




Form ADV Part 2A: FIRM BROCHURE
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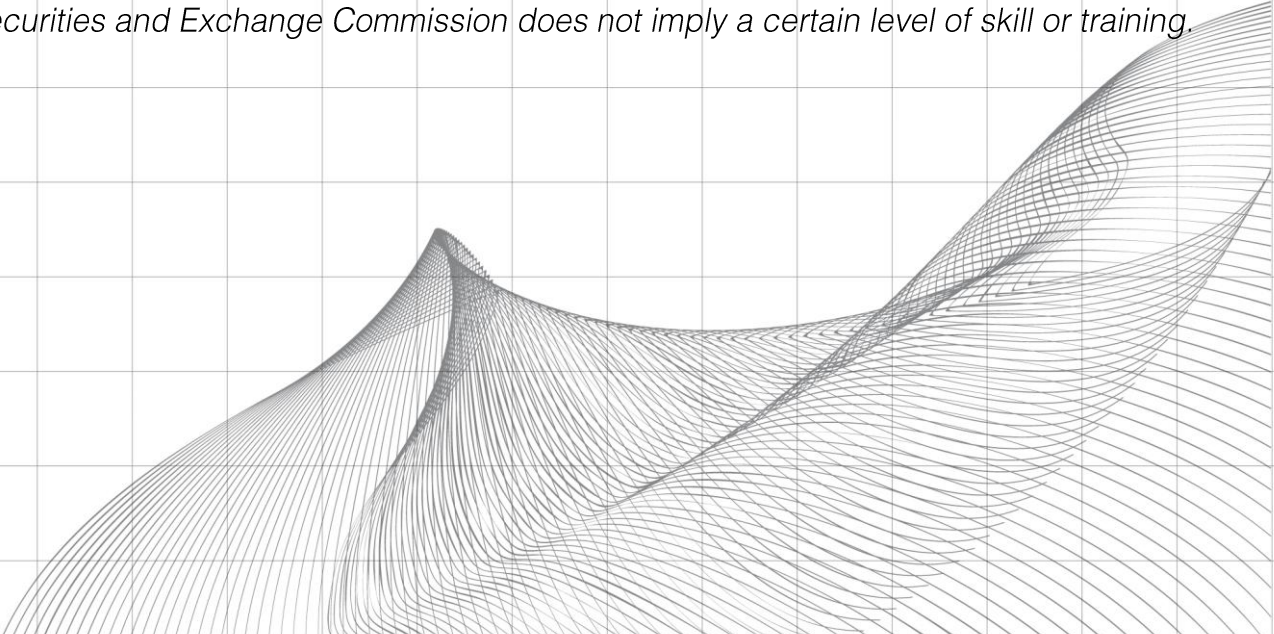
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This brochure provides information about the qualifications and business practices of TOBAM. If you have questions about the contents of this brochure, please contact us at clientservice@tobam.fr or +1 33 53 25 41 51.

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 TOBAM is also available on the SEC' web site at www.adviserinfo.sec.gov.

TOBAM is a registered investment adviser. The registration with the United States Securities and Exchange Commission does not imply a certain level of skill or training.



Material Changes since the last annual update in January 2012:

- Section 1: assets under management have increased from million to 2 339 billion.
- Section1: the subsidiary of TOBAM, TOBAM NORTH AMERICA was dissolved in September 2012.
- Section 9: cross trades management.
- Section 11: TOBAM has entered into a new agreement with France's largest Asset Manager, AMUNDI, to market TOBAM's capabilities.
- Section 16: David Bellaiche became COO in January 2013

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1. Advisory Business

TOBAM is an asset management firm established in Paris, France, registered and authorized by the “Autorité des Marchés Financiers” (AMF), the French Financial Markets Authority. Asset management is our only business.

TOBAM offers an innovative quantitative investment approach that aims to maximize diversification, avoid the risk concentrations inherent in market cap-weighted indices and improve portfolio risk/return. The Anti-Benchmark model, created by Yves Choueifat, is a quantitative investment process designed to maximise portfolio efficiency and take full advantage of the benefits of diversification. TOBAM provides management via mandates, dedicated fund and mutual fund.

TOBAM was launched as an independent venture by Yves Choueifat. Lehman Brothers proposed to incubate TOBAM and provide seed capital. Yves Choueifat joined Lehman Brothers as head of Quantitative Asset Management Europe on January 3, 2006 on the basis of a three year incubation period.

In June 2006, Lehman Brothers Asset Management France received AMF approval to form the quantitative asset management group within Lehman Brothers Asset Management Europe. Lehman Brothers filed under Chapter 11 in September 2008 before the agreement was executed and so the deal had to be renegotiated with the US administrator of the Lehman Brothers Estate.

On November 13, 2008, the business was bought under a share purchase agreement by TOBAM HOLDING COMPANY: the latter is majority-owned by Yves Choueifat, and all TOBAM employees are eligible to become company shareholders.

FTSE publishes the FTSE TOBAM Maximum Diversification® Index series based on the Anti-Benchmark equity portfolio construction methodology.

Asset management is TOBAM's only business, primarily for institutional investors with long-term investment horizons.

TOBAM provides 100% discretionary investment advisory services, with client funds managed via pooled funds (mutual funds or dedicated funds) or separately-managed mandates. All funds and mandates are managed in line with specific investment objectives.

For mutual funds, each fund is managed according to an investment objective and a given benchmark index as described in the fund prospectus. Each fund has specific investment guidelines, including restrictions and constraints in order to ensure diversification, control risk and provide transparency, as described in the prospectus of each fund.

For dedicated funds and mandates, investment objectives and guidelines are agreed upon with each client and detailed in the client's Investment Management Agreement (IMA) or their dedicated fund prospectus. According to their specific requirements, clients may impose restrictions on investing in certain securities, following a certain benchmark or implementing a

given strategy. All such details are included in these documents, and TOBAM complies with all guidelines and restrictions when investing on clients' behalf.

As of 31.12.2012, TOBAM manages US \$2 790 billion in assets for institutional clients.

2. Services and Fees

TOBAM charges investment management fees as a percentage of assets under management. For fund vehicles, fees are paid directly by the fund for the prior period. For separately-managed vehicles, fees are paid quarterly directly by the client, in arrears at a fixed rate depending on the type of client or fund.

Fees are disclosed and detailed in the fund prospectus or in the Investment Management Agreement.

Fees may be negotiated and disclosed in the IMA prior the launch of a mandate or dedicated fund. Fees are charged directly to the fund for fund shareholders, whereas clients invested in segregated mandates pay fees directly after receiving a quarterly invoice.

The following fee schedule is TOBAM's indicative fee schedule for long-equity funds on Developed Markets:

Fees are collected on a daily basis, and calculated by the fund administrator. Generally this payment is processed on a quarterly basis. However, should the client request that fees be collected on a different frequency, TOBAM can accommodate a tailored fee schedule.

Indicative fee schedule for Developed Markets Equities:

Indicative fee schedule:

Assets under management	Fixed fee (p.a.)
On the first €15,000,000	1.00%
For any amount > €15,000,000 and < €30,000,000	0.75%
For any amount > €30,000,000 and < €75,000,000	0.50%
For any amount > €75,000,000 and < €125,000,000	0.40%
€125,000,000 and above	0.30%

We can also offer the following pricing structure: 50% of the applicable fixed fee + a 20% outperformance fee.

As indicated above, the fee schedule is applied to the total amount. For example:

- a €50,000,000 discretionary account would bear a fixed fee of 0.50%
- a €100,000,000 discretionary account would bear a fixed fee of 0.40%
- a €200,000,000 discretionary account would bear a fixed fee of 0.30%

Notes:

1. This fee schedule is indicative and may be subject to change.
2. Collective Investment Schemes of all types (FCP, SICAV, ETF,...) may carry different fees

Indicative fee schedule for Emerging Markets Equities:

Indicative fee schedule:

Assets under management	Fixed fee (p.a.)
On the first € 5,000,000	1.50%
For any amount > € 5,000,000 and < €15,000,000	1.20%
For any amount > €15,000,000 and < €30,000,000	0.95%
For any amount > €30,000,000 and < €75,000,000	0.70%
For any amount > €75,000,000 and < €125,000,000	0.60%
€125,000,000 and above	0.50%

We can also offer the following pricing structure: 50% of the applicable fixed fee + a 20% outperformance fee.

As indicated above, the fee schedule is applied to the total amount according to the range within which it falls. For example:

- a €50,000,000 discretionary account would bear a fixed fee of 0.70%
- a €100,000,000 discretionary account would bear a fixed fee of 0.60%
- a €200,000,000 discretionary account would bear a fixed fee of 0.50%

Notes:

1. This fee schedule is indicative and may be subject to change.
2. Collective Investment Schemes of all types (FCP, SICAV, ETF,...) may carry different fees

Fund fees include investment management, custody, administrative, auditing, client services and client reporting.

For mandates, it is customary that clients pay custody and administrative fees directly.

Brokerage fees and transaction costs are deducted from assets under management and reflected in gross of fees performance. TOBAM explicitly endeavors to minimize these costs wherever possible.

3. Performance-based Fees and Side-by-Side Management

The dedicated funds and mandates managed by TOBAM may be charged a combination of a fixed fee and a performance-based fee, according to client preferences.

TOBAM's investment process is structured in such a way that there is no incentive to favor client accounts for which we may receive performance fees.

Buy and sell orders are generated by a mathematical model and directly implemented via a front office tool. As such, a portfolio manager does not have the latitude to favor one account over another.

Moreover, TOBAM's order generation system pre-allocates trades, and should partial execution occur, orders are allocated pro-rata in line with the initial portfolio allocation.

4. Types of clients

TOBAM's client base is mainly composed of institutional client accounts, the majority of which are large pension funds invested in both separate accounts and institutional mutual fund shares. TOBAM's clients also include public or corporate pension funds, insurance companies, banks, endowments or foundations and corporations. Our clients typically have long-term investment horizons of at least five years. These clients are eligible to invest in separately-managed accounts and dedicated funds, in addition to all of TOBAM's UCITS IV mutual funds.

TOBAM's UCITS IV mutual funds are registered in France with the AMF (French regulator) and are also eligible for French retail investors. If the assets of a French mutual fund are worth less than EUR 300,000 (less than EUR 160,000 for a dedicated fund), fund redemptions may be suspended.

5. Methods of analysis, investment strategies and risk of loss

TOBAM offers a range of active quantitative equity portfolios designed to provide diversification and better access to the market risk premium over time. The Anti-Benchmark strategies are an important alternative to market capitalization-weighted benchmarks as a core equity portfolio holding.

The Anti-Benchmark Equity strategies use a quantitative approach to provide broad equity market exposure, aiming to outperform the most liquid equity market cap-weighted indices over a market cycle, with significantly less risk. All funds reflect TOBAM's conviction that diversification is the most rewarding investment strategy. The Anti-Benchmark strategies thus use broad market indices as their reference points in building an optimized "Anti-Benchmark" portfolio. TOBAM's strategies reflect the conviction that diversification, which we define as risk-neutral market exposure, is the most rewarding investment strategy. The Fund's attractive risk/return profile is achieved without the use of leverage or derivatives.

The main risk to which investors are exposed with TOBAM's equity strategies, is equity risk. Share price variation may have a negative impact on the portfolio's net asset value. Should the equity market experience a decline, the net asset value could fall.

Investor attention is drawn to the fact that certain segments of the broad equity market, such as emerging market equities, may represent additional capital risks for investors.

TOBAM is committed to expanding its product offerings and assets under management. For all funds, risks are fully disclosed in the prospectus of the funds.

6. Disciplinary information

Since inception, no disciplinary or legal action has been taken against TOBAM or its employees.

7. Other financial industry activities and affiliations

TOBAM is an independent company owned by its employees, and does not anticipate having other financial industry activities or affiliations, nor will it accept fees or commissions from other sources in the financial industry.

8. Code of ethics, participation or interest in Client transactions and personal trading

All TOBAM employees comply with the CFA and AFG (French asset management association) codes of conduct. These documents set forth professional standards and practices for asset management professionals. They outline the ethical and professional responsibilities of

companies, and their employees, that manage assets on behalf of clients. TOBAM can provide a copy of these codes of conduct to any clients upon request.

Moreover, as an independent asset management company, TOBAM has no broker/dealer affiliates, and is structurally less likely to encounter conflicts of interest in the course of its business.

Secondly, TOBAM's investment philosophy is based on providing broad, unbiased exposure to the equity market risk premium, without any style, industry or security-specific preferences or aversions whatsoever. Third, investment universes are determined and agreed upon with the client, for separately-managed accounts, and the universe is completely objective for pooled funds, and the investment methodology applied to these universes is completely quantitative. As a result, TOBAM portfolio managers are neither allowed nor incentivized to favor a particular security over another.

TOBAM's conflict of interest policy states that employees are expected to devote 100% of working hours to company business, and also to avoid any outside employment, position, association or investment that could interfere or appear to interfere with the employee's judgement regarding the company's and its clients best interests.

Furthermore, all employees and related persons (spouse, domestic partner, minor child, or anyone for whom the employee provides material financial support) who wish to engage in personal investment activity must do so in securities accounts that comply with the company's personal investment policy. The Personal Investment Policy sets out guidance to limit conflicts of interest in connection with personal employee trading. TOBAM's personal investment policy is intended to ensure that at all times employees place client interests above their own and those of their immediate family.

Employees are prohibited from using TOBAM business equipment for personal investing. In order to further segregate working tools and time, employees are requested to avoid sending personal investment orders while the European markets are open.

Moreover, employees or other parties named in an employee-related account must obtain approval prior to placing an order for a transaction in any financial instrument (equity or equity-related security (e.g., options, warrants, convertible bonds, and preferred stock), corporate or emerging market debt security, master limited partnership, FX option or exchange traded fund, futures, private investment like hedge fund or limited partnership) or TOBAM fund.

Pre-approval is required for each transaction and can be obtained from TOBAM's Compliance Officer. Only mutual fund investments are exempt from this requirement.

9. Brokerage Practices

TOBAM's Broker Selection process for trades executed on behalf of TOBAM clients (mandates and funds) is implemented by a Broker Committee which meets on a quarterly basis.

This Broker Selection process includes of approving counterparties according to various best execution criteria, including fees, reputation, financial reliability, quality of investment advisory

services, ability to provide liquidity, robustness of STP processing, quality of order execution and monitoring. New counterparties are identified and proposed by the portfolio management team.

TOBAM prohibits soft dollar commissions as mentioned in the company's conflict of interest policy. As a quantitative asset manager, TOBAM does not conduct stock-specific research, nor does it purchase external research. TOBAM thus does not receive any products or services in exchange for business from any broker/dealer.

In general, TOBAM applies its own discretion to select the broker/dealers, and will seek best execution from the selected broker/dealers. For segregated accounts, clients may have the possibility to direct orders to specific brokers, as provided by the IMA. It is understood that best execution may not be achieved in these cases.

Whenever feasible, TOBAM generates several basket orders and portfolio managers request that brokers to group these orders and execute them as a whole. Execution prices are thus identical across funds and mandates. Should partial execution occur for a grouped order, the trades are allocated pro-rata to client accounts.

TOBAM portfolios are model driven only: all trades occur as direct result of a change in the composition of the portfolio model.

We perform trading for rebalancing purpose only and we perform cross trades in the same conditions.

As we do not receive any compensation for effecting rebalancing cross transactions between advisory clients and as it's in the sole interest of the client, we do not ask for the consent of the clients.

As a quantitative asset manager, TOBAM also use the DOL exemption for ERISA accounts in compliance with the principles of PTCE 2012-12 described in TOBAM's cross trades procedure.

10. Review of accounts

TOBAM funds are reviewed daily at several levels for consistency with investment objectives and strategies. All investment management and administrative processes are audited every four months. Client communications are conducted frequently, and may occur in person, by email, and by telephone. TOBAM is constantly available to clients for questions related to their investment strategy or any other concerns.

Clients invested in mandates and dedicated funds receive monthly and quarterly statements; these reports detail transactions, account activity, cash balances and performance. For mutual funds, audited reports are available quarterly or semi-annually.

11. Client referrals and other compensation

All client portfolio management and relationship management activities are conducted within TOBAM by full-time employees. TOBAM has also signed agreements with third-party marketing organizations in Canada, Australia and the Nordic countries. Third-party marketing representatives represent TOBAM for prospective clients in their region, and are compensated by TOBAM for their representation. France's largest Asset Manager, Amundi has signed with TOBAM an agreement to market TOBAM's capabilities.

No other persons or entities not related to TOBAM is compensated for providing investment advice or other advisor services to clients of our firm

Our firm does not compensate any other entity or individual for client referrals.

12. Custody

TOBAM neither owns nor has custody of client assets.

13. Investment discretion

TOBAM has total discretion to manage client accounts in accordance with the guidelines described in the fund prospectus. Before subscribing, shareholders are encouraged to read the fund prospectus.

As a discretionary asset manager, TOBAM thus has the authority to act on discretionary basis for the securities purchased or sold for client mandates without obtaining specific client consent. All limitations and restrictions specified by clients must be included in the client IMA.

14. Voting client securities

On behalf of clients, TOBAM uses its ownership position in companies to further its commitment to socially responsible investing and to improving corporate governance by exercising proxy voting rights. Proxy voting is developed in the sole interest of client portfolios, fund shareholders and clients. TOBAM implements an SRI proxy voting policy across investment strategies. For pooled fund vehicles and certain separately-managed accounts, proxy voting is carried out by ISS, a subsidiary of MSCI and leading provider of corporate governance solutions. The Fund exercises voting rights following the ISS SRI International Proxy Voting Guidelines Summary. Details of the SRI proxy voting policy are available upon written request from TOBAM's Client Service department. Details regarding how TOBAM voted client securities over the past year are available in the report "Engagement Activity," which can be obtained from TOBAM's client service department. If requested by clients invested in separately-managed accounts, TOBAM can apply a client's specific voting policy to their separately-managed account.

15. Financial information

TOBAM does not require or solicit any prepayment and is not aware of any condition that is reasonably likely to impair our ability to meet contractual commitments to clients.

16. Requirements for State registered advisers

Yves Choueifaty – President TOBAM, CIO, Exec. Committee (22 yrs investment experience)
Mr. Choueifaty built TOBAM in 2006, as Managing Director, Head of the Quantitative Asset Management business in Europe, and Head of Lehman Brothers Asset Management France. Prior to joining Lehman Brothers, Mr. Choueifaty was CEO of Credit Lyonnais Asset Management (“CLAM”). He was CIO of CLAM from 2000 with direct responsibility for all aspects of the Investment Management process as well as Marketing and Sales. From 1998 to 2000 Mr. Choueifaty was Head of Financial Engineering and Quantitative Investment Management, having developed the structured products and financial engineering business units since 1992. Mr. Choueifaty graduated in 1992 from ENSAE in Statistics, Actuarial studies, Finance, and Artificial Intelligence.

David Bellaiche –COO, Exec. Committee (17 yrs investment experience)
Mr. Bellaiche joined the TOBAM team in 2006 as a portfolio manager, became Head of portfolio Management in 2008 and COO in 2013. Most recently he was a portfolio manager at CAAM now known as Amundi Asset Management, in Paris. within the Arbitrage and Convertible Bonds team. Prior to that, he ran the CAAM quantitative analytics and technology teams consisting of 60 engineers and programmers. During the merger between Credit Lyonnais Asset Management (“CLAM”) and CAAM, Mr. Bellaiche led the IT and quantitative analytics transition between the companies. Mr. Bellaiche started at CLAM in 2000 as the Head of IT Research and Development and he began his professional career in February 1997 as a systems developer at IBM in France. Mr. Bellaiche received his Diploma of Engineering from ENAC, Toulouse, France in 1997.

Tristan Froidure, MBA – Head of Research, Exec. Committee (17 yrs investment experience)
Mr. Froidure joined the team in April 2007 as senior portfolio manager. Mr. Froidure joined from Lehman Brothers International (Europe) Capital Markets where he was responsible for devising systematic, quantitative strategies applicable to options. Prior to that, he was senior portfolio manager at LibertyView for 7 years, a Lehman Brothers-owned Hedge Fund based in the United States where he was head of international trading, and co-responsible for launching and managing LibertyView’s Global Volatility Fund, a \$350 million Hedge Fund. Mr. Froidure received his diploma of Engineering with a Non-Linear Mechanics major from the Ecole Centrale de Lyon in 1996, and received his MBA from New York University's Stern School of Business in 2005.

Christophe Roehri – Head of Business Development, Exec. Committee, (17 years investment experience)

Mr. Roehri joined the team in 2009; prior to this he spent three years at Credit Agricole Asset Management in Paris before joining Fortis Investments as an institutional sales director. Christophe was also employed by the Credit Lyonnais group in Indonesia (1997-1999) and New York (1999-2003). He is a graduate of EM Lyon.

Maylis L'Hotellier – Chief Compliance Officer, (11 years experience)

Ms. L'Hotellier joined TOBAM in 2008 as Head of Compliance. Recently she worked for the asset manager Natexis Asset Management as Risk Manager. She began her career at the AMF (Autorité des Marchés Financiers, the French Financial Regulator) in 2002 where she worked for 5 years as a senior manager. Ms L'Hotellier received a Master in Financial Management in 2002 and a Master of Law in 2001.