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FRANCHISE PARTNERS™

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MARCH 2012

This brochure provides information about the qualifications and business practices of Independent Franchise Partners, LLP “the Firm” and its investment personnel. If you have any questions about this brochure please contact the Firm at + 44 207 495 9070 or at the above address. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or any state securities authorities. Additional information about Independent Franchise Partners, LLP is also available on the SEC’s website at www.adviserinfo.sec.gov.

IFP updated this brochure in order to provide potential clients and investors with information regarding changes made since January 2012. The material changes since the [March 30, 2011] brochure remain highlighted in Item 2.

Item 2 MATERIAL CHANGES

This item provides a summary of material changes to our business from our last updated brochure dated March 2011 and January 2012:

- Item 4 describing the advisory business has been changed in order to provide information regarding the registered investment company now managed by IFP.
- Items 4 and 7 refer to the name change of the registered investment company to: Independent Franchise Partners US Equity Fund.
- In addition the risks associated with this new fund are described in the material changes to item 8.
- Fees in respect of the Registered Investment Company are set out in item 5.
- Item 10 describes briefly the firm's funds and any affiliated entity relationships.
- Item 12 disclosure has been enhanced to describe the firm's allocation and error policies respectively.
- Item 14 describes client referrals and other compensation arrangements.
- Item 17 describes the firm's policies in respect of proxy voting.

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Item 4 ADVISORY BUSINESS

a) Advisory Business.

Independent Franchise Partners, LLP (“the Firm”) is committed to delivering attractive long-term returns while focusing on the absolute risks inherent in equity investment. The Firm offers a single, differentiated discipline expressed in two strategies: a US Franchise strategy and a Global Franchise strategy. IFP provides discretionary investment management services to institutional clients for whom the Firm conducts business via a number of segregated client accounts and five funds, including a mutual fund (Independent Franchise Partners US Equity Fund (“RIC”)) and UCITS funds (Independent Franchise Partners Common Contractual Fund (“CCF”), Independent Franchise Partners Variable Capital Company PLC (“VCC”), Franchise Partners US Equity Fund (a sub fund of the VCC) and a private fund Independent Franchise Partners Global Equity L.P. (The term “Franchise” is defined by IFP as a business with a high and sustainable return on capital, typically because the business possesses a unique and durable intangible asset (such as a brand, license, patent or distribution network. These provide a relatively consistent demand for the business product.

The Firm was founded in June 2009 and is 100% owned by the founding partners. It is not affiliated with any other investment management company, fund distributor, investment bank or commercial bank. This allows the Firm to focus on delivering the best Franchise portfolios to its clients and eliminates many of the conflicts inherent in larger, more diversified or distribution-driven organisations.

As at 31 December 2011, the Firm had US \$ 7.2 billion assets under management.

Independent Franchise Partners, LLP (“IFP”) is a UK incorporated Limited Liability Partnership. The Firm is authorised and regulated by the Financial Services Authority in the United Kingdom and is a registered investment adviser with the Securities and Exchange Commission in the US under the Investment Advisors Act of 1940. The Firm was established in June 2009 and prior to its inception, the Firm’s partners worked as an investment team at Morgan Stanley Investment Management.

The Firm provides discretionary investment advisory services to US and foreign institutions through segregated accounts, private funds and a registered investment company (“RIC”). IFP also acts as a sub-adviser for the assets of other asset managers. IFP acts as the discretionary manager of three Irish UCITS funds and of a Delaware LP fund. Investment services may be more specifically tailored in accordance with the governing investment management agreement for each segregated account or the limited partnership agreement for the Delaware LP fund and the prospectus for the RIC. Individual limited partners may not impose investment restrictions on management of the Delaware LP fund beyond those negotiated and agreed to within the governing agreements of the Fund.

We strive to invest in exceptionally high quality companies which meet specific quality and valuation criteria. The Firm is committed to delivering attractive long-term returns while focusing on the absolute risks inherent in equity investment.

The minimum size for segregated Global Franchise accounts is US\$ 50 million and for segregated US Franchise accounts is US\$ 100 million. The Firm has announced that it has closed the Global Franchise strategy to new clients. The US Franchise strategy remains open and available for investment via segregated account and funds.

b) Management Team

Hassan Elmasry is a founding partner and lead portfolio manager at Independent Franchise Partners. He has 27 years of investment experience. Prior to founding the Firm in June 2009, Hassan was Managing Director and lead portfolio manager for Global and American Franchise portfolios at Morgan Stanley Investment Management. Hassan joined Morgan Stanley in 1995 and was originally responsible for international and European equity portfolios until assuming responsibility for the Global Franchise strategy in April 2002 and launching the American Franchise in June 2005. Previously, Hassan was an international equity portfolio manager for Mitchell Hutchins Asset Management and worked as an international equity analyst for First Chicago Corporation. Hassan received an A.B. in Economics and an M.B.A. in Finance, both from the University of Chicago. He is a member of the CFA Institute.

John Kelly-Jones is a founding partner and chief operating officer of Independent Franchise Partners, LLP. He has 28 years of investment experience. Prior to founding the Firm in June 2009, John was Managing Director and portfolio specialist for Global and American Franchise portfolios at Morgan Stanley Investment Management. John joined Morgan Stanley in 1998 and was engaged in a number of business development and client relationship management roles before transferring to the Franchise team in July 2007. Previously, John spent six years at Lend Lease Development and Investment Services developing investment management businesses in Australia and Indonesia. Prior to this, he spent nine years in commercial and investment banking in Europe, the US and Australia at Creditanstalt, Renouf Corporation and Citibank. John received a B.Sc. in Finance and a B.A. in German, both from the University of Illinois.

Michael Allison is a founding partner and portfolio manager of Independent Franchise Partners, LLP. He has 14 years of investment experience. Prior to the establishment of the Firm in June 2009, Michael was Executive Director and a portfolio manager/research analyst for Global and American Franchise portfolios at Morgan Stanley Investment Management. Michael joined Morgan Stanley in 2000 and served as a portfolio manager for global and European equity portfolios before joining the Franchise team in February 2005. Previously, Michael worked at NatWest Markets and Unilever. He received a BComm and a post-graduate diploma in Management Accounting, both from the University of Natal. He is a member of both the Chartered Institute of Management Accountants (CIMA) and the CFA Institute.

Paras Dodhia is a founding partner and portfolio manager at Independent Franchise Partners, LLP. He has 11 years of investment experience. Prior to founding the Firm in June 2009, Paras was Executive Director and a portfolio manager/research analyst for Global and American Franchise portfolios at Morgan Stanley Investment Management, which he joined in July 2002. Previously, Paras was an equity analyst at JPMorgan Chase and a strategy consultant for Oliver Wyman & Co. He received a B.Sc. in Management from the London School of Economics and an M.Phil. in Finance from the University of Cambridge. He is a member of the CFA Institute.

Jayson Vowles CA (SA), is a founding partner and portfolio manager at Independent Franchise Partners, LLP. He has 10 years of investment experience. Prior to founding the Firm in June 2009, Jayson was Vice President and a portfolio manager/research analyst for Global and American Franchise portfolios at Morgan Stanley Investment Management, which he joined in August 2003. Previously, Jayson worked at Goldman Sachs and Deloitte & Touche. Jayson received a BComm. and

a post-graduate diploma in Accounting from the University of Natal. He is a member of both the South African Institute of Chartered Accountants (SAICA) and the CFA Institute.

CFA definition:

The CFA is a graduate level self-study program offered by the CFA institute to investment and financial professionals. In order to claim this designation a candidate must complete the CFA Program, (possess a bachelor's degree (or equivalent) from an accredited institution; have four years (48 months) of qualified work experience (or a combination of education and work experience acceptable by the CFA Institute); become a member of the CFA Institute and apply for membership to a local CFA member society and adhere to the CFA Institute Code of Ethics and Standards of Professional Conduct.

c) Portfolio Management

The Firm was founded with the aim of offering the Franchise investment approach to institutional investors through a dedicated, employee-owned, investment management partnership.

The Firm employs a research process that is focused on identifying investment opportunities which demonstrate both the quality and value characteristics that it believes can deliver sustainable, long-term investment returns. Once identified, the Firm believes a patient, buy-and-hold approach is the best way to allow these companies to compound wealth for shareholders over the long-term.

The Firm measures its success through its long-term investment results and enduring client relationships. The partnership structure supports a focus on a single investment discipline; it directly aligns its interests with its clients' portfolio returns; and, ensures ownership stability and the consistency of commercial priorities.

The Firm's portfolios are actively managed using a completely bottom-up approach driven by in-depth fundamental qualitative research, supplemented by quantitative financial analysis. The Firm bases all its investment decisions on primary sources of information and places significant emphasis during its research process, on evaluating the health of a company's underlying Franchise and checking for symptoms of a Franchise abuse.

The investment team at Independent Franchise Partners, LLP applies the same investment philosophy, research process, and portfolio construction tools as it did when the team managed the strategy at Morgan Stanley Investment Management, the key points of which are set out below.

1) The Firm aims to invest only in exceptionally high quality companies

The Firm measures quality in absolute terms. Every company it invests in is believed to possess the following four key attributes:

- Sustainable and high Return on Capital Employed (ROCE) on an un-leveraged basis;
- difficult to duplicate intangible assets that protect against mean reversion of the ROCE;
- reliably recurring revenue stream, which supports high free cash flow; and
- organic growth potential.

2) The Firm's value bias further narrows the field

There is a risk that investors overpay for high quality. Accordingly, the Firm applies strict criteria for value, which it measures on an absolute as opposed to relative basis. The primary valuation tool is the equity free cash flow yield, which compare the free cash flow yield of prospective investments with 10-year government bonds. The Firm only invests when the equity free cash flow generated by a company substantially exceeds that of the risk free alternative.

3) The Firm bases its investment decisions on primary sources of information

The Firm always meets the management of investment candidates – often many times – before investing. Since less than 200 companies globally possess the exceptional quality characteristics the Firm seeks, it is able to maintain close contact with almost all of them. Furthermore, the Firm cross checks what it learns from company management with their customers, their suppliers, their competitors, and independent industry consultants. The team patiently monitors prospective opportunities for a long time, but only invests when the free cash flow valuation is compelling. The focus on primary research differentiates the Firm from other Global Equity managers who run portfolios with a significantly higher number of stocks and, by necessity, rely heavily on secondary information to make both buy and sell decisions.

4) The Firm manages the risks that matter

The Firm evaluates risk in absolute terms, not relative to benchmarks, and deliberately avoids benchmarks in the portfolio construction process. IFP does provide benchmark returns for reference purposes in order to provide clients with a means of comparison. However those benchmarks are composed of investments that differ substantially from the investments made by the firm. Since the goal is to earn attractive returns over the long-term with less than average volatility, IFP focuses on the risk factors that are most likely to influence that outcome. These absolute risk factors include management quality, financial leverage, Franchise durability, and free cash flow valuation. While the Firm seeks a diversified portfolio, it would not sacrifice either quality or value to achieve diversification or benchmark characteristics. This absolute approach to risk has resulted in historical portfolio returns that are substantially superior to and less volatile than those of traditional benchmarks.

5) The Firm invests in a low turnover, buy-and-hold approach

The Firm's patient approach is intended to allow the companies in which it invests to take advantage of their intangible assets and compound shareholder wealth over the long-term. As long as a company's valuation remains attractive, its free cash flow grows in line with the appreciation of the stock price, and it continues to demonstrate strong Franchise quality characteristics, the ideal holding period is forever. This buy-and-hold approach is reflected in an average annual turnover of approximately 15% since the inception of the Franchise strategy in 1996, implying an average holding period of approximately 7-8 years.

6) The Firm offers strongly differentiated performance and risk characteristics

Because of its low historical correlation with traditional benchmarks and attractive long-term returns, combining Global Franchise with more index sensitive or passive strategies has resulted in a meaningful improvement of total portfolio efficiency by decreasing the volatility of the overall portfolio and increasing returns. This effect is pronounced even with relatively modest allocations to Global Franchise. In addition, Global Franchise reflects the following characteristics as a stand-alone investment:

- Capital preservation bias;
- Lower volatility of returns compared to traditional benchmarks; and
- Attractive long-term returns.

d) Financial Planning

The Firm does not undertake any financial planning.

e) Describe other investment activities or specialties, if any.

The Firm has only one discipline and there has been no change to the underlying Franchise philosophy or fundamental approach since the inception of the philosophy in April 1996. The team's approach to investing has always remained focused on companies with exceptionally high quality Franchises and attractive absolute valuation characteristics. However, the Firm regularly reviews its investment process and evaluates its investment tools. The Firm constantly looks for ways to improve or enhance its approach based on lessons learned, even when it is performing well. It has learnt not only from its investment successes, but also from the investment mistakes made over the years of Franchise investing, by the investment personnel, since April 1996.

Item 5 FEES AND COMPENSATION

a) Fees and minimum investment amounts for segregated portfolios

The Firm's asset management standard fee is 100bps. As part of the alignment of the Firm's interests with those of its clients, the Firm shares the benefits of scale with its clients. It offers a scale discount pricing structure which equitably benefits all clients. This scale discount is based on the combined total assets under management for the Global and US Franchise strategies and lowers the effective overall annual fee for all clients as assets in the strategies increase.

The scale discount applies to combined total assets above US\$1 billion and steadily reduces the effective overall annual fee from 100bps to 80bps when combined total assets reach US\$5 billion. The fee excludes custody fees and applicable taxes.

The operation of the discount on the standard 100bps fee is illustrated in the table below.

Global Franchise Fee Table

Combined Global/ US Franchise Asset Ranges	Scale Discount for Assets in each Range	Net Fee for Assets in each Range after Discount	Effective Overall Annual Fee (*)
First US\$1 billion	-	1.00%	1.00%
US\$1 – 2 billion	0.10%	0.90%	at US\$2bn - 0.95%
US\$2 – 3 billion	0.20%	0.80%	at US\$3bn - 0.90%
US\$3 – 4 billion	0.30%	0.70%	at US\$4bn - 0.85%
US\$4 – 5 billion	0.40%	0.60%	at US\$5bn - 0.80%
Above US\$5 billion	-	-	0.80%

US Franchise Fee table

Combined Global/ US Franchise Asset Ranges	Scale Discount for Assets in each Range	Net Fee for Assets in each Range after Discount	Effective Overall Annual Fee (*)
First US\$1 billion	-	0.88%	0.88%
US\$1 - 2 billion	0.10%	0.78%	at US\$2bn - 0.83%
US\$2 – 3 billion	0.20%	0.68%	at US\$3bn - 0.78%
US\$3 – 4 billion	0.30%	0.58%	at US\$4bn - 0.73%
US\$4 – 5 billion	0.40%	0.48%	at US\$5bn - 0.68%
Above US\$5 billion	-	-	0.68%

(*) Total assets and the corresponding effective annual fee to be applied throughout each quarter are calculated at the start of the quarter.

As the strategy has limited capacity, it does not offer any client-specific discounts, performance fees, high watermarks or most favoured nation clauses. All clients pay the same fee net of the scaled discount. Clients are invoiced for their fees unless they have provided IFP with written authorization to directly debit such fees. Clients do not have the ability to pay in advance. Certain legacy clients from the team's tenure at Morgan Stanley will continue to use their previous fee scale for an interim period ending no later than September 2014, after which they will be managed at the same rates as all other IFP clients

b) Management Fee

There are no additional fees from the schedule set out above.

c) Other Expenses

Clients are responsible for and do incur other expenses separate and apart from the Firm's management fees. These expenses typically include custody fees, trading and brokerage service fees and other transaction fees, and/or expenses associated with a Fund for the type of services being performed.

d) Other Compensation

The Firm does not have any affiliated entities, other than those affiliated with the Fund or RIC structures. Neither the Firm nor any of its staff accepts additional compensation for the sale of securities or other services. The Firm and its staff do not receive compensation for other services besides the investment advisory services the Firm provides.

Item 6 PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT

The Firm does not charge performance based fees

Item 7 TYPES OF CLIENTS

The Firm offers only Global and US Franchise strategies, primarily to institutional investors, who include, pension plans, investment companies, sovereign wealth funds, pooled investment vehicles, state or municipal government entities, charitable organizations and banking institutions. In addition, IFP serves as the investment manager for the Independent Franchise Partners US Equity Fund, an open-ended registered investment company ("IFP RIC") as well as three UCITS funds, and a Delaware L.P. fund.

The Firm requires a minimum of \$100,000,000 for the management of segregated accounts. The Firm has now closed the Global Franchise strategy. In order to invest in the Firm's US pooled vehicle, the investor must qualify as an "accredited investor" as defined under Rule 501(a) of Regulation D under the Securities Act of 1933 and/or as a "qualified purchaser" as defined under Section 2(a)(51) of the Investment Company Act of 1940.

The Firm reserves the right to serve only those clients who meet certain criteria and may refuse to enter into an agreement with any person or institution for any legally acceptable reason.

Item 8 METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

The Firm's portfolios are actively managed using a completely bottom-up approach driven by in-depth fundamental qualitative research, supplemented by quantitative financial analysis. The Firm bases all its investment decisions on primary sources of information and places significant emphasis during the research process on evaluating the health of a company's underlying Franchise and checking for symptoms of Franchise abuse.

In the Firm's experience, a simple but accurate description of what a company does and does not do, enables it to determine whether to reject or pursue an investment idea. Preliminary sources for gathering information include annual reports and regulatory filings, independent databases, the press and stockbrokers' equity research.

The Firm adopts a buy-and-hold strategy. As long as a company's valuation remains attractive, free cash flow grows in line with the appreciation of the stock price, and it continues to demonstrate strong Franchise quality characteristics, the ideal holding period is forever. The exceptional quality companies in which the Firm invests are natural vehicles for compounding shareholder wealth. The Firm's long-term approach allows the portfolio to benefit from the inherent value creation of these companies.

The Firm's portfolios are concentrated and, as a result, transactions must be weighed especially carefully and are undertaken only when the addition or deletion of a stock improves the portfolio's overall valuation and quality. In general, the Firm only sells an investment when it becomes expensive or when the Franchise erodes. As a result, the Firm trades infrequently and portfolio turnover is relatively low.

The investment strategy is an equity-only strategy. There is no strategic cash allocation in the Firm's portfolios. Instead, the portfolios are typically fully invested, with cash rarely exceeding 5%. Given this, there is no specific cash management strategy. The Firm aims to invest client subscriptions as soon as possible, with any residual cash being retained for purchase and sale activity.

b Portfolio Guidelines and Risk

The Firm does not invest more than 10% of the portfolio in any one company, nor does it invest more than 25% of the portfolio in any one industry. The Firm does not hold more than 10% of the free float of any publicly listed company. The Firm does not invest in options, warrants, futures or other derivatives. The Firm does not use leverage.

Sector, industry and country weightings result from the Firm's stock selection process and it does not impose any hard or soft benchmark-relative exposure limits.

The Firm monitors absolute risk continuously as part of its rigorous analysis of potential and existing investments and in constructing portfolios. Control of company and stock-specific risk is built directly into the Firm's stock selection process. The objective is to minimise business risk while avoiding the further risk of overpaying.

Investing in securities in general involves risk of loss that clients should be prepared to bear. Our principal investment strategy of investing in common stocks presents the following material risks:

- *Stock Market Risk.* From time to time, stocks prices in general may decline significantly. Markets go through periods of rising prices as well as periods of falling prices depending on investors' perceptions about the economy, interest rates, and the attractiveness of other securities such as bonds or real estate.
- *Individual Company Risks.* The price of one or more of the stock of the companies the Firm recommends may fail to appreciate for an extended period of time or may decline rapidly and significantly due to adverse company developments. Price declines may occur for any number of reasons including competition, regulation, or changes in customer preferences.

Principal Investment Risks: All investments carry a certain amount of risk, and the Firm cannot guarantee that it will achieve its investment objective. The value of the Fund's investments will fluctuate with market conditions, and the value of your investment in the Fund also will vary. You could lose money on your investment in the Fund, or the Fund could perform worse than other investments. Investments in the Fund are not deposits of a bank and are not insured or guaranteed by the Federal Deposit Insurance Corporation ("FDIC") or any other government agency. Below are the main risks of investing in the Fund.

Market Risk. Market risk refers to the risk related to investments in securities in general and the daily fluctuations in the securities markets. The Fund's investment return per share will change daily based on many factors, including fluctuation in interest rates, the quality of the instruments in the Fund's investment portfolio, national and international economic conditions and general market conditions.

Equity Risk. The value of the equity securities held by the Fund, and thus the value of the Fund's shares, can fluctuate, at times dramatically. The prices of equity securities are affected by various factors, including market conditions, political and other events, and developments affecting the particular issuer or its industry or geographic sector. When the value of the Fund's investments goes down, your investment in the Fund decreases in value.

Small and Mid Cap Company Risk. These companies may be subject to greater market risks and fluctuations in value than large capitalization companies and may not correspond to changes in the stock market in general.

Foreign and Emerging Market Investment Risk. Foreign investing involves risks not typically associated with US investments, including adverse fluctuations in foreign currency values and adverse political, social and economic developments affecting a foreign country. The foreign securities in which the Fund may invest may be issued by issuers located in emerging markets or developing countries. Emerging markets may have relatively unstable governments, economies based on only a few industries and securities markets that trade a small number of securities.

Non-diversified Risk. Since the Fund is non-diversified, it may invest a greater percentage of its assets in a particular issuer or group of issuers than would a diversified fund. This increased investment in fewer issuers may result in the Fund's shares being more sensitive to economic results among those issuing the securities.

Management Risk. The Adviser's judgments about the attractiveness, value and potential appreciation of a particular asset class or individual security in which the Fund invests may prove to be incorrect, and there is no guarantee that individual companies will perform as anticipated.

Item 9 DISCIPLINARY INFORMATION

The Firm and its supervised persons have not been involved in any legal or disciplinary events since inception in June 2009. Furthermore, no litigation claim was made against the team or any individual members of the team during their time at Morgan Stanley Investment Management or at any of their previous employers.

Item 10 OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

IFP is the parent company of the General Partner of Independent Franchise Partners Global Equity, L.P. (the “Fund”), a Delaware limited partnership. The general partner of the Fund is Independent Franchise Partners GP, LLC (the “General Partner”), a Delaware limited liability company. The Fund has retained Independent Franchise Partners, LLP (“IFP”) as its discretionary investment manager. Certain members, officers and IFP staff may serve as directors or hold executive positions with the General Partner of the Fund.

IFP serves as the investment manager for the RIC, an open-ended registered investment company. The IFP RIC is sold through the mutual fund platform provided by Beacon Hill Fund Services, Inc. The RIC has retained Independent Franchise Partners, LLP as its discretionary investment manager. There are no affiliated entities to the RIC.

The Firm does not have any relationships with any related industry participants that create material conflicts of interests with clients. The Firm has marketing arrangements with Frontier Partners LLP and its affiliate Frontegra.

Item 11 CODE OF ETHICS, PARTICIPATION OR INTERESTS IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Pursuant to Rule 204A-1 of the Advisers Act, IFP has adopted a Code of Ethics (“Code”) imposing on each supervised person a duty to place the interests of clients first, and to report to the Firm any actual or potential conflict of interest. IFP’s Code is based on the principle that IFP personnel owe a fiduciary duty to IFP’s clients to conduct their affairs, including personal securities transactions, in such a manner to avoid (i) serving their own personal interests ahead of clients; (ii) taking inappropriate advantage of their position with IFP; and (iii) any actual or potential conflicts of interest or any abuse of their position of trust and responsibility. The Code also includes formal personal securities trading policies and procedures. The Code was created to address the fiduciary duties of IFP staff to investors, limit potential conflicts of interest, prevent the inappropriate use of material non-public information, and to monitor the personal securities trading by employees. The Code of Ethics requires each officer and any member of staff with access to investments or portfolio information of the Firm’s clients (each an “Access Person”), to report quarterly and annually their and their immediate family members’ securities holdings and transactions to the Firm’s Chief Compliance Officer. Personal trading in initial public offerings or private placements is prohibited. The Code also requires staff to report certain outside business activities.

IFP’s personnel must obtain prior written approval as appropriate from the Chief Compliance Officer for personal account transactions in securities within the Firm’s investment strategies’ stock universe. These personal transactions will be approved only if they are not likely to have any adverse economic impact on IFP’s clients. The Chief Compliance Officer, or his designate, reviews all securities transactions to ensure no conflicts exist with client transactions.

Staff receive annual training on the Code and must sign an annual attestation confirming they have disclosed: a) any compliance breach that they have committed; b) any potential conflicts of interest of which they are aware; and, c) all securities accounts in which they have a potential interest.

The Code of Ethics also imposes restrictions and safeguards on the use of material non-public information. All clients and prospective clients may obtain a copy of the Firm’s Code of Ethics by writing to the Firm at:

Level 5
20 Balderton Street
London
W1K 6TL
or calling: + 44 207 495 9070.

Item 12 BROKERAGE PRACTICES

Subject to each client's guidelines, limitations or restrictions, the Firm generally has the authority to determine for each client:

- Which securities are to be bought or sold;
- The total amount of securities to be bought or sold;
- Through which broker(s) or dealer(s) those securities are to be bought or sold; and
- The commission rates or spreads to be paid for each transaction;

The Firm has no obligation to deal with any particular counterparty in the execution of transactions. In placing orders for the purchase and sale of securities and selecting counterparties to effect these transactions, the Firm seeks prompt execution of orders at the most favourable prices reasonably obtainable. In doing so, it will consider a number of factors, including, without limitation: the overall direct net economic result to the client or fund (including commissions, which may not be the lowest available but which ordinarily will not be higher than the generally prevailing competitive range), the financial strength, reputation and stability of the counterparty, the efficiency with which the transaction is effected, the availability of the counterparty to stand ready to execute possibly difficult transactions in the future and other matters involved in the receipt of brokerage and research services.

a) Selection of Broker-Dealers

The Firm has a duty to select broker-dealers, banks, or other financial institutions as counterparties, who will provide clients with best execution when IFP transacts on a client's behalf.

The Firm's trading and engagement with counterparties is managed in accordance with its Counterparty Selection and Best Execution policies and related procedures. A proposed counterparty is evaluated by the Members of the Firm in consultation with the trader and the head of IFP's middle office employing the following criteria: the reputation and integrity of the counterparty; the counterparty's credit rating; the counterparty's accessibility and experience of the markets where IFP wishes to transact; the ability of the counterparty to effect prompt and reliable transactions; the ability of the counterparty to provide liquidity; the ability of the counterparty to provide consistent best execution, the competitiveness of the costs of the counterparty's services; the prices achieved for IFP trades; speed of execution; the quality of market information provided by the counterparty and the counterparty's conflicts policy.

The Firm undertakes periodic reviews of the best execution performance of counterparties and commissions earned by counterparties. The Firm verifies the credit rating of the Firm's designated counterparties on a monthly basis.

1. *Soft-Dollars Arrangement*

In selecting qualified broker/dealers to execute brokerage transactions, IFP may consider broker-dealers who provide brokerage or research services, as defined in Section 28(e) of the Securities Exchange Act of 1934. Such services and products may include fundamental research reports, technical and portfolio analyses. Certain of the brokerage and research services received may benefit some or all of IFP's clients and funds under IFP's management and may not benefit directly the client or fund generating the soft dollar credits. IFP believes that its receipt of brokerage and research services will, over time, benefit all clients and funds. Broker/dealers who provide such services may receive a commission which is in excess of the amount of the commission another broker/dealer may have charged if in the judgment of IFP the higher commission is reasonable in relation to the value of the brokerage and research services rendered. All commissions paid, regardless of whether the executing broker/dealer provides research services, are generally within a competitive range for full service brokers. Investment advisory fees will not be reduced as a result of IFP's receipt of research services.

IFP may allocate a specific amount of brokerage to individual broker/dealers based on brokerage or research services rendered. The procedure for such an allocation may entail IFP determining that obtaining a particular research or brokerage service or product will enhance execution quality or efficiency or assist IFP in providing investment management services. To the extent consistent with IFP's duties to clients and the funds and only if IFP determines that the commission is reasonable in relation to the value of the brokerage and research services received, IFP may direct brokerage to brokers that provide such services or products in amounts sufficient to obtain the particular services or products. Any soft dollar credits generated through the Firm's broker allocation approach are only used as payment for investment research as defined in Section 28 (e) 1 of the Exchange Act.

2. *Brokerage for Client Referrals*

This section is not applicable to the Firm. Please refer to section 12 and the stated agreement with Frontier Partners, LLP.

3. *Directed Brokerage*

In general, the Firm does not accept clients who require the Firm to execute transactions through a specified broker-dealer. The Firm only accepts the above in specific circumstances and where a formal agreement has been put in place between the client and the Firm. Any such request to execute transactions through a specific broker-dealer would be considered on a case-by-case basis.

b) *Aggregation and allocation*

In order to ensure that all clients are treated fairly, the Firm employs an aggregation and allocation strategy. In the normal course, and where possible, orders are bunched and allocated pro-rata to the nearest round lot to all client accounts. Bunching avoids placing competing

orders, improves order management, and may, because of larger order size, permit some degree of price improvement relative to a series of individually placed orders. The firm's allocation process is defined by a model within Bloomberg AIM which allocates trades automatically (equity and FX hedges) to all participating accounts on a pro-rata basis. Any exception to the above requires approval from the Compliance Officer/COO and must be sought before any allocation is made and advised to the broker.

c) Errors

As a fiduciary, IFP has the responsibility to execute orders in the best interest of its clients. In the event any trade error occurs in the handling of any client transaction, the Firm's policy is to identify and correct any error as promptly as possible without disadvantaging the client. Trade errors are documented with appropriate supervisory approval and maintained in a trade error file.

Item 13 REVIEW OF ACCOUNTS

a) Client Account Reviews

The Firm's portfolio managers, compliance and operations review the client portfolios daily. The Firm undertakes a review of each client account as agreed in its Investment Management Agreement, and meets with the clients annually to review their portfolio.

b) Client Reports

Clients receive monthly and quarterly statements from the Firm's administrator, detailing holdings and transactions including the account's beginning and ending values, return/performance for the period, and other portfolio characteristics, commentary and narratives. Clients receive quarterly newsletters which summarize the holdings and transactions covering the previous quarter's activity. Clients receive annually a commission statement setting out their commission costs for the preceding year.

The Firm's funds are subject to annual audits and the audited financial statements are provided to investors in the Fund.

Item 14 CLIENT REFERRALS AND OTHER COMPENSATION

IFP may engage placement agents or other introducing firms in order to identify it to potential clients or Fund investors. IFP engages in such arrangements only with persons who are registered under SEC regulations as investment advisers or broker-dealers. IFP currently retains Frontier Partners LLP, an investment adviser registered with the US Securities and Exchange Commission and its affiliate Frontegra, a FINRA registered broker dealer.

Item 15 CUSTODY OF CLIENTS CASH & SECURITIES

All segregated client account assets are held by each client's chosen custodian. Assets of the Firm's funds are held at the Firm's qualified custodian bank Northern Trust. Amongst the clients, all the Firm's funds are subject to annual audit, except for the first year for the Delaware L.P. which was subject to a Surprise Securities Count undertaken by external auditors. All client accounts are held in custody by unaffiliated broker/dealers or banks; however the Firm has authority from certain clients to debit its advisory fee from their account. Clients should carefully review the statements they receive from their custodian and compare those statements to any account information provided by IFP.

Item 16 INVESTMENT DISCRETION

The Firm manages client assets on a discretionary basis with the authority to determine for each client what investments are made, as well as when and how they are made.

Accounts are invested in the Global and US Franchise strategies aligning with their respective model portfolios and all accounts are invested equitably. A client may impose a restriction, limitation or other requirement, subject to any approved deviation from the standard investment management agreement. Any client request for a change in the management of the mandate is subject to approval by the Firm.

Item 17 VOTING CLIENT SECURITIES

IFP will vote proxies in a prudent and diligent manner and in the best interests of clients. The Firm's Portfolio Managers are jointly responsible for monitoring and reviewing all proxies received by the Firm. Proxies are typically voted in accordance with the recommendations of the Firm's retained service provider, ISS, to effect the vote. IFP votes proxies in a manner contrary to management's recommendation only when, in the judgement of IFP, the recommendation would not enhance shareholder value. When voting, the responsible portfolio manager will vote any proxy according to the Firm's Proxy Voting Policy and Procedures. The Securities Exchange Commission adopted Rule 206(4)-6 under the Investment Advisers Act of 1940, which requires registered investment advisers that exercise voting authority over client securities to implement proxy voting policies. In accordance with such rules, IFP has adopted a Proxy Voting Policy and procedures. IFP uses its best efforts to vote proxies as part of its authority to manage, acquire and dispose of account assets. The proxy voting procedures are designed to ensure that proxies are voted in the best interest of IFP's investors and no conflicts of interest exist. IFP cannot guarantee that it votes all proxies, and may be hampered by particular rules relating to the jurisdiction in which the company is located. Clients may obtain a copy of the Firm's Proxy Voting Policy by contacting the address listed on the front page of this brochure, or by calling: + 44 207 495 9070. IFP is under no obligation to advise or act for clients in legal proceedings including bankruptcies and class actions involving securities purchased or held in client accounts.

IFP has full authority to vote for those clients who have provided authorisation to do so. The Firm does not accept directions from clients.

The Proxy Voting Policy addresses a broad range of issues and provides general voting parameters on proposals that arise most frequently. Details of specific proposals do vary and may affect particular voting decisions. IFP may vote in a way that is not in accordance with the general guidelines, provided that the vote is approved by the Managing Partner and is consistent with the client proxy standard.

IFP endeavours to integrate governance and proxy voting policy with investment goals, using the vote to encourage portfolio companies to enhance long-term shareholder value and to provide a high level of transparency.

IFP may provide on request, a copy of its proxy voting policies and procedures and information on how the proxies were voted.

Item 18 FINANCIAL INFORMATION OF THE ADVISER

The Firm prepares its financial statements in accordance with generally accepted accounting principles, audited by an independent public accountant and accompanied by a note stating the principles used to prepare such statements. There are no financial events that have occurred to the Firm that would negatively affect the financial viability of the Firm or that is expected to affect its ability to manage client accounts.