with AXA Rosenberg. Regardless, any client information that is shared with AXA IM will be subject to physical, electronic and procedural safeguards as required by applicable law and standards to guard confidential or non-public information.

AXA Group relationships

AXA Rosenberg Investment Management LLC is an indirect subsidiary of AXA Group, the diversified, global financial services company.

Affiliates. AXA SA is a global company that provides insurance and asset management services worldwide. It is a French public limited company whose common shares are traded on the Euronext. AXA Rosenberg, through its relationship with AXA SA and its subsidiaries, may be deemed to be affiliated with other members of AXA Group, including certain registered broker-dealers and investment advisors located in the U.S. and outside. These members may include affiliates and other subsidiaries of AXA Investment Managers, AllianceBernstein and AXA Equitable. These affiliates provide a broad range of financial services including investment management and investment advisory services. In that these affiliates and AXA Rosenberg generally conduct their business independently of one another, we do not believe these affiliations give rise to material conflicts of interest.

AXA Rosenberg currently does not trade with any AXA Group affiliated broker-dealers.

Clients. AXA Rosenberg clients are generally public and private pension funds, insurance companies, endowments, foundations, mutual fund sponsors, and other institutional investors.

AXA Rosenberg has from time to time provided investment management or related services to AXA Rosenberg affiliates, AXA SA and/or its insurance subsidiaries, AXA Investment Managers and AXA Financial or their affiliates. In addition, AXA Rosenberg provides investment management services to various AXA Rosenberg sponsored pooled investment vehicles in which clients are solicited to invest.

Publicly traded securities. We may purchase publicly traded equity securities issued by one of our related parties if it is recommended by our investment models. However, these purchases are subject to client constraints, applicable laws or regulations (e.g., where AXA Rosenberg does not possess material nonpublic information about the issuer and where effective information barriers exist between AXA Rosenberg and the issuer).

Conflicts of interest

While there may be a potential conflict of interest or incentive to favor an account or fund of an affiliated entity, we have established procedures to allocate investment opportunities and to order and allocate trades fairly and equitably, without regard to client affiliation. While affiliated or related accounts and funds may receive negotiated investment management fee discounts from our standard pricing, they do not receive preferential treatment in the investment process; their trades are allocated consistently with those of our other similarly situated clients and in accordance with our trade allocation policy.

Please see Item 6. Performance-Based Fees and Side-By-Side Management for procedures designed to address other potential conflicts of interest.

Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

A. If you are an SEC-registered adviser, briefly describe your code of ethics adopted pursuant to SEC rule 204A-1. Explain that you will provide a copy of your code of ethics to any client or prospective client upon request.

AXA Rosenberg's Code of Ethics (as amended from time to time, the "Code") applies to all AXA Rosenberg employees as well as AXA Rosenberg supervised persons employed by various investment advisory affiliates of AXA Rosenberg. The Code describes the standard of conduct we require of our employees and sets forth certain restrictions on activities such as personal trading and engaging in outside business or investment activities. Compliance with the Code is a condition of employment for all employees, and a serious violation of the Code or related policies may result in dismissal. Certain key provisions of the Code are summarized below.

Personal Trading

Each employee must obtain written permission from the compliance officer or her/his designee before initiating a personal trading transaction as such trades are defined in AXA Rosenberg's Policy on Personal Trading and Insider Trading. Securities that are not on the relevant current buy list may be purchased by an employee for her/his personal account with the appropriate approval. Likewise, any security that is not on the relevant current sell list may be sold by an employee with approval. Thus, no employee has authority to buy a security that any company in the AXA Rosenberg Group of companies is recommending for its clients. Likewise, no member/employee has authority to sell a stock that any company in the AXA Rosenberg Group of companies is recommending for its clients.

The AXA Rosenberg Policy on Personal Trading and Insider Trading is incorporated into the Applicant's Code of Ethics. The Code is designed to:

- Protect our clients by deterring misconduct
- Educate employees regarding AXA Rosenberg's expectations and the laws governing their conduct
- Remind employees that they are in a position of trust and must act in accordance with this position of trust and responsibility;
- Protect AXA Rosenberg's reputation
- Guard against violation of the securities laws
- Establish procedures for employees to follow so that the AXA Rosenberg may determine whether its employees are complying with its ethical principles.

In addition, AXA Rosenberg may invest in publicly traded securities which may be owned or controlled by its related persons (including but not limited to, employees or family members), or for which such related persons serve in management of the issuer. However, AXA Rosenberg's investment in and disposal of any such securities, if any, shall be based on publicly available information and on AXA Rosenberg's investment models.

Gifts and Entertainment

Employees should never encourage a quid pro quo (i.e., "favor for favor") business transaction or feel beholden to a person or firm. The overriding principle is that employees should not accept inappropriate gifts, favors, entertainment, special accommodations, charitable contributions or other things of material value that could be construed as an actual or perceived conflict of interest. Similarly, employees should not offer gifts, favors, entertainment, or other things of value that could be viewed as excessive or lavish or aimed at influencing decision making.

Outside Activities

AXA Rosenberg prohibits its employees from engaging in outside activities (whether business, investment or otherwise) that interfere or could potentially interfere with their duties at AXA Rosenberg, AXA Rosenberg's interests or the interests of AXA Rosenberg's clients.

Regardless of whether an outside activity is specifically addressed in the Code, employees must disclose to their manager and obtain written approval from both their manager and Compliance prior to engaging in any outside activity that could potentially interfere with their duties at AXA Rosenberg, AXA Rosenberg's interests or the interests of AXA Rosenberg's clients.

We will provide our clients and prospective clients a copy of our Code of Ethics upon request.

- B. If you or a related person recommends to clients, or buys or sells for client accounts, securities in which you or a related person has a material financial interest, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.
Examples: (1) You or a related person, as principal, buys securities from (or sells securities to) your clients; (2) you or a related person acts as general partner in a partnership in which you solicit client investments; or (3) you or a related person acts as an investment adviser to an investment company that you recommend to clients.
- C. If you or a related person invests in the same securities (or related securities, e.g., warrants, options or futures) that you or a related person recommends to clients, describe your practice and discuss the conflicts of interest this presents and generally how you address the conflicts that arise in connection with personal trading.
- D. If you or a related person recommends securities to clients, or buys or sells securities for client accounts, at or about the same time that you or a related person buys or sells the same securities for your own (or the related person's own) account, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.

AXA Rosenberg and our affiliates' interests

Neither AXA Rosenberg nor any of our AXA Rosenberg Group affiliates maintain proprietary investment accounts, and do not invest in securities in which we recommend for our clients. From time to time, AXA Rosenberg Group employees may have the opportunity and may invest in pooled investment vehicles that we either manage or manage a portion of the vehicle with our AXA Rosenberg Group adviser affiliates.

As discussed in Item 10.C. Other Financial Industry Activities and Affiliations, we may recommend certain securities to our clients in which AXA Group has a material interest, e.g., AXA SA publicly traded stock.

In making investment decisions, AXA Rosenberg will abide by the stock selection policies or restrictions agreed to between AXA Rosenberg and/or its direct or indirect parent companies with regards to the holding of either individual securities or various categories or classes of securities. The stock selection universe may also be modified as a result of any local regulatory limitations.

Furthermore, we work with our investment advisory affiliates to implement portions of their clients' portfolios that have investment strategies involving US and other markets in North or South America. As discussed in Item 6. Performance-Based Fees and Side-By-Side Management, we have established procedures designed to address other potential conflicts of interest.

Item 12. Brokerage Practices

A. Describe the factors that you consider in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

Broker selection and commissions

AXA Rosenberg conducts trading for securities traded in the Americas, and the investment advisory affiliates listed below conduct trading in securities for their respective regions.

Trading region	AXA Rosenberg Group Entity	Location
Americas	AXA Rosenberg Investment Management LLC	US
Pan-Asia Pacific	AXA Investment Managers Asia Pacific (Singapore) Ltd.	Singapore
Europe, Middle East, Africa (EMEA)	AXA Rosenberg Investment Management Ltd	United Kingdom

AXA Rosenberg and each of these investment advisory affiliates maintain a list of approved broker-dealers through which portfolio transactions may be executed. Our Americas and EMEA trading desks have established standard commission rates with the broker-dealers they transact with, with an exception for emerging markets in EMEA. The standard commission rates vary based on the type of transaction.

Each portfolio pays the brokerage commissions attributable to its transactions. For aggregated trades, each account participating in a trade receives the average price and average transaction cost of the trade.

As requested by some clients with investment mandates that include securities traded outside of the US, we conduct currency hedging for their portfolios with the goal of compensating for shifts in the relative value. For portfolios on behalf of which we conduct currency hedging, we generally conduct the foreign exchange transactions (FX) through the respective portfolio's custodian bank. For certain portfolios, however, we may conduct transactions through third-party broker-dealers.

Trade execution

We seek best execution in conducting trades on behalf of the portfolios we manage. We consider best execution not to be simply the lowest commission cost for a transaction, but a process to obtain the best qualitative execution for transactions. As a part of this process, our traders may consider a combination of various factors, including but not limited to:

- The broker's effectiveness in executing trades
- The reliability, integrity, confidentiality, promptness, reputation, and financial condition of the broker (including the Applicant's trader's past execution history with the broker)
- The size of the trade, its relative difficulty and the security's trading characteristics and liquidity
- The quality and breadth of products offered by the broker
- The broker's willingness to accept our standardized commission rates
- Commission rate
- Best net price
- The ability of the broker to provide research (America's trading desk only)

It should be noted that we may conduct transactions where portfolios may pay one broker a higher commission than another broker for effecting the transaction if we determine in good faith that the commission is reasonable in relation to these factors.

1. **Research and Other Soft Dollar Benefits.** If you receive research or other products or services other than execution from a broker-dealer or a third party in connection with client securities transactions (“soft dollar benefits”), disclose your practices and discuss the conflicts of interest they create.
 - a. Explain that when you use client brokerage commissions (or markups or markdowns) to obtain research or other products or services, you receive a benefit because you do not have to produce or pay for the research, products or services.
 - b. Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving the research or other products or services, rather than on your clients’ interest in receiving most favorable execution.
 - c. If you may cause clients to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits (known as paying-up), disclose this fact.

Soft dollars practices

AXA Rosenberg has entered into soft dollar arrangements with a number of brokers with which its trading desk conducts trades. Under these individually-negotiated arrangements, selected brokers have agreed to provide us with soft dollar credits based upon the value of commissions they have earned from the transactions we place with them. We do not pay up for soft dollar trades. We use the soft dollar credits to obtain research and brokerage services or products which we use in our investment process. By using such soft dollar credits, we are able to defray our research and brokerage expenses; we receive a benefit because we do not have to produce or pay for the research, products or services. We intend for our soft dollar practices to comply with the safe harbor provided by Section 28(e) of the Securities Exchange Act of 1934.

We may obtain soft dollar research and brokerage services or products either directly from the broker or indirectly through a third party (billed to the broker, with the financial obligation running only to the broker).

Although soft dollar practices are permitted by Section 28(e), there is a potential conflict of interest inherent in using soft dollars. The ability to obtain services or products from brokers without having to use the firm’s own resources creates an incentive to direct transactions to soft dollar brokers without consideration of execution costs or quality and creates an incentive to trade a portfolio’s securities more frequently than would otherwise be necessary to execute its investment strategy.

We are aware of the potential conflicts of interest inherent in the use of soft dollars, and believe that we have sufficient controls in place to prevent the misuse of client portfolios.

- We conduct all trades based on our consideration of best execution, as described above, and conduct reviews of the execution of the brokers we use, including soft dollar brokers.
- We do not “pay up” for the transactions we place with our soft dollar brokers in order to obtain research or services.
- It is our general policy to pay all brokers our standard negotiated commission rates, regardless as to whether or not we have a soft dollar arrangement with the broker.
- In general, portfolio transactions are based on the output of our investment models, which substantially mitigates the risk of conducting excessive transactions in a portfolio to generate soft dollar credits.

- d. Disclose whether you use soft dollar benefits to service all of your clients’ accounts or only those that paid for the benefits. Disclose whether you seek to allocate soft dollar benefits to client accounts proportionately to the soft dollar credits the accounts generate.

In accordance with Section 28(e), we use soft dollar services or products for the general benefit of all accounts we manage as well as accounts that we implement on behalf of our affiliates within AXA

Rosenberg Group. In some instances due to the broad nature of the use of certain soft dollar products and services across AXA Rosenberg Group, such as real-time stock prices for example, accounts that are contracted with our affiliates that do not have investment portfolios implemented by AXA Rosenberg may also receive some benefit from the research and services obtained using soft dollars.

We use soft dollar products and services to maintain our investment models, which generally benefit all model-driven portfolios managed by AXA Rosenberg Group. This type of cross-subsidization occurs across investment strategies and vehicles. For example, soft dollar commissions generated by transactions of our pooled investment vehicles are used for soft dollar services or products that may benefit our separate accounts and *vice versa*. Soft dollar services or products may benefit accounts that have different investment strategies than the account generating the transactions that are used to obtain the service or product.

Not all accounts that we manage accrue soft dollar credits and most of our affiliates' accounts, including those portfolios we implement on behalf of our affiliates, do not generate soft dollar commissions which can be used to purchase soft dollar services or products. Therefore, research products and services obtained using soft dollar credits generated by one portfolio may benefit our other accounts that generate soft dollar credits as well as those that do not and may also benefit our affiliates' accounts. We do not attempt to allocate soft dollar benefits to each client account in proportion to the soft dollar credits that it generates, and we may or may not use any or all of the soft dollar services or products obtained with an account's brokerage commissions in managing the account.

e. Describe the types of products and services you or any of your related persons acquired with client brokerage commissions (or markups or markdowns) within your last fiscal year.

f. Explain the procedures you used during your last fiscal year to direct client transactions to a particular broker-dealer in return for soft dollar benefits you received.

Mixed-use products and services

We use soft dollar products and services to aid in the investment decision making and trade execution processes. In some instances, however, we may also use the product or service for another non-research function. In the event that we use soft dollar products or services in a substantial way for a function that is not considered to be research, we make a good faith determination of the proportion of use for research versus non-research, and proportionately allocate soft dollar credits and our own resources accordingly. We may use various methodologies to determine this allocation, including but not limited to the percentage of time the product or service is used for research or the percentage of the job function that is research oriented. To the extent that we have not generated sufficient commissions with a broker to cover the cost of a soft dollar product or service, we may use our own resources towards purchasing the product or service.

We may from time to time, receive research services or products that have both a research and non-research use. Under such circumstances, AXA Rosenberg will allocate the anticipated use of the product or service to its research and non-research components using certain methods, such as percentage of time used, percentage of job function which is research oriented, or others, but under all circumstances, the mixed use allocation will be made in good faith, documented accordingly and as outlined in our Soft Dollar Policy.

Soft dollar products and services obtained

In 2011, we obtained the following types of products and services either using soft dollars or a combination of soft dollars and our own resources:

- Stock exchange market data
- Stock index data
- Public company research reports, news and financial data

- Equities and equity options data
- Software products that provide company and market data (e.g., Bloomberg)
- Corporate action data
- Economic research reports and data
- Currency exchange rate and interest rate data
- Social screening stock data
- Securities identifier license

2. **Brokerage for Client Referrals.** If you consider, in selecting or recommending broker-dealers, whether you or a related person receives client referrals from a broker-dealer or third party, disclose this practice and discuss the conflicts of interest it creates.
- Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving client referrals, rather than on your clients' interest in receiving most favorable execution.
 - Explain the procedures you used during your last fiscal year to direct client transactions to a particular broker-dealer in return for client referrals.

Broker referrals

We do not receive client referrals from brokers through which we conduct client portfolio transactions.

3. **Directed Brokerage.**
- a. If you routinely recommend, request or require that a client direct you to execute transactions through a specified broker-dealer, describe your practice or policy. Explain that not all advisers require their clients to direct brokerage. If you and the broker-dealer are affiliates or have another economic relationship that creates a material conflict of interest, describe the relationship and discuss the conflicts of interest it presents. Explain that by directing brokerage you may be unable to achieve most favorable execution of client transactions, and that this practice may cost clients more money.
- b. If you permit a client to direct brokerage, describe your practice. If applicable, explain that you may be unable to achieve most favorable execution of client transactions. Explain that directing brokerage may cost clients more money. For example, in a directed brokerage account, the client may pay higher brokerage commissions because you may not be able to aggregate orders to reduce transaction costs, or the client may receive less favorable prices.

Directed brokerage

Certain of our clients direct us to conduct transactions for their portfolios through specific brokers or specific types of brokers. In some instances clients may request us to direct transactions through certain brokers because they have established a directed brokerage/commission recapture relationship with the brokers. Certain clients also request that we direct transactions through brokers with certain designations such as emerging, minority-owned and women-owned. We may accept such direction to the extent that it is consistent with seeking best execution and meets our regulatory obligations and constraints. Our clients should be aware, however, that due to our trading processes, we cannot guarantee that a specific portion of a client's trades will be executed with the brokers or types of brokers specified by the client.

Additionally, a client may pay higher commissions and/or receive less favorable prices in the event we do not aggregate their order.

Our optimization-based portfolio construction process makes recommendations for each client's account, aggregating transactions across multiple accounts when appropriate. Our traders then place the aggregated order with a broker that our traders believe will provide the best execution. Consequently, our general practice of aggregating trades as opposed to instructing transactions for each portfolio separately

is not conducive to directing trades to brokers in order to fulfill a client's directed brokerage expectations. Nevertheless, a client may receive directed brokerage credit if any of the US brokers with whom the client has directed brokerage/commission recapture arrangements are on our Approved Broker list, and AXA Rosenberg executes trades with this broker.

Our traders determine which brokers they will place orders with based on their consideration of best execution. Clients should be aware that many non-US broker-dealers do not participate in directed brokerage/commission recapture programs; therefore, we cannot guarantee that fixed dollar amount or percent of commission will be paid to a broker with which our client has a directed brokerage relationship. Furthermore, because we have negotiated very competitive commission rates with the broker-dealers with whom we trade, clients with directed brokerage arrangements may not receive the directed brokerage benefit(s) from the broker-dealer.

B. Discuss whether and under what conditions you aggregate the purchase or sale of securities for various client accounts. If you do not aggregate orders when you have the opportunity to do so, explain your practice and describe the costs to clients of not aggregating.

Aggregation and allocation of trades

In general, subject to our duty of best execution and each of our client's investment guidelines, our authority to select the securities and amount of securities to be traded for client portfolios, to determine the broker with which to conduct a transaction, and to determine the commission rates for transactions is not limited. We may aggregate client orders when purchasing or selling particular securities. Our aggregation of trade orders and the allocation of the trades are based upon the recommendations of our optimization systems. The practice of aggregating orders may provide an overall benefit to our clients by achieving, in aggregate, a relatively better purchase or sale price, lower commission expenses, lower market impact, beneficial timing of transactions, or a combination of such factors.

Our policy is to allocate aggregated trades both fairly and equitably among our client accounts as well as in a manner that is economically efficient for our clients. We are aided by automated tools to make, fill and allocate aggregated orders among accounts. Our trade allocation process integrates each account's demand for a particular trade, as determined by our investment models, with allocation algorithms designed to allocate the trades fairly among accounts. Trades are primarily allocated pro-rata based on each account's respective demand for a trade, which may change throughout the trading day based on the investment models' output. The allocation algorithms are intended to treat all accounts equally, regardless of the fee arrangement (i.e., asset-based or performance fee-based) for the account or the type of client (e.g., investment company accounts are treated the same as separate accounts or private fund accounts). As part of the allocation process, an algorithm is used to keep the accounts within their respective high and low limits for cash by readjusting trade allocations if necessary.

At the end of the trading day when the automatic allocation processes have been completed, if any accounts would be in breach of their respective high or low limits for cash, we have the discretion to manually adjust the trade allocations in order to keep the account within its cash limits. In doing so, we may either allocate trades to an account from one or more accounts or from the account to one or more accounts. We also have the discretion to manually reallocate trades in order to prevent other types of errors or breaches. However, traders are restricted from allocating trades to an account if the security was not a model recommendation for the account, or if the number of shares exceeds the model's recommendation for the total number of shares for that account.

As described above, we generally aggregate client orders for trades based upon the recommendations of our optimization system. Nevertheless, if an account has certain compliance requirements (restricted approved broker lists, redemptions/ subscriptions, etc.) we may intentionally exclude an account in the aggregated order. We will usually instruct a broker to execute on a best efforts basis all recommended security transactions for the particular account in order to prevent a potential compliance matter. Although

the account may be buying or selling the same security as other accounts whose orders have been aggregated, our traders will respect the optimization system's price limit for both orders, and will monitor for market impact.

Item 13. Review of Accounts

- A. Indicate whether you periodically review client accounts or financial plans. If you do, describe the frequency and nature of the review, and the titles of the supervised persons who conduct the review.
- B. If you review client accounts on other than a periodic basis, describe the factors that trigger a review.

Investment review

Although our process is largely quantitatively driven, portfolio managers designated by strategy ensure compliance with a client's stated objectives and risk tolerance. In addition, the regional Chief Investment Officers meet regularly with the investment team, and together they are responsible for reviewing portfolio construction, adherence to client and internal guidelines, and portfolio performance.

In the course of the investment process, traders, operations managers, and portfolio managers review accounts regularly. The reviews are triggered by client flows and the rebalancing of portfolios. Members of the professional staff are responsible for verifying the trades generated by the optimization system and, with the assistance of the traders, for implementing its decisions.

Post-trade compliance monitoring

A compliance monitoring application is used to run certain client investment guideline rules for each portfolio with the portfolio's holdings. The compliance application tests the rules coded for each portfolio against the portfolios holdings on a daily basis and generates messages for each exception it has identified. Portfolio managers review and investigate the exception messages and determine whether or not the exceptions represent investment guideline breaches. Portfolio managers record the disposition of their review, highlighting the exception to the client service team and compliance team. The Compliance team will review the portfolio manager's assessment for reasonableness. If an exception is determined to be an investment guideline breach, it is reported and escalated for review according to our escalation policies.

Account and trade reconciliation

Each day, Operations staff review, investigate, and work to resolve any trade exceptions that may arise.

AXA Rosenberg's back-office system is integrated into the trading system so that all trades are automatically booked into each account's transaction file. Trade reconciliation is completed on the trade date. All trades require confirmation by our operations group, which is a separate function from trading.

Asset reconciliation is conducted either on a weekly or monthly basis depending on client and regulatory requirements. All regular cash and asset reconciliations are performed by AXA Rosenberg Group's Global Reconciliation Team in AXA Investment Managers Asia (Singapore) Ltd., located in Singapore.

- C. Describe the content and indicate the frequency of regular reports you provide to clients regarding their accounts. State whether these reports are written.

Client reporting

We offer the following regular reporting to our clients, which we provide in an electronic format unless arranged otherwise.

Client Type	Report Frequency	Content
Separate account	Monthly	Monthly book <ul style="list-style-type: none"> • Performance • Market value • Active exposure to risk • Holdings • Transactions • Interest, dividends and expenses
	Quarterly	Quarterly report – In addition to the content listed above, the following information is included in the quarterly report <ul style="list-style-type: none"> • Strategy and market commentary • Portfolio characteristics • Turnover
Pooled investment fund participant	Monthly	Custodial account statement <ul style="list-style-type: none"> • Statement of net assets and change of net assets • Holdings • Transactions • Interest, dividends and expenses
	Quarterly	Fact sheet <ul style="list-style-type: none"> • Performance • Top 10 fund holdings • Fund economic sector weights • Fund characteristics • Active exposure to risk • Industry weight breakdown • Strategy and market commentary

Upon request or as arranged on an ongoing basis, we may be able to provide additional customized reporting for clients with separate accounts.

Item 14. Client Referrals and Other Compensation

A. If someone who is not a client provides an economic benefit to you for providing investment advice or other advisory services to your clients, generally describe the arrangement, explain the conflicts of interest, and describe how you address the conflicts of interest. For purposes of this Item, economic benefits include any sales awards or other prizes.

We do not receive an economic benefit from any parties other than the investment management fees our clients provide for management of their portfolios with the exception of receiving research products and services from broker dealers using soft dollar credits. Our soft dollar practices are described above in Item 12A.1. Brokerage Practices.

With respect to the implementation services we provide for the management of our AXA Rosenberg Group affiliates' accounts, AXA Rosenberg Group utilizes a set of transfer pricing policies and fee sharing arrangements to reasonably determine the allocation of any fees charged and allocated to each affiliate.

B. If you or a related person directly or indirectly compensates any person who is not your supervised person for client referrals, describe the arrangement and the compensation.

AXA Rosenberg may directly compensate solicitors (who may be affiliates of AXA Rosenberg) for client referrals. In such situations, in order to comply with Rule 206(4)-3 of the Investment Advisers Act of 1940

(the “Rule”), AXA Rosenberg will enter into an agreement with such solicitors. Such an agreement outlines the compensation for such referrals, and describes the various procedures the solicitor is required to follow as set forth in the Rule. AXA Rosenberg has implemented procedures to ensure compliance with the provisions of the Rule. The compensation for referrals that result in booked business by AXA Rosenberg is typically a one-time fee taken out of or based on the first year’s management fee payable to AXA Rosenberg for the relevant business. As a result of possible compensation offered to solicitors, those solicitors have a financial incentive to recommend AXA Rosenberg’s investment advisory services over other advisory services that could be available. If a solicitor is affiliated with AXA Rosenberg, those solicitors may have such financial incentives and other reasons for recommending AXA Rosenberg’s investment advisory services.

Item 15. Custody

If you have custody of client funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to your clients, explain that clients will receive account statements from the broker-dealer, bank or other qualified custodian and that clients should carefully review those statements. If your clients also receive account statements from you, your explanation must include a statement urging clients to compare the account statements they receive from the qualified custodian with those they receive from you.

We currently do not have custody of any client funds or securities. Other than inadvertently or in connection with certain class action filing activities we may take on behalf of our clients, we do not maintain physical custody of our clients’ assets; physical custody of assets is provided by the funds’ and clients’ custodians.

None of our current arrangements require the delivery of quarterly account statements to clients under Rule 206(4)-2 (Custody Rule) under the Investment Advisers Act of 1940. We do, however, typically provide clients with reports on a quarterly basis that provide information on transactions, holdings and portfolio values. We urge our clients to compare these reports with the statements that they receive from the custodian, and to carefully review all the statements they receive from the custodian.

Separate accounts

For separate accounts, if a client were to authorize us to deduct advisory fees directly from its account, we would be considered to have custody of the account’s funds and securities. Where we obtain this authorization, we will request the client’s custodian to provide the client with quarterly account statements. These arrangements are not typical for AXA Rosenberg, and there are no current arrangements of this nature. We would not enter into any such arrangement unless the “qualified custodian” provisions of the Custody Rule are met.

Item 16. Investment Discretion

If you accept discretionary authority to manage securities accounts on behalf of clients, disclose this fact and describe any limitations clients may (or customarily do) place on this authority. Describe the procedures you follow before you assume this authority (e.g., execution of a power of attorney).

Separate accounts

Generally. We manage separate account investment portfolios for our clients pursuant to investment management agreements that we negotiate on a client-by-client basis. Each client’s investment management agreement stipulates the investment guidelines by which its portfolios are to be managed.

Pursuant to the terms investment management agreements entered into with our clients, we generally have complete discretion in managing the portfolio with respect to buying and selling securities and choosing the brokers with which to transact as well as the transaction price and commission rates, subject to the investment guidelines and applicable law. Certain clients may have legal or other types of restrictions which may limit our authority in managing their portfolios.

In addition to investment guideline restrictions, we also prefer that the investment management agreement state the following arrangements:

Proxy voting. Whether or not the client has delegated to us the voting of proxy ballots for the securities held in their portfolios.

Restricted securities. Certain clients provide us with lists of securities that are prohibited for purchase and/or sale by their portfolios. We restrict the applicable securities in our investment systems to prevent transactions in such securities for accounts that provide restricted lists.

Socially responsible investing. We have been managing portfolios with socially responsible investment constraints since 1991 for our clients that request these restrictions. We use data from third-party providers that identify public companies that do not meet various socially responsible criteria, and restrict transactions based on the criteria or lists chosen by our clients. We believe our investment process is well suited for accommodating these client-specified restrictions. Because the portfolios we manage have broad investment universes, we generally are able to find substitutes for securities that are excluded from a portfolio based on social criteria that our models view ex ante as displaying similar fundamental characteristics to the excluded securities.

Class action lawsuits related to portfolio securities. From time to time, securities held in the accounts of clients will be the subject of class action lawsuits. As a general matter, AXA Rosenberg has no obligation to determine if securities held by a client are subject to a pending or resolved class action lawsuit. We also have no general duty to evaluate a client's eligibility or to submit a claim to participate in the proceeds of a securities class action settlement or verdict. Furthermore, we have no obligation or responsibility to initiate litigation to recover damages on behalf of clients who may have been injured as a result of actions, omissions, misconduct or negligence by corporate management of issuers whose securities are held by clients. Generally speaking, where AXA Rosenberg receives notice of a class action lawsuit, settlement or verdict affecting securities owned by a client, unless instructed otherwise, we will use reasonable efforts to forward all notices, proof of claim forms and other materials to the client's custodian, including by way of electronic mail. We may retain a service provider to assist with all or any of this process.

Investment

We manage our pooled investment funds according to the investment management agreement between us and each pooled investment fund as well as the guidelines stated in the pooled investment fund's offering memorandum.

Participation in a pooled investment fund requires execution of a subscription agreement, and in some instances a fee agreement.

Item 17. Voting Client Securities

- A. If you have, or will accept, authority to vote client securities, briefly describe your voting policies and procedures, including those adopted pursuant to SEC rule 206(4)-6. Describe whether (and, if so, how) your clients can direct your vote in a particular solicitation. Describe how you address conflicts of interest between you and your clients with respect to voting their securities. Describe how clients may obtain information from you about how you voted their securities. Explain to

clients that they may obtain a copy of your proxy voting policies and procedures upon request.

- B. If you do not have authority to vote client securities, disclose this fact. Explain whether clients will receive their proxies or other solicitations directly from their custodian or a transfer agent or from you, and discuss whether (and, if so, how) clients can contact you with questions about a particular solicitation.

Shareholder voting is a means by which shareholders can influence companies in which they invest, and is an important shareholder right. Consequently, it is our policy and the policy of our adviser affiliates within AXA Rosenberg Group to vote proxy proposals (proxies) on behalf of our clients in a manner which is reasonably anticipated to further the best economic interests of our clients and consistent with the goal of enhancing shareholder value.

We vote proxies for clients in the following instances:

- Employee benefit plans and other clients that are subject to ERISA
- Institutional clients, that are not subject to ERISA, which have delegated proxy-voting responsibility to AXA Rosenberg
- Certain registered investment companies advised or sub-advised by AXA Rosenberg
- Limited partnerships and other pooled investment funds advised by AXA Rosenberg

We will also accommodate clients who delegate proxy voting responsibility to us, but who wish to retain the right to exercise proxy voting rights associated with their portfolio on specific proxy issues.

For those advisory clients who have not delegated or who have expressly retained proxy-voting responsibility, AXA Rosenberg has no authority and will not vote any proxies for those client portfolios and may require such clients not to vote in certain instances (e.g., in “share blocking” jurisdictions that restrict the ability to sell shares being voted around meeting dates) where voting may not be in the portfolios’ best interests.

Proxy Voting Procedures

We have retained third party service providers (the “Service Providers”) to assist us in coordinating and voting proxies with respect to client securities. Once it is deemed that we have the delegated responsibility to vote proxies on behalf of a client, we notify the Service Providers of this delegation, thereby enabling the Service Providers to automatically receive proxy information.

Service Providers will:

- Research proxy proposals and vote proxies according to the proxy voting guidelines adopted by AXA Rosenberg
- Keep a record of each proxy received
- Determine which accounts managed by AXA Rosenberg hold the security to which the proxy relates
- Compile a list of accounts that hold the security, together with the number of votes each account controls and the date by which AXA Rosenberg must vote the proxy in order to allow enough time for the completed proxy to be returned to the issuer prior to the vote taking place

Designated officers of AXA Rosenberg will periodically monitor the Service Providers to assure that the proxies are being properly voted and appropriate records are being retained

Other than the recommendations from the Service Providers, we will not accept direction as to how to vote individual proxies for whom it has voting responsibility from any other person or organization, except from a client to vote proxies for that client’s account

Voting Guidelines

Where a client has directed us to vote a proxy or proxies for its account in a specific way, we will vote these proxies on a best-efforts basis. In the absence of specific voting guidelines from the client, our

policy generally is to vote proxies in the best economic interests of the client. We will abstain from voting a proxy if we are required to make an affirmative representation of a client's ownership percentage of a particular issuer.

Conflicts of Interest

We realize that situations may occur whereby an actual or apparent conflict of interest could arise. For example, we may manage a portion of assets of a pension plan of a company whose management is soliciting proxies. We believe our duty is to vote proxies in the best interests of our clients. Therefore, by voting in accordance with the Service Providers' Guidelines, we generally avoid conflicts of interest because we vote pursuant to a pre-determined policy based on the recommendation of an independent third party.

Proxies of Certain Non-US Issuers

Proxy voting in certain countries requires "share blocking." Shareholders wishing to vote their proxies must deposit their shares shortly before the date of the meeting with a designated depository. During this blocking period, shares that will be voted at the meeting cannot be sold until the meeting has taken place and the shares are returned to the clients' custodian banks. We generally believe that the benefit to a client of exercising the vote does not outweigh the cost of voting (i.e., not being able to sell the shares during this period). Accordingly, if share blocking is required, we will generally abstain from voting these shares unless there is a compelling reason to the contrary as determined by our Chief Investment Officer and Chief Compliance Officer.

In addition, voting proxies of issuers in non-US markets may give rise to a number of administrative issues that may prevent us from voting such proxies. For example, we (or our Service Providers) may receive meeting notices without enough time to fully consider the proxy or receive the proxy information after the cut-off date for voting. In some markets, we (or our Service Providers) are required to provide local agents with power of attorney prior to implementing the voting instructions. Although it is our policy to seek to vote all proxies for securities held in client accounts for which we have proxy voting authority, in the case of non-US issuers, we vote proxies on a reasonable best efforts basis.

How to Obtain Proxy Voting Records and AXA Rosenberg's Proxy Voting Policies and Procedures

If a client has delegated proxy voting responsibilities to AXA Rosenberg, information on how the proxies were voted on the client's behalf can be obtained by making a request for this information to a designated AXA Rosenberg client service representative. Clients may also obtain a copy of our proxy voting policies and procedures upon request.

Item 18. Financial Information

A. If you require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, include a balance sheet for your most recent fiscal year.

AXA Rosenberg does not require or solicit prepayment of client fees.

B. If you have discretionary authority or custody of client funds or securities, or you require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, disclose any financial condition that is reasonably likely to impair your ability to meet contractual commitments to clients.

On February 3, 2011, we reached a settlement with the SEC related to a coding error. Pursuant to the SEC Order, we agreed to compensate adversely impacted clients in the amount of approximately \$217 million, and to pay a \$25 million civil penalty.

In December 2011, a preliminary settlement in the amount of US\$65 million was reached in a class action lawsuit relating to the coding error.

AXA Rosenberg Group LLC has taken affirmative steps to help ensure that AXA Rosenberg Investment Management LLC as well as its other investment management entities remain solvent and capable of meeting their respective obligations.

C. If you have been the subject of a bankruptcy petition at any time during the past ten years, disclose this fact, the date the petition was first brought, and the current status.

AXA Rosenberg has not been the subject of a bankruptcy petition during the past ten years.

Item 19. Requirements for State-Registered Advisers

AXA Rosenberg files notices with states (Form ADV Part 1), but is not registered with any states.

Part 2A Appendix 1 of Form ADV: Wrap Fee Program Brochure

AXA Rosenberg does not currently participate in wrap fee programs.

Additional Information: Valuation Policy

AXA Rosenberg's valuation principles are intended to ensure that all investments are valued in a fair and accurate manner and that the methodologies used are consistent with regulatory requirements and industry best practices. Official valuations for segregated accounts are determined and maintained by each client's respective custodian or designee. For funds managed or sub-advised by AXA Rosenberg, official valuations are determined by the fund's independent custodian/administrator.

AXA Rosenberg's Performance and Valuation Sub-Committee, a sub-committee of AXA Rosenberg's Global Compliance, Ethics and Risk Committee, is responsible for oversight of the implementation of the Valuation Policy, including establishing standards for pricing and oversight of fair value activity, and AXA Rosenberg's Performance Team is responsible for the overall implementation of valuation procedures.

The majority of AXA Rosenberg's investments are domestic and international equity securities actively traded on major stock exchanges or over-the-counter. Generally, investments listed or traded on a securities exchange or quoted over-the-counter are valued as of the close of trading on the valuation day. Such prices are obtained from independent third party service providers.

Where the standard pricing methodology cannot be applied, a fair value determination may be required. Some circumstances where this may be necessary are: absence of price, state/static price, significant events and other circumstances identified at the discretion of the Performance and Valuation Sub-Committee.

For further information, a copy of AXA Rosenberg's Valuation Policy is available upon request.