

Investment Adviser Brochure

Form ADV Part 2A

Disclosure Statement

AllianceBernstein

AllianceBernstein L.P.

AllianceBernstein Holding L.P.

AllianceBernstein Corp.

AllianceBernstein Global Derivatives Corp.

Alliance Corporate Finance Group Inc.

Sanford C. Bernstein & Co., LLC

W.P. Stewart & Co., Ltd.

W.P. Stewart Asset Management Ltd.

March 31, 2014

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This brochure provides information about the qualifications and business practices of AllianceBernstein L.P., its publicly traded affiliate AllianceBernstein Holding L.P., its general partner AllianceBernstein Corporation and its affiliated registered advisers. The term "registered" refers to our legal status and does not imply a particular level of training. If you have any questions about the contents of this brochure, please contact us at 212.969.1428 or mark.anderson@alliancebernstein.com. 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 the foregoing entities also is available on the SEC's website at www.adviserinfo.sec.gov.



March 2014

Dear Client,

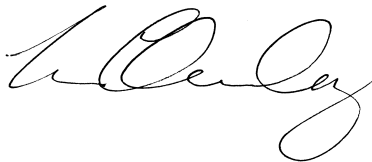
We are pleased to provide you with our Investment Adviser Brochure ("Brochure"), which is also known as Part 2A of our firm's SEC Form ADV. It contains important information about our business practices as well as a description of potential conflicts of interest relating to our advisory business which could affect your account with us. This Brochure applies to the investment activities of AllianceBernstein L.P. and its various investment adviser affiliates and subsidiaries. For purposes of this Brochure, we collectively refer to these entities as "AllianceBernstein."

We are providing you with this material in accordance with Rule 204-3 of the Investment Advisers Act of 1940, which requires a registered investment adviser to provide a written disclosure statement upon entering into an advisory relationship. Future updates to this Brochure may be obtained by written request to AllianceBernstein L.P., Attn: Chief Compliance Officer, 1345 Avenue of the Americas, New York, New York, 10105.

This Brochure is intended for clients whose accounts are serviced (directly or indirectly) by AllianceBernstein. Clients of our Bernstein Global Wealth Management unit are also encouraged to review the supplemental literature about our private client services.

Thank you for choosing AllianceBernstein. If you have any questions about the information in this statement, please contact your AllianceBernstein client service representative.

Respectfully yours,

A handwritten signature in black ink, appearing to read "M. Manley", written in a cursive style.

Mark R. Manley
Chief Compliance Officer
Deputy General Counsel
AllianceBernstein

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Summary of Material Changes (ADV Item 2)

A summary of the material changes to this brochure since its last annual update on March 29, 2013 can be found in Appendix B.

A. AllianceBernstein's Investment Advisory Business (ADV Item 4)

INTRODUCTION

AllianceBernstein L.P. ("AllianceBernstein") is a research-driven investment adviser that is global in scope and client-centered in its approach.

We believe research excellence is the key to better outcomes, so we've built research capabilities with exceptional breadth, depth and focus on innovation. In addition to creating a variety of investment services, we have developed separate service organizations to meet the distinct needs of private clients, mutual fund investors and the many types of institutional clients we serve in markets around the world.

Our firm's mission is to be the most trusted investment firm in the world. We achieve this by placing our clients' interests first and foremost; utilizing our research capabilities to have more knowledge than any other investment firm; and using knowledge better than our competitors to help our clients achieve investment success.

HISTORY OF ALLIANCEBERNSTEIN

AllianceBernstein traces its origins back more than 40 years.

One of our predecessor firms, Sanford C. Bernstein & Co., Inc., was founded in 1967 as an investment manager and broker-dealer for private clients. The other, Alliance Capital Management Corporation, was registered as an investment adviser in 1971 after the asset management department of Donaldson, Lufkin & Jenrette, Inc., merged with the investment advisory business of Moody's Investor Services, Inc.

In October 2000, Alliance Capital acquired Sanford C. Bernstein. Alliance Capital's expertise in growth equity and corporate fixed-income investing complemented Bernstein's expertise in value equity and tax-exempt fixed-income management. In 2006, Alliance Capital Management L.P. changed its name to AllianceBernstein L.P.

OWNERSHIP OF ALLIANCEBERNSTEIN

In 1988, AllianceBernstein (then called Alliance Capital) conducted an initial public offering as a master limited

partnership. The name of the publicly traded limited partnership is now AllianceBernstein Holding L.P., and the name of our general partner is AllianceBernstein Corporation. The publicly traded partnership units are listed on the New York Stock Exchange under the symbol "AB."

AllianceBernstein's majority shareholder is AXA, one of the world's largest financial services companies. AXA acquired its controlling interest in AllianceBernstein in 1990 through its acquisition of The Equitable Life Assurance Society of the United States, which had acquired AllianceBernstein in 1985.

Including certain general partnership interests, AXA, through certain of its subsidiaries had an approximate 63.7% economic interest in AllianceBernstein as of December 31, 2013. As of that date, approximately 35.4% of the firm was owned by the public through AllianceBernstein Holding L.P.

ASSETS UNDER MANAGEMENT

As of December 31, 2013, client assets under AllianceBernstein's management totaled approximately \$450 billion. Of this amount, approximately \$430 billion in assets were managed for discretionary portfolios and approximately \$20 billion were managed on a non-discretionary basis.

OUR APPROACH TO INVESTING

The foundation of AllianceBernstein's approach to investing is our internal "buy-side" research. We believe that our global team of research professionals allows us to achieve investment success for our clients.

Our research disciplines include fundamental analysis, quantitative analysis, economic analysis and currency forecasting. In addition, but without limitation, we have several specialized research initiatives, including research examining global strategic changes that can affect multiple industries and geographies. In conducting security analysis, we utilize a broad spectrum of information, including without limitation financial publications, third-party research materials, annual reports, prospectuses, regulatory filings, company press releases, corporate rating services, inspections of corporate activities and meetings with management of various companies.

Our buy-side analysts create proprietary research to support our portfolio managers, who also may conduct their own research. Our portfolio managers then employ a range of strategies to implement the research-based advice we give to clients concerning their portfolios. The vast majority of AllianceBernstein's strategies involve our discretionary management of client portfolios.

Our chief investment strategies and services include:

- **Bernstein Value Equities**, an actively managed investment approach which generally targets stocks that are out of favor and considered undervalued.
- **Alliance Growth Equities**, an actively managed investment style which generally targets stocks with under-appreciated growth potential.
- **Concentrated Growth Equities**, which utilizes an appraisal methodology to identify large- and mid-capitalization companies with attractive long-term earnings growth, and invests in a relatively small number of stocks.
- **Select US Equity** utilizes bottom-up fundamental analysis to identify equity investment opportunities. It is available in long-only and long-short formats, and is not constrained by market capitalization, style, or sector.
- **Fixed Income Strategies**, which offers actively managed multi-sector and single-sector fixed income strategies across the risk/return spectrum in every major market globally including taxable and tax-exempt securities.
- **Blend Strategies**, which combines style-pure investment components with systematic rebalancing.
- **Alternative Investments**, which offer strategies distinct from our flagship long-only services. These services generally are only available to clients who meet certain legal requirements, and include a proprietary real estate fund and hedge fund of funds. Hedge funds that AllianceBernstein manages employ multi-asset, multi-sector, long/short and event-driven strategies, among others. Those hedge funds are available through our Alternative Investment Strategies platform.
- **Passive Management**, which includes both index and enhanced index strategies.
- Our **Real Estate** services include actively managed investments in the shares of real estate investment trusts as well as investments in actual real estate assets and mortgages related to those assets.
- **Asset Allocation Services**, where we offer strategies specifically-tailored for our clients, such as customized target-date fund retirement services for defined contribution plan sponsors and our Dynamic Asset Allocation service, which is designed to mitigate the effects of extreme market volatility on a portfolio in order to deliver more consistent returns.

These strategies are available in different formats, including separately managed accounts and mutual funds. However, some strategies are offered through investment partnerships that are available only to investors who meet certain legal criteria.

Our investment services can focus on a single investment approach—such as Growth equities, Value equities, or Fixed

Income high yield investing—or a blend of those approaches. The objectives and restrictions within individual strategies normally are driven by market capitalization (e.g., large-, mid- and small-cap equities), term (e.g., long-, intermediate- and short-duration debt securities), geographic location criteria (e.g., US, international, global and emerging markets), and client guidelines. In late 2011, AllianceBernstein committed to adopt and implement the U.N. Principles for Responsible Investment in its active investment strategies.

As noted in Section E, our strategies and services may invest in derivatives when the relevant investment guidelines allow. In 2013, AllianceBernstein registered with the U.S. Commodity Futures Trading Commission as a Commodity Pool Operator and Commodity Trading Advisor to comply with changes in certain Commission regulations.

The research created by our buy-side analysts is not offered for sale or distribution to the public. We may provide some non-discretionary clients with internally generated research information and access to our buy-side research professionals. Compensation for this information is included as part of the non-discretionary advisory fee.

Certain discretionary clients, who are themselves investment managers, may be granted access to our research analysts and other investment professionals and may attend analyst and other meetings where investments are discussed. Any information divulged will be general, rather than client-specific. When appropriate, these clients are deemed associated persons of AllianceBernstein and subject to our Code of Business Conduct and Ethics.

For each of these arrangements, we assess how the information may be used within the client's own investment process. We take steps to ensure that sharing such information doesn't create any harm to our discretionary clients (e.g., front-running trades). Specifically, we have implemented procedures to resolve material potential conflicts in favor of AllianceBernstein's discretionary clients. These include delaying the release of information to these clients and barring their access to sources of other information.

BERNSTEIN GLOBAL WEALTH MANAGEMENT'S PRIVATE CLIENT SERVICES

Through our Bernstein Global Wealth Management unit, we provide investment services to high-net-worth individuals, trusts and estates, charitable foundations, partnerships, private and family corporations, and other entities traditionally considered to be "private clients."

Bernstein Global Wealth Management offers a complete range of investment services which are designed to preserve and grow wealth. Through this unit, AllianceBernstein may customize a private client portfolio that suits any type of investment goal, income needs, tax situation or tolerance for risk.

While it tailors advice to the unique circumstances of our private clients, Bernstein Global Wealth Management uses a number of the centrally managed strategies identified above as the building blocks for portfolio diversification. These strategies are designed to provide clients with exposure to equities, bonds, real estate investment trusts, short-duration investing, and/or alternative investments such as hedge funds.

A number of these services are available either as separately managed accounts, with certain minimum investment requirements. Others are available through the Sanford C. Bernstein Fund, Inc., offered by prospectus, or hedge funds, which are only available to clients who meet certain legal requirements. Supplemental literature about these services—including Bernstein’s Investment Management Services and Policies booklet—is available through Bernstein Global Wealth Management’s financial advisors.

The diversified portfolio created for each client of Bernstein Global Wealth Management is intended to maximize after-tax investment returns, in light of the client’s individual investment goals, income requirements, risk tolerance, tax situation and other relevant factors. In creating these portfolios, we utilize our research reports, investment planning services, Dynamic Asset Allocation and the Wealth Management Group, which has in-depth knowledge of trust, estate and tax planning strategies.

Most of the private clients serviced by our firm’s Bernstein Global Wealth Management unit invest through an all-inclusive fee program partially serviced by our wholly-owned broker-dealer subsidiary, Sanford C. Bernstein & Co., LLC (“Bernstein LLC”). Under the terms of this program, AllianceBernstein provides investment management and ancillary services to clients, while Bernstein LLC provides order execution for equity securities, custody and related services. Participants individually appoint AllianceBernstein and Bernstein, LLC, to perform their respective services.

RETAIL MANAGED ACCOUNT PROGRAMS

We offer separately managed account programs (also known as “wrap fee” or “SMA” programs) to individual investors through platforms sponsored by intermediaries. There are several different forms of SMA programs and several differences between how AllianceBernstein manages SMA accounts compared to other discretionary accounts. Unlike most of our client relationships, SMA clients do not pay a fee directly to AllianceBernstein and have limited direct contact with AllianceBernstein investment professionals. SMA clients generally maintain asset levels far below the minimum account sizes for our Private Client and Institutional services.

AllianceBernstein is often selected as a SMA manager by the client with the assistance of the program sponsor. The sponsor typically is a broker-dealer that has its own relationship with

the client. The selection of AllianceBernstein to manage the individual SMA is generally based upon the compatibility of our investment philosophy with the client’s investment objectives and level of risk tolerance. In a typical SMA program, AllianceBernstein will develop the overall portfolio strategy and implement it in each client portfolio. Implementation generally is done through the automated systems supplied by the intermediary sponsoring the SMA program. All portfolio transactions normally are executed through the intermediary. Please see Section I for more information about the selection of brokers for SMA clients and the associated fees and expenses.

Some program sponsors offer a SMA program in which AllianceBernstein provides a model portfolio of stocks, bonds, or a combination of both, chosen to achieve a specific objective for the SMA sponsor and its client. The model is communicated to the intermediary sponsoring the SMA program, and the intermediary is responsible for executing securities trades to establish and maintain the portfolio according to our model.

AllianceBernstein monitors, evaluates, and adjusts investments in response to changing economic conditions or the shifting value of portfolio holdings. Changes to an SMA model portfolio are based on AllianceBernstein’s investment research and the experience and judgment of the investment team responsible for the model. We communicate portfolio adjustments to the appropriate intermediary at times that are both scheduled and unscheduled. The sponsoring intermediary determines what trades to enter for each individual client, and when, as a result of changes in the model. In contrast, trades for discretionary accounts opened directly with AllianceBernstein are handled by our buy-side trading professionals.

Clients may terminate AllianceBernstein as their manager in an SMA program at any time. Termination procedures and information regarding the refund of prepaid fees for each program are described in the SMA sponsor’s brochure.

CLIENT INVESTMENT GUIDELINES

Each investment service or strategy offered by AllianceBernstein is defined by its own portfolio construction parameters and investment guidelines developed by the firm. These guidelines are described in various marketing and other materials provided to clients, as well as in direct discussions with clients. These parameters and guidelines are sometimes referred to as Product Guidelines.

Further, each investment advisory contract between AllianceBernstein and a client details the manner in which we are required to manage that client’s portfolio, including the selected strategy, legal and regulatory restrictions, and client-specific guidelines and restrictions.

Certain clients have additional guidelines or restrictions imposed on their portfolios by law or regulations. This includes the Employee Retirement Income Security Act of 1974 (“ERISA”), the Investment Company Act of 1940, the Internal Revenue Code, or other local or state laws. Clients with separately managed accounts may impose additional investment guidelines and restrictions on our discretion. These can include guidelines designed to reduce risk (such as not permitting leverage), single stock or sector restrictions, or socially-responsible restrictions (such as no investments in a company domiciled in a rogue country). The client is required to inform us in writing of these guidelines and restrictions, and only written guidelines (or modifications) are acceptable.

Clients with separately managed accounts who wish to restrict certain issuers from their portfolios generally are required to provide AllianceBernstein with a specific list of proscribed issuers, which are then coded in the relevant portfolio management or trading system. Clients are responsible for updating this list of restricted names. If a client seeks to have industry-related restrictions, we will consider using pre-defined issuer lists generated by third parties.

As an investment advisor to SMA programs, AllianceBernstein will accommodate reasonable restrictions imposed by the client on the management of the account, subject to the limitations and considerations set forth above. In order to effectively and efficiently manage certain industry-related restrictions, AllianceBernstein may use pre-defined issuer lists generated by third parties, if available. AllianceBernstein may also use a list of proscribed issuers that is provided by the client.

Prior to opening an account that can accept client-specific restrictions, personnel (including portfolio management and legal staff) review a client’s proposed investment guidelines. (Proposed guidelines for new commingled vehicle accounts are reviewed by these personnel as well; those guidelines will apply to the vehicle’s portfolio, and normally cannot be influenced by investor-specific guidelines.) Once guidelines are finalized and approved, they are recorded in our trade compliance systems.

We reserve the right to decline to accept investment guidelines submitted by clients that we determine, in our judgment, to be unduly restrictive in light of portfolio objectives. Clients that subscribe to an AllianceBernstein service and then impose limitations or restrictions on the investment strategy or process should understand that their investment returns will differ from other clients in that service, in some cases materially. AllianceBernstein reserves its right to decline to enter into an investment advisory relationship with any prospective client whose investment objectives may be considered incompatible with AllianceBernstein’s basic investment philosophy or strategies, or where the prospective client seeks to impose unduly restrictive investment guidelines on AllianceBernstein.

B. Fees and Compensation (ADV Item 5)

AllianceBernstein is generally compensated on the basis of fees calculated as a percentage of a client’s assets under management. In certain instances, however, AllianceBernstein may be compensated under performance-based fee arrangements in compliance with Rule 205-3 promulgated by the US Securities and Exchange Commission (“SEC”) under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). Compensation for employee benefit plans is subject to applicable regulations and opinions of the Department of Labor under ERISA. AllianceBernstein may also, on occasion, be compensated through fixed-fee arrangements.

INSTITUTIONAL FEE ARRANGEMENTS

Fees that are calculated as a percentage of assets under management are generally charged quarterly based upon the amount of assets under management at the beginning or the end of the quarter, or the average over the quarter or preceding quarter, as agreed with the client. In the event a client terminates its advisory contract with AllianceBernstein during a quarterly period, the fee for that period will be prorated based on the number of days or months during the period in which AllianceBernstein performed services. The client is also entitled to a pro rata refund of the portion of the quarterly fee, when paid in advance, for the remaining balance of the quarter.

The minimum account sizes for most institutional accounts are set forth in Section D.

Institutional fees may be modified in certain circumstances including where an account exceeds a certain market value or is expected to grow rapidly; where a relationship already exists with a client; or where the client retains AllianceBernstein to provide services with respect to several investment mandates.

In a number of institutional strategies, clients have the option of having their management fees billed to them on a quarterly basis, or having such fees deducted quarterly from their account.

In addition to the fee schedules in Appendix A, there may be specialized investment strategies with individualized fee arrangements in place as well as historical fee schedules with longstanding clients that may differ from those applicable to new client relationships.

AllianceBernstein has various performance-based fee arrangements available for interested clients. The most common performance-based fee arrangement includes a reduced asset-based fee, which is billed quarterly, and an annual performance-based fee, which is calculated as a percentage of the account’s outperformance relative to an agreed upon performance benchmark over a specified period of time. Performance-based fees are negotiated in advance with the client.

PRIVATE CLIENT FEE ARRANGEMENTS

Our Bernstein Global Wealth Management unit is the sponsor of an all-inclusive fee program which is partially serviced by our wholly-owned broker-dealer subsidiary, Bernstein LLC. This fee is deducted from our client accounts at Bernstein LLC on a quarterly basis.

SMA PROGRAM FEES

The SMA programs described above generally provide for an all-inclusive fee, which covers investment management, trade execution, reports of activity, asset allocation, custodial services and the recommendation and monitoring of investment managers.

As an investment adviser to SMA programs, we receive as compensation a portion of the total managed account program fee paid to the sponsor by the client. This typically ranges from 0.25% to 0.90% annually, depending upon the program sponsor, type of account (i.e., equity, balanced or fixed income), the level of support services provided by AllianceBernstein or sponsor and the size of the client's assets in the specific program.

OTHER FEE ARRANGEMENTS

AllianceBernstein also offers the following investment products and advisory services for which special fee arrangements apply:

If assets in a client's account are invested in a registered investment company managed by AllianceBernstein, such assets are subject to the management fee associated with the investment company. That fee may also include charges for administration and accounting services charged to the registered investment company. Therefore, the investor in a registered investment company may incur a higher total management fee if the investment company's fee rate exceeds the rate the client would otherwise pay for the management of its assets.

Some institutional and private clients of AllianceBernstein invest a portion of their discretionary account's assets in shares issued by a registered investment company. When that occurs, the client is not charged both an advisory fee on the discretionary assets and a management fee associated with the investment company. Assets invested in a registered investment company for which AllianceBernstein serves as adviser are excluded from the client's assets upon which their advisory fee is calculated. Clients are also credited for shareholder servicing fees associated with the investment company(ies). Clients may pay other costs and expenses.

The investment advisory fees charged to the registered investment companies for which AllianceBernstein serves as adviser are disclosed in the prospectuses of such investment companies although in some cases fee waivers may be in effect.

We also serve as an investment adviser to various funds, trusts and products which have a variety of fee structures. The fee structures for those pooled vehicles are set forth in the relevant offering and subscription documents.

C. Performance Fees and Side-by-Side Management (ADV Item 6)

POTENTIAL CONFLICTS FROM ADVISING DIFFERENT CLIENTS

AllianceBernstein provides investment management advice to a variety of different clients including mutual funds sponsored by our affiliates, special portfolios on a sub-advisory basis, institutional accounts, ERISA accounts and investment partnerships such as hedge funds.

Certain types of clients, investment strategies and fee arrangements may create potential conflicts of interest for AllianceBernstein. For example, our employees or affiliates may have an economic interest in some of the accounts that we manage. We may also recommend to clients securities in which a related person has established an interest independent of AllianceBernstein. Some accounts pay performance fees to AllianceBernstein, and some are allowed to sell short securities that are held long in other client accounts. Some investment professionals at AllianceBernstein manage accounts with such fees "side by side" with accounts that do not have such characteristics. These investment professionals may have an incentive to favor accounts in the first category over accounts in the second category.

STEPS TO TREAT CLIENTS FAIRLY

We are conscious of these potential conflicts. Overall, where we are providing fiduciary services, the goal of our policies and procedures is to act in good faith and to treat all client accounts in a fair and equitable manner over time, regardless of their strategy, fee arrangements or the influence of their owners or beneficiaries. These policies include those addressing the fair allocation of investment opportunities across client accounts, the best execution of all client transactions, and the voting of proxies, among others.

AllianceBernstein has adopted the following approach related to the fair allocation of investment opportunities. Our implementation of this approach is designed to help ensure that each client receives fair and equitable treatment in the investment process:

- **Employee and Firm Interests.** Accounts in which our employees or affiliates have a beneficial interest, or in which AllianceBernstein has a conflict of interest, do not receive preferential treatment.
- **Equal Dissemination.** Investment ideas and/or research analyst recommendations are widely disseminated among

all appropriate investment professionals responsible for selecting investments to ensure that the accounts for all portfolio management groups have an equal opportunity to act on the information.

- **Identifying Accounts for Participation.** The decision on which accounts should participate in an investment opportunity, and in what amount, is based on the type of security or other asset, the present or desired structure of the various portfolios and the nature of the account's goals. Other factors include risk tolerance, tax status, permitted investment techniques and, for fixed-income accounts, the size of the account and settlement and other practical considerations. As a result, we may have different price limits for buying or selling a security in different accounts. Portfolio information systems, portfolio reports and quality control reports permit us to consider these factors as appropriate.
- **Aggregation of Client Interests.** Portfolio managers and groups are required to submit orders for all of the participating accounts for which they are responsible at the same time, subject to certain pre-defined exceptions. Generally, all orders in the same security are aggregated in each order management system to facilitate best execution and to reduce brokerage commissions and/or other costs. However, there are cases when orders cannot be aggregated due to system, legal or operational limitations or restrictions. Additionally, we may not require orders in the same security from different managers to be aggregated where one manager's investment strategy relies on rapid trade execution, provided we believe that disaggregation will not harm other client orders.
- **Priority of Orders.** When the liquidity in a market is not sufficient to fill all client orders, we may give priority to certain orders over others. This prioritization is based solely on objective factors driving the order. Under such circumstances, we will aggregate orders by these factors and subject each aggregated order to the trade allocation algorithms discussed above. The factors used, in order of priority, are (1) correction of guideline breaches; (2) avoidance of guideline breaches; (3) investing significant new funding and completing tax strategy implementations; (4) avoidance of tracking error on the service/product level; and (5) portfolio rebalancing and optimization.
- **Trade Rotation.** Separate aggregated orders with the same priority are traded using a rotation process that is fair and objective.
- **Allocation.** Executions for aggregated orders are combined to determine one average price. The shares are then allocated to participating accounts using automated algorithms designed to achieve a fair, equitable and objective distribution of the shares. When investment opportunities are too limited to be fully implemented for all accounts, these algorithms consider various factors, including minimizing custodian fees from multiple executions for a single account and avoiding small allocations that would be either

below minimum sizes for the marketplace or uneconomical in light of fixed settlement costs.

- **Deviations from the Standard Methodologies.** Under certain circumstances the allocation algorithms may not produce the desired results. In such cases, a manual allocation will be implemented, which must be approved by senior management and a Compliance Director. The alternative allocation method must achieve a fair, equitable and objective distribution of the shares.

As a result of the procedures noted above, it is not unusual to have multiple aggregated orders and differing priorities for the same security at the same time. In such cases, certain client accounts may get a higher or lower price for the same security than orders for other clients. Additionally, our policies address the following special situations:

- **Initial Public Offerings.** IPOs are only allocated to accounts when the issuer meets the investment objectives of participating accounts as well as a review process for allocations.
- **Secondary Offerings.** These shares are allocated using our standard methodologies taking into account situations in which securities are allocated by the issuer or underwriter based on a client's existing holdings.
- **Long vs. Short Positions.** Conflicting investment opportunities between short selling and long investing are properly addressed. When our trading desk is handling short sell orders at the same time as long liquidation orders, the desk will use its discretion to execute the orders in a manner that will limit the market impact to both.

In addition, when trades for SMA programs are directed to the SMA sponsors, a trade rotation process is implemented between SMA programs and institutional accounts and among the different SMA sponsors. This process could result in accounts receiving different prices for the same security. When an SMA sponsor comes up in the rotation, AllianceBernstein generally will not trade for institutional accounts or accounts of other SMA sponsors. To minimize the impact, SMA sponsors are given strict time limitations to complete executions for their accounts.

There can be other exceptions to the process described above. For example, when our investment professionals decide to sell a security regardless of tax considerations, both taxable and tax-exempt accounts are eligible for sale simultaneously. In situations where tax gains influence the sale, securities in the tax-exempt accounts may be placed for sale first, as additional time is needed to consider the tax implications for each taxable account. Conversely, when tax losses influence the sale, we may prioritize taxable clients first, as the loss has a specific impact in a given year. In any event, the prioritization process is applied consistently and objectively over time.

In certain circumstances, position limits due to regulatory or other issuer-related facts may preclude us from making

all investment opportunities available to all services and products. We may limit the opportunities to those services or products based upon our judgment, after considering all relevant facts.

We also reserve our right to exclude certain investment services from our aggregation and allocation procedures for regulatory considerations or where exclusion is in the best interests of our clients as a whole. Where we offer a service that invests in securities that are unique (such as our venture capital fund) fair allocation is less of a concern, since our other clients will not be competing for investment opportunities with that service. Similarly, certain traders at our firm process a significant volume of derivatives orders on a non-discretionary basis for AXA and its insurance company subsidiaries. Since these orders are unrelated to any discretionary investment service we offer to clients, they are normally not aggregated with other derivative orders.

D. Types of AllianceBernstein Clients (ADV Item 7)

AllianceBernstein offers investment services to clients for a fee through operations in the United States and numerous other countries. We provide investment advice to investment companies, pension and profit sharing plans, banks and thrift institutions, trusts, estates, government agencies, charitable organizations, individuals, corporations and other business entities.

Our investment advisory products and services are offered to clients through three relationship channels—Institutional Services, Private Client Services and Retail Services.

INSTITUTIONAL CLIENTS

We advise institutional clients primarily through AllianceBernstein Institutional Investments, a unit of AllianceBernstein, and through other units in our international subsidiaries and one of our joint ventures.

Our institutional client base includes unaffiliated corporate and public employee pension funds, endowment funds, domestic and foreign institutions and governments, including sovereign wealth funds. We also provide investment services to certain of our affiliates (AXA and its subsidiaries), as well as certain sub-advisory relationships with unaffiliated sponsors of various other investment products.

Client relationships of \$25 million or more generally are serviced by AllianceBernstein Institutional Investments. Direct client relationships of less than \$25 million are generally serviced through our Bernstein Global Wealth Management channel, discussed below. Nevertheless, AllianceBernstein has established various minimum account

sizes, depending primarily on the particular investment style. Minimum account sizes for institutional asset management clients, as well as the circumstances under which exceptions may be made to those minimums. Once an institutional investment advisory relationship has been established,

AllianceBernstein generally does not require its clients to maintain a minimum investment in order to continue the advisory relationship. However, AllianceBernstein does reserve the right to terminate an account based on its size if the account has decreased due to significant withdrawals.

AllianceBernstein may, in its discretion, accept institutional accounts with assets less than \$25 million where, for example, an additional investment to meet the minimum is expected, a relationship already exists with a client, the relationship is to be handled through an SMA program sponsored by a third-party intermediary. Our services to institutional clients are offered through a wide variety of structures, including separately-managed accounts, sub-advisory relationships, mutual funds, structured products, collective investment trusts, other investment vehicles.

CLIENTS OF BERNSTEIN GLOBAL WEALTH MANAGEMENT

As noted above, clients of Bernstein Global Wealth Management may invest through separately managed accounts, mutual funds, hedge funds (including hedge funds available through our Alternative Investment Strategies hedge fund of funds service discussed elsewhere in this brochure) and other investment vehicles suitable for qualified purchasers.

Generally, the minimum amount to open a private client relationship through Bernstein Global Wealth Management is \$500,000. The minimum initial investment in Alternative Investment Strategies by otherwise qualified purchasers is \$500,000.

Our private clients are serviced by financial advisors based in various cities. These advisors do not manage account assets, but work with private clients and their tax, legal and other advisors to assist them in determining a suitable asset allocation based on financial need and risk tolerance.

RETAIL INVESTORS

We provide investment management and related services to a wide variety of individual retail investors, both in the US and internationally, through retail mutual funds sponsored by AllianceBernstein, its subsidiaries and affiliated joint venture companies; through mutual fund sub-advisory relationships; through Separately-Managed Account Programs; and via other investment vehicles (“Retail Products and Services”).

Our Retail Products and Services are designed to provide disciplined, research-based investments that contribute to a well-diversified investment portfolio. We distribute these

products and services through financial intermediaries, including broker-dealers, insurance sales representatives, banks, registered investment advisers and financial planners.

Our Retail Products and Services include open-end and closed-end funds that are either (i) registered as investment companies under the Investment Company Act, or (ii) not registered under the Investment Company Act and generally not offered to United States persons. They provide a broad range of investment options, including local and global growth equities, value equities, blend strategies and fixed income securities.

As discussed above, our Retail Products and Services also include Separately-Managed Account Programs, which are sponsored by financial intermediaries and generally charge an all-inclusive fee covering investment management, trade execution, asset allocation, and custodial and administrative services. We also provide distribution, shareholder servicing, and administrative services for our Retail Products and Services.

Our US Funds, which include retail funds, our variable products series fund (a component of an insurance product) and the retail share classes of the Sanford C. Bernstein Funds (principally Private Client Services products), currently offer 115 different portfolios to US investors. Many of our US Funds and fund-based portfolios are investment elections in CollegeBoundfund, the 529 college savings plan sponsored by the state of Rhode Island. AllianceBernstein has been the Program Manager of CollegeBoundfund since 2000.

Our Non-US Funds are distributed internationally by local financial intermediaries to non-US investors in most major international markets by means of distribution agreements.

AllianceBernstein Investments serves as the principal underwriter and distributor of the US Funds. AllianceBernstein Investments employs sales representatives who devote their time exclusively to promoting the sale of US Funds and certain other Retail Products and Services offered by financial intermediaries. AllianceBernstein (Luxembourg) S.A., a Luxembourg management company and one of our wholly-owned subsidiaries, generally serves as the distributor for the Non-US Funds.

SMA PROGRAM INVESTORS

The minimum initial SMA size is \$100,000, which may be waived from time to time by AllianceBernstein in its sole discretion. In an effort to achieve the target characteristics and security weights established for the portfolio, we require that equity SMA portfolios maintain a minimum balance of \$50,000 and balanced SMA portfolios maintain a minimum balance of \$80,000. We may reimburse certain SMA sponsors for business, marketing and product seminar expenses they incur. Fees for seminar support and similar services are paid out of AllianceBernstein's own resources. Since only investment advisors that agree to reimburse the SMA sponsor

for a portion of these fees will be selected to participate in the program, the SMA sponsor may have an incentive to select AllianceBernstein for participation in the program.

E. Methods of Analysis, Strategies and Risk of Loss (ADV Item 8)

OUR INVESTMENT STRATEGIES

As noted above, our buy-side analysts create proprietary research to support our portfolio managers, who also can conduct their own research. Our portfolio management professionals then implement our discretionary investment strategies.

Our investment professionals have experience researching and investing in all types of securities and asset classes, including common and preferred stocks, warrants and convertible securities, government and corporate fixed-income securities, commodities, currencies, real estate-related assets and inflation-protected securities. Some of our portfolios invest in "long" trades only, while others engage in both "long" and "short" trades. We also have deep experience analyzing and investing in other financial instruments, including derivatives such as options, futures, forwards, or swap transactions.

Our professionals employ a range of investment strategies to implement the advice we give to clients including: long-term purchases, short-term purchases, trading, short sales, margin transactions, option strategies including writing covered options, uncovered options and spreading strategies, and taking advantage of price differentials between two or more securities (arbitrage). Quantitative analytics are utilized in some of our investment activities, to assist in the selection of securities or the management of investment risk.

Investment decisions in the strategies that we manage regularly affect more than one client account. Therefore, it is often necessary for us to acquire or dispose of the same securities for more than one client account at the same time. Our policies are designed to ensure that information relevant to investment decisions is disseminated fairly and investment opportunities are allocated equitably among different client accounts over time. Trades in the same securities for all relevant clients are aggregated whenever appropriate and executed as a "block" by the brokers or counterparties we select. Our policies and procedures also set trade allocation standards appropriate to each investment discipline.

As part of our Alternative Investment Strategies hedge fund of funds platform, and in certain other services, AllianceBernstein invests client assets in services managed by other investment advisers. AllianceBernstein evaluates these third-party advisers prior to investing, to the best of our ability. However, those advisers are not subject to our trade allocation policies or our

other compliance policies and procedures. Whenever a third-party investment adviser is responsible for managing assets in a product sponsored by AllianceBernstein, we disclose that to the investors in that product.

THE RISKS OF INVESTING

As with any investment, there is no guarantee that your AllianceBernstein portfolio will achieve its investment objective. You could lose money by investing in our services, and you alone will bear such losses.

The value of your investment in an AllianceBernstein service may be affected by one or more of the following risks, any of which could cause the portfolio's return, the price of the portfolio's shares or the portfolio's yield to fluctuate:

- **Market Risk.** The value of your portfolio's assets will fluctuate as the stock or bond market fluctuates. The value of your investments may decline, sometimes rapidly and unpredictably, simply because of economic changes or other events that affect large portions of the market.
- **Management Risk.** Your portfolio is subject to management risk because it is actively managed by our investment professionals, who may have responsibilities for more than one strategy. We will apply our investment techniques and risk analyses in making investment decisions for your portfolio, but there is no guarantee that these techniques and our judgments will produce the intended results.
- **Quantitative Tools Risk.** Some of our investment techniques incorporate, or rely upon, quantitative models. There is no guarantee that these models will generate accurate forecasts, reduce risks or otherwise produce the intended results. We have adopted a Model Governance Policy, and take steps under that policy to review the accuracy of our model's design and output. We do not consider imperfections in tool output to be errors where we have satisfied the Policy's requirements.
- **Interest Rate Risk.** Changes in interest rates will affect the value of your portfolio's investments in fixed-income securities. When interest rates rise, the value of investments in fixed-income securities tend to fall and this decrease in value may not be offset by higher income from new investments. Interest rate risk is generally greater for fixed-income securities with longer maturities or durations.
- **Credit Risk.** An issuer or guarantor of a fixed-income security, or the counterparty to a derivatives or other contract, may be unable or unwilling to make timely payments of interest or principal, or to otherwise honor its obligations. The issuer or guarantor may default causing a loss of the full principal amount of a security. The degree of risk for a particular security may be reflected in its credit rating. There is the possibility that the credit rating of a fixed-income security may be downgraded after purchase, which may adversely affect the value of the security.
- **Investments in fixed-income securities with lower ratings** tend to have a higher probability that an issuer will default or fail to meet its payment obligations.
- **Allocation Risk.** The allocation of investments among different global asset classes may have a significant effect on your portfolio's value, when one of these asset classes is performing more poorly than others. As both the direct investments and derivative positions will be periodically adjusted to reflect our view of market and economic conditions, there will be transaction costs which may be, over time, significant. In addition, there is a risk that certain asset allocation decisions may not achieve the desired results and, as a result, your portfolio may incur significant losses.
- **Foreign (Non-US) Risk.** Your portfolio's investments in securities of non-US issuers may involve more risk than those of US issuers. These securities may fluctuate more widely in price and may be less liquid due to adverse market, economic, political, regulatory or other factors.
- **Currency Risk.** Fluctuations in currency exchange rates may negatively affect the value of your portfolio's investments or reduce its returns.
- **Derivatives Risk.** The guidelines for a number of our strategies allow us to use derivatives to create market exposure. Derivatives may be illiquid, difficult to price, and leveraged so that small changes may produce disproportionate losses for your portfolio, and may be subject to counterparty risk to a greater degree than more traditional investments. Because of their complex nature, some derivatives may not perform as intended. As a result, your portfolio may not realize the anticipated benefits from a derivative it holds or it may realize losses. Derivative transactions may create investment leverage, which may increase your portfolio's volatility and may require your portfolio to liquidate portfolio securities when it may not be advantageous to do so.
- **Capitalization Risk.** Investments in small- and mid-capitalization companies may be more volatile than investments in large-cap companies. Investments in small-cap companies may have additional risks because these companies have limited product lines, markets or financial resources.
- **Liquidity Risk.** Liquidity risk exists when particular investments are difficult to purchase or sell, possibly preventing us from selling out of such illiquid securities at an advantageous price. Derivatives and securities involving substantial market and credit risk also tend to involve greater liquidity risk.
- **Investment Company and Exchange Traded Fund Risk.** Some of our strategies allow for investments in investment companies (also known as mutual funds) and exchange traded funds ("ETF"). An investment in an investment company or ETF involves substantially the same risks as investing directly in the underlying securities. An investment

company or ETF may not achieve its investment objective or execute its investment strategy effectively, which may adversely affect your portfolio's performance. Your portfolio must pay its pro rata portion of an investment company's or ETF's fees and expenses. Shares of a closed-end investment company or ETF may trade at a premium or discount to the net asset value of its portfolio securities.

- **Real Estate Related Securities Risk.** Investing in real estate related securities includes, among others, the following risks: possible declines in the value of real estate; risks related to general and local economic conditions, including increases in the rate of inflation; possible lack of availability of mortgage funds; overbuilding; extending vacancies of properties; increases in competition, property taxes and operating expenses; changes in zoning laws; costs resulting from clean-up of, and liability to third parties for damages resulting from, environmental problems; casualty or condemnation losses; uninsured damages from floods, earth quakes or other natural disasters; limitations on and variations in rents; and changes in interest rates. Investing in Real Estate Investment Trusts ("REITs") involves certain unique risks in addition to those risks associated with investing in the real estate industry in general. REITs are dependent upon management skills, are not diversified, and are subject to heavy cash flow dependency, default by borrowers and self-liquidation.
- **Business Continuity Risk.** We have adopted a business continuation strategy to maintain critical functions in the event of a partial or total building outage affecting our offices or a technical problem affecting applications, data centers or networks. The recovery strategies are designed to limit the impact on clients from any business interruption or disaster. Nevertheless, our ability to conduct business may be curtailed by a disruption in the infrastructure that supports our operations and the regions in which our offices are located. In addition, our asset management activities may be adversely impacted if certain service providers to AllianceBernstein or our clients fail to perform.

Please note that there are many other circumstances not described here that could adversely affect your investment and prevent your portfolio from reaching its objective.

Specifically, clients of Bernstein Global Wealth Management should review the service and risk descriptions set forth in that unit's *Investment Management Services and Policies* manual. Similarly, investors in the shares of the Sanford C. Bernstein Fund, Inc. or mutual funds sponsored by AllianceBernstein should review the prospectus used to offer those shares.

Similarly, the objectives and risks of privately placed pooled vehicles we sponsor are detailed in the offering memoranda and subscription documents related to each of those vehicle, which are listed in AllianceBernstein L.P.'s Form ADV Part 1.

F. Disciplinary Information (ADV Item 9)

All aspects of AllianceBernstein's business are subject to various federal and state laws and regulations, and to laws in various foreign countries. Accordingly, from time to time, regulators contact AllianceBernstein seeking information concerning the firm and its business activities. At any given time, AllianceBernstein also is a party to civil lawsuits.

Currently, there are no material regulatory enforcement proceedings pending against AllianceBernstein or any of the other registrants covered by this brochure. A summary of past material regulatory proceedings involving AllianceBernstein, all of which have been resolved, is set forth here:

On March 22, 2013, AllianceBernstein L.P. entered into a Stipulation and Consent Order with the Colorado Division of Securities to resolve an administrative proceeding alleging that AllianceBernstein, in error, approved an employee to act as an investment adviser representative in the state before the Division had issued a license to the employee. The firm agreed to review its relevant controls and to pay a fine to the Division in the amount of \$20,232.36. The Consent Order disposed of the matter.

On January 17, 2014, the firm and three employees entered a Stipulation and Consent Agreement with the Florida Office of Financial Regulation to resolve similar allegations that, due to administrative oversight by the firm, certain employees had not been registered with Florida as associated persons of an investment adviser. Under the Consent Agreement, AllianceBernstein L.P. paid administrative fines totaling \$51,675 on behalf of itself and the employees, disposing of the matter.

In 2004, the SEC indicated publicly that it was considering enforcement action in connection with the payment of compensation connected to the distribution of mutual funds, the disclosure of such compensation, and the practice of considering mutual fund sales in the direction of brokerage commissions from fund portfolio transactions. The SEC and the Financial Industry Regulatory Authority issued subpoenas to our firm and others in connection with this matter. We cooperated fully with their inquiry. On June 8, 2005, it was announced that the firm's mutual fund distributor had paid \$4 million to settle the inquiry, without admitting or denying liability, resolving both investigations.

In 2003, regulatory authorities including the SEC and the Office of the New York State Attorney General ("NYAG"), investigated practices in the mutual fund industry identified as "market timing" and "late trading" of mutual fund shares. Our firm was contacted by these regulators and cooperated with their investigation.

On December 18, 2003, the firm reached terms with the SEC to resolve allegations of market timing. The SEC order reflecting the agreement found that the firm maintained relationships with investors who were permitted to engage in market timing trades in certain domestic mutual funds sponsored by the firm in return for or in connection with making investments (which were not actively traded) in other firm products, including hedge funds and mutual funds, for which our firm received advisory fees. Our firm concurrently reached an agreement in principle to resolve the NYAG's inquiry, which was subject to final, definitive documentation. That document, called an Assurance of Discontinuance, was dated September 1, 2004.

Under both the SEC Order and the NYAG agreement, the firm established a \$250 million fund to compensate fund shareholders for the adverse effect of market timing. The Agreement with the NYAG also required a 20% weighted average reduction in fees charged to US open-end mutual funds sponsored by our firm, for a minimum of five years. The terms of the agreements also required the formation of certain compliance and ethics committees and the election of independent chairman to mutual fund boards. Those undertakings have been honored by the firm. In November 2007, we resolved a similar proceeding brought by the West Virginia Securities Commission that was based on the same allegations contained in the SEC Order.

G. Other Financial Industry Affiliations (ADV Item 10)

Neither AllianceBernstein nor its executive officers are actively engaged in any business other than providing investment advice. Our controlling shareholder, and our broker-dealer affiliates, are involved in other financial services businesses. Those entities, as well as our investment advisory affiliates, are identified here.

OUR MAJORITY SHAREHOLDER

As noted above, AXA, a société anonyme organized under the laws of France, is the majority owner of AllianceBernstein L.P. AXA is a holding company for an international group of insurance and related financial services companies engaged in the financial protection and wealth management businesses.

AXA's operations are geographically diverse, with major operations in Western Europe, North America and the Asia/Pacific area and, to a lesser extent, in other regions including the Middle East and Africa. AXA has five operating business segments: life and savings, property and casualty, international insurance (including reinsurance), asset management, and other financial services (including banks). In 2012, AXA

(including its subsidiaries and affiliates) was our single largest asset management client.

As controlling shareholder, AXA has the ability to influence AllianceBernstein's business. However, when conducting our investment activities, we treat all clients in a strategy in the same way, including AXA. Further, as a matter of policy and practice, we do not collaborate with AXA on any investment decisions, and do not involve AXA personnel in any of our research processes. We also are financially independent of AXA.

OUR AFFILIATED BROKERS

AllianceBernstein Investments, Inc. ("ABI")

1345 Avenue of the Americas, New York, NY 10105

ABI is a registered broker-dealer under the Exchange Act and serves as the principal underwriter and distributor of the US registered investment companies sponsored and managed by AllianceBernstein.

Sanford C. Bernstein & Co., LLC ("Bernstein LLC")

1345 Avenue of the Americas, New York, NY 10105

Bernstein LLC is a registered broker-dealer under the Exchange Act and registered investment adviser under the Investment Advisers Act. Bernstein LLC is also registered with the Ontario Securities Commission as an International Dealer, non-Canadian Adviser and Commodity Trading Manager, and with other Canadian provincial securities commissions as a non-Canadian Adviser. Bernstein LLC regularly provides brokerage, custody and margin services for the clients in the Bernstein Global Wealth Management unit of AllianceBernstein. Bernstein LLC also may provide brokerage services for clients of AllianceBernstein. Pursuant to the terms of its advisory agreements with its clients, Bernstein LLC may delegate any and all of its responsibilities under such agreements to AllianceBernstein. Accordingly, the disclosures in this brochure apply equally to AllianceBernstein L.P. and Bernstein LLC. (Bernstein LLC also may provide research directly to its institutional brokerage clients that conveys investment advice.)

Bernstein LLC serves as commodity trading adviser, a futures commission merchant and a commodity pool operator for certain clients of AllianceBernstein. It has obtained the appropriate registrations from Commodity Futures Trading Commission to act in those capacities. Bernstein LLC also serves as the principal underwriter of Sanford C. Bernstein Fund, Inc. and the Sanford C. Bernstein Fund II, Inc. which are investment companies registered under the Investment Company Act. Bernstein LLC has selling agreements with various limited partnerships/hedge funds managed by AllianceBernstein.

Sanford C. Bernstein Limited ("Bernstein Limited")

50 Berkeley Street, London, W1J 8AJ, UK

Bernstein Limited is a broker-dealer regulated by the United Kingdom's Financial Services Authority, and is registered with the Ontario Securities Commission as an International Dealer. Bernstein Limited may provide brokerage services to AllianceBernstein's clients.

A number of AllianceBernstein employees are registered representatives of Bernstein LLC or ABI.

OUR AFFILIATED COMMODITY TRADING ADVISOR

AllianceBernstein Global Derivatives Corporation ("ABGDC")

1345 Avenue of the Americas, New York, NY 10105

ABGDC is an investment adviser registered under the Investment Advisers Act and is registered with the Commodity Futures Trading Commission and the National Futures Association as a commodity trading adviser and commodity pool operator. ABGDC controls the general partner entities of certain hedge funds managed by AllianceBernstein. ABGDC also serves as co-investment manager, commodity trading adviser and commodity pool operator for various collective investment vehicles managed by AllianceBernstein.

All clients and prospective clients of ABGDC are also clients and prospective clients of AllianceBernstein L.P. Any fiduciary duties that ABGDC owes to clients are the same duties that AllianceBernstein L.P. owes to those clients. Accordingly, the disclosures in this brochure apply equally to AllianceBernstein L.P. and ABGDC.

OUR ADVISORY AFFILIATES

Direct and indirect wholly-owned subsidiaries which are related to AllianceBernstein's advisory business include the following:

AllianceBernstein Investor Services, Inc. ("ABIS")

8000 IH 10 West, 4th floor, San Antonio, TX 78230

ABIS is a registered transfer agent under the Exchange Act and provides accounting and shareholder servicing assistance to the registered investment companies sponsored and managed by AllianceBernstein.

Alliance Corporate Finance Group Incorporated ("ACFG")

1345 Avenue of the Americas, New York, NY 10105

ACFG is an investment adviser registered with the SEC under the Investment Advisers Act. All clients and prospective clients of ACFG are also clients and prospective clients of AllianceBernstein L.P. Any fiduciary duties that ACFG owes to clients are the same duties that AllianceBernstein L.P. owes to those clients. Accordingly, the disclosures in this

brochure apply equally to AllianceBernstein L.P. and ACFG. Currently, ACFG has no clients.

AllianceBernstein Trust Company, LLC ("ABTC")

1345 Avenue of the Americas, New York, NY 10105

ABTC is a non-depository trust company chartered under New Hampshire law.

ACM Investments Limited ("ACMIL")

50 Berkeley Street, London, W1J 8HA, UK

ACMIL is regulated by the Financial Services Authority ("FSA"), the securities regulator of the United Kingdom, and is the Corporate Director of AllianceBernstein's United Kingdom mutual funds.

AllianceBernstein Limited ("ABL")

50 Berkeley Street, London, W1J 8HA, UK

ABL is an investment manager and is regulated by the FSA.

AllianceBernstein Fixed Income Limited ("ABFIL")

50 Berkeley Street, London, W1J 8HA, UK

ABFIL is an investment manager and regulated by the FSA.

AllianceBernstein (Luxembourg) S.A.

18 rue Eugene Ruppert, L-2453 Luxembourg

AllianceBernstein (Luxembourg) S.A. is a management company (société anonyme) and is the transfer agent and registrar of the AllianceBernstein's Luxembourg-based funds.

AllianceBernstein (Singapore) Limited

30 Cecil Street, Prudential Ltd Tower, Singapore 049712

AllianceBernstein (Singapore) Limited is a holder of a capital markets services license issued by the Monetary Authority of Singapore to conduct regulated activities in fund management.

AllianceBernstein Canada, Inc.

BCE Place, 161 Bay Street-27th Floor, Canada Trust Tower, Toronto, ON, M5J 2S1, Canada

AllianceBernstein Canada, Inc. is registered with the Ontario Securities Commission as a Limited Market Dealer, Investment Counsel and Portfolio Manager.

AllianceBernstein Japan Ltd.

Marunouchi Trust Tower Main 17F, 1-8-3 Marunouchi, Chiyoda-ku, Tokyo 100-0005, Japan

AllianceBernstein Japan Ltd. is registered with Japan's Financial Services Agency as a Discretionary Investment Advisor.

AllianceBernstein Hong Kong Limited

Suites 3401, 34/F, One International Finance Centre,
1 Harbour View Street, Central, Hong Kong

AllianceBernstein Hong Kong Limited is the Hong Kong representative of AllianceBernstein's Luxembourg-registered family of investment funds, and an investment manager. It is registered with the Securities and Futures Commission for local distribution in Hong Kong.

AllianceBernstein Australia Limited

Level 37, Chifley Tower, 2 Chifley Square
Sydney, NSW, 2000, Australia

AllianceBernstein Australia Limited is registered with the Australian Securities & Investments Commission as an investment manager.

AllianceBernstein Investments (Brasil) Ltda.

Av. Presidente Juscelino, Kubitschek, 1726-20 Andar,
Sao Paulo, Brasil 04543-000

AllianceBernstein Administradora de Carteiras (Brasil) Ltda. is a holder of an asset management license issued by the Comissao de Valores Mobiliarios.

AllianceBernstein Asset Management (Korea) Ltd.

84 Taepyungro 1-ga, Jung-gu, Seoul 100-101, Korea

AllianceBernstein Asset Management (Korea) Ltd. is a holder of an asset management, investment advisory and discretionary investment management license issued by the Financial Supervisory Commission to conduct regulated activities in asset management and investment advice.

W.P. Stewart & Co., Ltd.

W.P. Stewart Asset Management Ltd.

1345 Avenue of the Americas, New York, NY 10105

These firms are both investment advisers registered with the U.S. Securities and Exchange Commission. They were acquired by AllianceBernstein L.P. in a December 2013 transaction.

OTHER RELATED ENTITIES

As noted above, AllianceBernstein serves as investment adviser to a diversified family of open-end US registered investment companies, closed-end registered investment companies, non-US based mutual funds, non-US local market mutual funds and structured products. Information about those funds, their strategies, and their distribution to investors can be found at www.alliancebernstein.com. AllianceBernstein may also serve as sub-adviser on client accounts including registered investment companies.

Our Alternative Investment Strategies platform offers clients of Bernstein Global Wealth Management the ability to invest in hedge funds managed by AllianceBernstein and funds advised by other managers. AllianceBernstein personnel select the other hedge fund managers who participate in

the Alternative Investment Strategies platform, pursuant to various objective and subjective criteria. Some of those managers who satisfy the criteria also may be clients of Bernstein LLC, or may have certain business relationships with AXA or its affiliates.

In addition to hedge funds and mutual funds, AllianceBernstein is investment adviser to a number of investment partnerships whose shares or units are exempt from registration under the Investment Company Act of 1940, and therefore may only be distributed to investors who also meet certain legal qualifications.

Examples of vehicles in this latter category include the following:

AllianceBernstein is the investment adviser to the Alliance Capital Group Trust, the Bernstein Group Trust, Alliance Institutional Fund and the Sanford C. Bernstein Delaware Business Trust. These are pooled investment vehicles through which certain institutions—like pension, profit sharing, stock bonus and governmental plans—may commingle their assets for investment purposes. These units are privately offered and exempt from registration under the Investment Company Act.

AllianceBernstein is also the investment adviser to Collective Investment Trusts ("CITs") for which AllianceBernstein Trust Company, LLC ("ABTC"), a wholly-owned subsidiary of AllianceBernstein, is the trustee. These CITs are pooled investment vehicles through which the assets of certain types of clients are commingled for investment purposes. These clients include only trusts whose beneficiaries are employee benefit plans governed by ERISA and government-sponsored plans provided that (i) any government-sponsored plan is a plan or trust described in Section 401(a) or 414(d) of the Internal Revenue Code of 1986, as amended, (ii) investment in ABTC's CIT(s) is not prohibited by the governing instrument for such plan, and (iii) such investment is directed by a fiduciary other than ABTC with the power to authorize such investment. The CITs are privately offered and are exempt from registration under the Investment Company Act.

Similarly, AllianceBernstein acts as investment manager and account administrator for certain Insurance Company Separate Accounts. These accounts hold assets for employee benefit plans governed by ERISA.

Bernstein LLC is the settlor and investment manager for certain Canadian trusts. These Canadian trusts are pooled investment vehicles through which various types of Canadian institutional clients may commingle their assets for investment purposes. Bernstein LLC has delegated portfolio management of these pooled fund trusts to AllianceBernstein.

AllianceBernstein is the investment adviser to AllianceBernstein Venture Fund I, L.P. This investment vehicle was created with the objective to achieve long-term

capital appreciation through equity and equity-related investments, acquired in private transactions, in early stage growth companies. Interests in this partnership are not registered and are available only to certain qualified investors.

AllianceBernstein also is the sponsor and investment adviser to other privately placed funds that invest, or intend to invest, in various strategies, including: various real estate asset classes; hedge fund strategies; global energy exploration assets; and global “strategic opportunities” in various asset classes.

In many cases, these vehicles invest in strategies similar to those offered through the Retail Services funds described above. However, where these vehicles invest in strategies that are not available to all firm clients. Certain employees of AllianceBernstein have an investment interest in the partnerships and their general partners. AllianceBernstein’s policies take steps to avoid or mitigate these potential conflicts. For a list of these and other private investment partnerships, please see AllianceBernstein L.P.’s Form ADV Part 1.

The US Treasury has engaged AllianceBernstein to provide investment management advice concerning assets that the Treasury acquired from banks and other institutions taking part in its Capital Purchase Program (CPP). The Treasury’s CPP program also was authorized by the Emergency Economic Stabilization Act of 2008. AllianceBernstein has adopted certain policies to address potential conflicts relating to its CPP mandate. Restrictions in those policies may limit or prevent AllianceBernstein from purchasing certain smaller capitalization banking securities for client portfolios.

H. Code of Ethics, Personal Trading, and Client Transactions (ADV Item 11)

OUR CODE OF ETHICS

All AllianceBernstein employees are required to follow our Code of Business Conduct and Ethics (the “Code” and “Code of Ethics”).

The Code summarizes the firm’s values, ethical standards, and commitment to address potential conflicts of interest that arise from its activities. Policies and procedures have been designed to implement the principles in the Code, some of which are described in this section.

The Code can be viewed at www.alliancebernstein.com or a copy may be obtained from AllianceBernstein by writing to the Chief Compliance Officer, 1345 Avenue of the Americas, New York, NY 10105.

EMPLOYEE PERSONAL TRADING

Personal securities transactions by an employee of an investment adviser may raise a potential conflict of interest when that employee owns or trades in a security that is owned or considered for purchase or sale by a client, or recommended for purchase or sale by an employee to a client. AllianceBernstein’s Code of Ethics includes rules that are designed to detect and prevent conflicts of interest when investment professionals and other employees own, buy or sell securities which may be owned by, or bought or sold for clients.

The Code’s rules generally discourage employees from engaging in personal securities trading. Before an employee can engage in a personal securities trade, the Code requires that he or she obtain preclearance from our compliance personnel. (Employee investments in AB Mutual Fund shares are subject to pre-clearance, but investments in other open-ended mutual funds and certain ETFs are exempt from pre-clearance.) Securities purchased by employees must be held for at least 90 days. An employee is allowed to conduct up to five securities trades each month. The Code requires US employees to maintain accounts at certain designated brokerage firms, and requires that all employee personal accounts be disclosed to the firm.

Subject to certain controls, we allow our employees to hire discretionary investment advisers to manage their personal accounts.

The Code’s personal trading procedures are administered by the firm’s Legal & Compliance Department. The firm has established a Code of Ethics Oversight Committee, which is responsible for reviewing exceptions to and violations of the Code, as well as establishing new or amending rules as necessary. The members of that Committee are some of AllianceBernstein’s most senior personnel.

OUTSIDE BUSINESS AFFILIATIONS

Under our Code of Ethics, employees of AllianceBernstein are permitted to serve on the boards of directors of not-for-profit organizations such as educational institutions, charitable foundations or other civic organizations. These organizations may issue publicly traded debt obligations to fund projects such as the construction of buildings, dormitories, etc. AllianceBernstein may purchase such securities on behalf of its client accounts.

Employees of AllianceBernstein are prohibited from serving on the boards of directors of unaffiliated publicly traded companies. However, non-management directors of AllianceBernstein may serve on the boards of unaffiliated publicly traded companies. Such activity is not uncommon in the financial services industry, and such directorships are disclosed in our public SEC filings. We believe that prohibiting such activity could impair our ability to attract qualified non-management directors.

The following non-management directors of AllianceBernstein currently serve on the board of directors of an unaffiliated public company:

Steven G. Elliott	Huntington Bancshares, Inc. & PPL Corp.
Weston Hicks	Alleghany Corp.

From time to time, we may invest on behalf of clients in securities of companies that include one of our non-management directors on the board. AllianceBernstein also may, from time to time, direct client transactions to the broker-dealer subsidiary of KBW, Inc. for payment for research and execution services. KBW analysts currently cover AllianceBernstein and AXA.

OUR INTERESTS IN CLIENT TRANSACTIONS

AllianceBernstein does not manage any “proprietary” investment accounts—i.e., accounts that are funded with the firm’s own money and are intended to create profits for the firm. Accordingly, AllianceBernstein in the ordinary course does not compete with clients in the market for securities. Similarly, AllianceBernstein does not use its own money to trade as a counterparty with client accounts.

We do not purchase for clients, or recommend the purchase of, securities issued by AllianceBernstein or its affiliates. We will liquidate, as soon as is practical, any positions in public securities issued by AllianceBernstein or its affiliates that become subject to our discretion.

However, AllianceBernstein may participate or have an interest in client transactions several other ways, which are described below. In the following situations, we attempt to make all portfolio management decisions in our clients’ best interests:

- **Affiliated Brokers.** Bernstein LLC and Bernstein Limited effect securities transactions as agents for clients of AllianceBernstein for which the clients may pay commissions. These commissions may be at “execution-only” rates or higher full-service rates. Use of these affiliated brokers is subject to our obligation to seek best execution as described further in Section I and only done with the prior authorization of the client.
- **Agency Cross Trades.** An agency cross transaction occurs when securities are traded by one of our client accounts through Bernstein LLC or Bernstein Limited, and a client of Bernstein LLC or Bernstein Limited is on the other side of that transaction. Our affiliated brokers will execute such agency cross transactions only when our client has provided written authorization. This authorization can be terminated at any time by written notice. There can be benefits to our clients from the use of agency cross trades. There are also potential conflicts of interest, as Bernstein LLC or Bernstein Limited receive commissions from both sides of the trade. We notify clients annually of the total number

of agency cross transactions undertaken for their accounts over the previous year, the amount of commissions paid on the cross-transactions and the total commission paid by the clients on the other side of the transactions.

- **Cross Trades.** With the exceptions noted elsewhere in this section, it is our general policy not to engage in buying or selling of securities from one managed account to another (typically referred to as a “cross trade”). The vast majority of trades made for AllianceBernstein’s client accounts will be executed through the open market. We may engage in cross trading under limited circumstances, but will only do so when we can ensure that the transaction is fair to all parties. Under such circumstances, we will receive no transaction-based compensation from the trade and we will only proceed when we reasonably believe that best execution can be achieved. In certain situations, specific consent for each such transaction may be required from both sides. Where a registered investment company is involved, AllianceBernstein will execute transactions in accordance with the provisions of Rule 17a-7 under the Investment Company Act. We do not enter into cross transactions involving one or more ERISA accounts unless written consent of the plan fiduciary is received, and then only in accordance with applicable law and our written policies.
- **Currency Trading.** AllianceBernstein normally executes currency transactions on an active basis through our trading desk, except where market restrictions in some emerging currencies exist and execution for trade settlement is arranged by the custodian directly. When actively managing trades across numerous accounts, we may (through instructions to counterparties or on our own) net client purchases and client sales in the same currency to reduce our clients’ transaction costs.
- **Initial Account Funding.** We may purchase and sell securities for accounts funded with our own assets, which also is known as “seed capital.” These accounts are intended to establish a performance history for a new or potential product or service. AllianceBernstein may earn a profit on its seed capital investments. In addition, we buy and sell short term cash instruments for our own account. Our transactions are aggregated with client orders and are subject to our procedures regarding fair access to investment opportunities.
- **Partnership Interests in Certain Funds.** ABGDC, a wholly owned subsidiary of AllianceBernstein, is the general partner of certain hedge funds that we manage. Neither ABGDC nor AllianceBernstein have invested their own money in these hedge funds, but employees and directors of both firms may invest in the funds. AllianceBernstein, directly or indirectly, also holds general partnership interests in various privately placed funds that we also manage as investment adviser. AllianceBernstein also may have “seed capital” invested in those funds. For example, AllianceBernstein is the investment adviser to AllianceBernstein Venture Fund I, L.P. A

subsidiary of AllianceBernstein is the general partner of the AllianceBernstein Venture Fund I, L.P. (which is managed by AllianceBernstein) and holds a partial interest in the general partner. AXA Equitable, an affiliate of AllianceBernstein, also holds a partial general partnership interest.

- **Firm and Employee Investments.** As noted elsewhere in this Brochure, AllianceBernstein employees may invest in services managed by the firm. In addition, the firm itself may invest in its services through deferred compensation plans sponsored for the benefit of employees. These investments pose a risk that employees with influence over investment decisions will favor the portfolios in which they have a personal interest. However, we believe that our Code of Ethics, trade allocation and inside information policies manage these risks. We also believe that employee investments in AllianceBernstein services align the interests of our firm (and our employees) with those of our clients.
- **Error Correction Trades.** From time to time, AllianceBernstein and Bernstein LLC are required to take positions in an error account within the scope of their ordinary business activities. Potential conflicts relating to the correction of errors are discussed in more detail below.
- **Institutional Research Services.** Bernstein LLC and Bernstein Limited may make institutional investment recommendations to their broker-dealer clients that differ from those implemented by AllianceBernstein's investment management professionals. In addition, Bernstein LLC's and Bernstein Limited's institutional brokerage clients often have investment philosophies that differ significantly from those of AllianceBernstein. Accordingly, Bernstein LLC and Bernstein Limited's institutional investment recommendations and securities transactions on behalf of institutional brokerage clients may differ from the actions taken by AllianceBernstein for client accounts.
- **Credit Balances.** Bernstein LLC pays interest on its brokerage clients' cash balances at a monthly rate based on the average of the 90-day and 180-day Treasury bill rates. Bernstein LLC holds clients' net cash balances in special reserve bank accounts for the exclusive benefit of customers. The reserve account held for the benefit of other clients (not subject to ERISA) may invest in Treasury bills of maturity greater than 180 days. Any spread between its investment of clients' cash balances (other than those subject to ERISA) and the interest it pays to clients on such balances is kept by Bernstein LLC. This creates an incentive to maintain or increase cash balances in non-ERISA accounts.

OUR APPROACH TO OTHER POTENTIAL CONFLICTS

Various parts of this brochure discuss potential conflicts of interest that arise from our asset management business model. We disclose these conflicts due to the fiduciary relationship we have with our investment advisory clients.

When acting as a fiduciary, AllianceBernstein owes its investment advisory clients a duty of loyalty. This includes the duty to address, or at minimum disclose, conflicts of interest that may exist between different clients; between the firm and clients; or between our employees and our clients. Where potential conflicts arise from our fiduciary activities, we will take steps to mitigate, or at least disclose, them. Where our activities do not involve fiduciary obligations—such as the level of client servicing we offer through each client channel—we reserve the right to act in accord with our business judgment.

Conflicts arising from fiduciary activities that we cannot avoid (or chose not to avoid) are mitigated through written policies that we believe protect the interests of our clients as a whole. In these cases—which include issues such as personal trading and client entertainment, discussed above—regulators have generally prescribed detailed rules or principle for investment firms to follow. By complying with these rules, using robust compliance practices, we believe that we handle these conflicts appropriately.

Some potential conflicts are outside the scope of compliance monitoring. Identifying these conflicts requires careful and continuing consideration of the interaction of different products, business lines, operational processes and incentive structures. These interactions are not static; changes in the firm's activities can lead to new potential conflicts. Potential conflicts may also arise from new products or services, operational changes, new reporting lines and market developments.

To assist in this area, AllianceBernstein has appointed a Conflicts Committee, which is chaired by the firm's Conflicts Officer. The Committee members include compliance directors and senior lawyers, who review areas of change and assess the adequacy of controls. The work of the Conflicts Committee is overseen by the Code of Ethics Oversight Committee.

While we do not believe that there are any conflicts that pose material risks to clients' interests, we wish to note some additional potential conflicts that are inherent in our structure and activities. We also have included brief descriptions of the procedures we use to mitigate their effects:

- **Acting for More Than One Client.** We operate most services for a great number of clients. This means that your account might be required to invest or disinvest less speedily and over a larger number of transactions than might have been the case had we operated just your account. Our priority is to ensure that our systems of order aggregation and trade allocation are fair between different clients' accounts.
- **Allocation of Investment Opportunities.** Our policies generally call for the pro rata distribution of investment opportunities across the appropriate accounts. Sometimes, however, investment opportunities are in short supply and there are not enough securities available to create

a meaningful holding in every account for which the security might be a suitable investment. In these cases, our policies allow us to allocate available securities among accounts with investment objectives most closely aligned to the investment's attributes. For example, we may choose to allocate a small cap initial public offering among investors in our small cap service, even though the stock might also be suitable for other portfolios with a broader range of holdings.

- **Capacity.** To avoid compromising the investment performance of our existing clients we may decide to close a particular investment product to new investors by removing it from the list of services we offer. We might do this while leaving capacity for existing customers to add to their existing investments. We might also reserve capacity for new ventures or services that we intend to launch.
- **Employee Investments.** As noted elsewhere in this Brochure, we encourage our employees to invest in the portfolios we offer to clients, including portfolios that are offered through pooled vehicles. In some cases, employees may invest at a discounted advisory fee or no fee. These investments pose a risk that employees with influence over investment decisions will favor the portfolios in which they have a personal interest. It also poses a risk that certain employees will personally buy or sell interests in those vehicles based upon material nonpublic information concerning those vehicles. We believe that our trade allocation and inside information policies manage these risks. In addition, employee investments and withdrawals from our portfolios are bound by the same rules applicable to all investors, and some rules applicable to employee withdrawals can be more restrictive.
- **Errors.** We correct trading errors affecting client accounts in a fair and timely manner and in such a way that the client will not suffer a loss. Ultimately, however, it is AllianceBernstein that decides whether an incident is an error that requires compensation. Also, in certain circumstances, correcting an error may require the firm to take ownership of securities in its own error account. The disposition of those securities may create a gain in the firm's error account. To manage potential conflicts concerning errors, we have implemented a written error resolution policy among other steps.
- **Fees.** We have a large client base, and the fee arrangements with our clients vary widely. The fact that our revenues are represented by the fees we charge our clients means that we cannot be considered to be acting as your fiduciary when negotiating fees. Additionally, our Bernstein Financial Advisors and other distribution personnel may receive commission payments for certain services that could provide an incentive to recommend investment products based on the compensation received, rather than the client's needs.
- **Gifts and Entertainment.** Our employees who acquire products and services that are used in our investment activities should not be unduly influenced by the receipt of gifts, meals or entertainment from the sellers of such products or services. Similarly, our employees should not attempt to unduly influence clients or potential clients with these or other inducements, such as charitable or political contributions. In order to help identify and manage additional potential conflicts of interest, we have adopted a Policy and Procedures for Giving and Receiving Gifts and Entertainment (the "Gifts Policy") under our Code of Ethics. Among other things, the Gifts Policy prohibits the exchange of cash gifts, limits the value non-cash business gifts to \$100, and sets basic limits on the value of business entertainment that our employees can provide or accept. Activities above those limits requires department manager approval.
- **Guideline Interpretation.** As noted earlier, investment decisions in our chief strategies regularly affect more than one client account. Often, the investment decision could affect hundreds or even thousands of accounts, many of which may have submitted written investment guidelines to us. To address the risk of us interpreting guidelines unreasonably to favor or allow decisions that investment personnel already have made, we rely on other personnel (include those in compliance, legal and risk management functions) to determine the ultimate meaning of guidelines. The investigation and correction of errors is the responsibility of risk managers and compliance personnel, who are independent of any investment team.
- **Investments in the Same Issuer or Industry.** Our separate portfolio management teams may make separate investments in the capital structure of the same issuer or closely related issuers. It is possible that one of our services or portfolios could take action as controlling owners of a capital structure that could adversely affect our clients who are invested in other parts of the same issuer or certain related assets. Where such situations occur in the ordinary course of our investment process, we will take steps to separate the decision-making of the relevant investment teams, and allow them to take action in the best interests of the portfolios under their management.
- **Relationships with Influential Clients.** In 2013, our single largest asset management client was AXA (including its subsidiaries and affiliates), which is also our firm's controlling shareholder. In addition, certain clients serviced by Alliance Institutional Investments and Bernstein Global Wealth Management could be perceived to have the ability to influence AllianceBernstein's business conduct due to the amount of assets they control or their public reputations. Nevertheless, when conducting our investment activities, we treat all clients in a strategy in the same way, as reflected in our policies. Further, as a matter of policy and practice, we do not collaborate with AXA on any investment decisions, and do not involve AXA personnel in any of our investment processes. We also are financially independent of AXA.

- **Proxy Voting.** Please see Section N for a description of the steps we take to mitigate conflicts when voting proxies on behalf of clients.
- **Securities Valuation.** Typically, our fees are based upon the value of our clients' portfolios. AllianceBernstein has the authority to determine the value of securities that are difficult to price, and in such cases has an incentive to select the highest potential price for those securities, although a lower price would be more reasonable. To mitigate that potential conflict, our policies require our pricing personnel to follow specific steps when calculating the fair value of a security. Those personnel are overseen by our Valuation Committee, the members of which are all in control functions. No portfolio managers, sales or corporate finance staff members are responsible for valuation decisions.

I. Brokerage Practices (ADV Item 12)

HOW WE EXECUTE TRANSACTIONS

We rely upon brokers, dealers and other trading intermediaries to execute our client securities transactions. Clients (other than those who pay an all-inclusive fee) pay the transaction charges associated with the execution of their trades. The brokers, dealers and other vendors that we utilize for trade execution are selected by AllianceBernstein's buy-side trading personnel, using the standards described below.

HOW WE SELECT BROKERS

AllianceBernstein and its employees can have a variety of relationships with the financial services firms that execute our client trades. For example, many of those firms distribute shares of AllianceBernstein's sponsored mutual funds or other services to their customers. At any given time, those firms or their affiliates can themselves be asset management clients of AllianceBernstein. Our portfolio managers may purchase securities issued by those firms as investments for client portfolios, sometimes in large quantities. One of the brokers we use, Bernstein LLC, is our wholly owned subsidiary.

Our selection of trading vendors is not based upon those relationships. Rather, as a discretionary investment adviser, AllianceBernstein has a duty to select brokers, dealers and other trading venues that provide best execution for our clients.

Generally speaking, the duty of best execution requires an investment adviser to seek to execute securities transactions for clients in such a manner that the client's total cost or proceeds in each transaction is the most favorable under the circumstances, taking into account all relevant factors. The lowest possible commission, while very important, is not the only consideration.

It is our policy to endeavor to obtain best execution in all portfolio trading activities for all investment disciplines and

products, regardless of whether commissions are charged. This applies to trading in any instrument, security or contract including equities, bonds, and forward or derivative contracts.

Our standards and procedures governing best execution are set forth in several written policies. Generally, to achieve best execution, we consider the following factors, without limitation, in selecting brokers and intermediaries: (1) Execution capability; (2) Order size and market depth; (3) Availability of competing markets and liquidity; (4) Trading characteristics of the security; (5) Availability of accurate information comparing markets; (6) Quantity and quality of research received from the broker dealer; (7) Financial responsibility of the broker-dealer; (8) Confidentiality; (9) Reputation and integrity; (10) Responsiveness; (11) Recordkeeping; (12) Ability and willingness to commit capital; (13) Available technology; and (14) Ability to address current market conditions. AllianceBernstein regularly evaluates the execution, performance and risk profile of the broker-dealers it uses.

On the other hand, our policy strictly prohibits the direct or indirect use of client account transactions to compensate any broker, dealer, intermediary or other agent for the promotion or sale of AllianceBernstein mutual funds, services or other products.

Broker-dealers affiliated with AllianceBernstein, especially Bernstein LLC, may be used to effect transactions for client accounts. However, where required by Section 11(a)(1)(H) of the Exchange Act and/or Department of Labor Prohibited Transaction Exemption 86-128, AllianceBernstein will seek prior authorization for the use of an affiliated broker. Similarly, when transacting securities with affiliated broker-dealers for registered investment companies, AllianceBernstein will comply with Rule 17e-1 under the Investment Company Act.

AllianceBernstein's trading professionals are responsible for continuously monitoring and evaluating the performance and execution capabilities of brokers that transact orders for our client accounts to ensure consistent quality executions. This information is reported to the firm's Brokerage Allocation Committee, which oversees broker-selection issues. In addition, we periodically review our transaction costs in light of current market circumstances, available published statistical analysis as well as other relevant information.

SERVICES WE RECEIVE FROM BROKERS

While AllianceBernstein selects brokers primarily on the basis of their execution capabilities, the direction of transactions to such brokers may also be based on the quality and amount of research services they provide to us and indirectly to our clients. These so-called client commission arrangements (formerly known as soft commissions) are designed to augment our own internal research and investment strategy capabilities

In accordance with SEC guidance, we regularly consider whether a given service provides lawful and appropriate assistance to the investment management process and make sure the cost of the service bears a reasonable relationship to the value of the research or service. When acquiring services with commission credits generated by certain client accounts, we will apply the relevant rules of the United Kingdom's Financial Conduct Authority in addition to SEC rules.

The research services we acquire through client commission arrangements include, without limitation: (1) a wide variety of written reports on individual companies and industries, general economic conditions, and other matters relevant to our investment analyses; (2) direct access to research analysts throughout the financial community; (3) mathematical models; (4) research meetings involving corporate management personnel; (5) access to expert matching networks; and (6) proxy voting research services and comparative performance evaluation. We may acquire market data services using commission credits generated by our equity trading desks, consistent with US law and SEC guidance.

These services may require the use of computer systems whose software components may be provided to AllianceBernstein. In situations where the systems can be used for both research and non-research purposes, we will make an appropriate allocation and will only permit such brokers to provide that portion of the system to be used for research purposes. Research services furnished by brokers that we deal with are used to carry out our investment management responsibilities with respect to various client accounts over which we exercise investment discretion. Accordingly, such services may sometimes be utilized in connection with accounts for clients who may not have paid some or all of the commission to the relevant brokers. Similarly, although some clients do not generate commissions which result in research being provided—such as AllianceBernstein Managed Accounts offered to retail investors and certain AllianceBernstein Fixed Income strategies—they may still benefit from the research provided in connection with other transactions placed for other clients.

Client commission arrangements benefit AllianceBernstein because we do not have to produce or pay for the research and services we obtain through them. This benefit creates a potential incentive for AllianceBernstein to select a broker or intermediary based upon the research they provide rather than on the quality of their execution services alone. While our policy is to seek best execution, we may select a broker for a portion of our trades which charge higher transaction costs if we determine in good faith that the cost is reasonable in relation to the value of the brokerage and research services provided.

Despite these potential conflicts, we believe that we are able to negotiate costs on client transactions that are competitive and consistent with our policy to seek best execution. In

addition, we do not enter into agreements or understandings with any brokers regarding the placement of securities transactions because of the research services they provide. However, we do have an internal procedure for allocating transactions in a manner consistent with our execution policy to brokers that we have identified as providing superior executions and research services of particular benefit to clients. AllianceBernstein's Brokerage Allocation Committee has the principal oversight responsibility for periodically reviewing and evaluating the commission allocation process.

SMA programs do not generate commissions and therefore do not contribute toward payment for research services. However, as noted above, such clients may benefit from research services paid for with other clients' commissions.

We will accommodate special requests on broker selection, although AllianceBernstein reserves the right to reject or limit certain instructions. Clients must also be aware of the consequences of specific instructions on restricting broker selection. For example, certain clients have instructed us not to use brokers who accept commissions to purchase third party research. Trades for these clients may be segregated from the aggregated clients' order and would no longer receive the advantages that may result from aggregating orders. Normally, such trades are placed after the aggregated order and these clients may be disadvantaged by the market impact of trading for other portfolios.

Other clients permit us to use such brokers, but prohibit us from using commissions generated by their accounts to acquire research services from so-called "third-party" research providers—i.e., independent research firms that agree to receive payment from the brokers we use for trade execution. However, commissions from these client accounts in most cases still will be used to acquire research generated internally by brokers (also called "proprietary" research). These clients also still participate in aggregated orders with clients who have not made such a request and could therefore realize the price and execution benefits of the aggregated order and the liquidity provided by the use of broker capital. Clients in both of these categories generally do not experience lower transaction costs than other clients.

AllianceBernstein will not use commissions of clients domiciled in certain countries to acquire "third-party" research where the regulations in such jurisdictions make it unlawful or impractical.

CLIENT DIRECTED TRADING

Some clients ask us to participate in their directed trading programs, in which clients ask us to execute their trades with certain brokers. In these cases, we retain our usual discretion in selecting broker-dealers and negotiating commissions

for the client's account, subject to the specific directions. Each transaction is pursued in a manner consistent with our policy of seeking best execution and price. It is our policy to prohibit client directed trading instructions (also called "commission recapture" programs) that exceeds targets that we have established. We believe that our ability to seek best execution would be impaired above such targets. Market conditions and modifications to AllianceBernstein's trading practices may cause us to vary the percentages from time to time. In such cases, we may follow the instructions but may not obtain best execution on all directed transactions.

Clients who participate in such programs are advised to consider whether the commissions, execution, clearance and settlement capabilities provided by their selected broker-dealer will be comparable to those obtainable by AllianceBernstein from other broker-dealers. Transactions for clients making such a direction will generally not be aggregated for purposes of execution with orders for the same securities for other accounts that we manage. Such clients may therefore forfeit the advantages that can result from aggregated orders (which may be executed prior to directed trades), such as negotiated commission rates associated with alternative trading approaches and the liquidity provided by the use of broker capital.

AllianceBernstein may occasionally execute a trade for the account of a client with whom we have a directed trading arrangement as part of an aggregate or "block" trade if the client's selected broker-dealer is the executing broker-dealer for the aggregated trade. Block trades may also be undertaken if the executing broker-dealer for the block trade is willing to transfer responsibility for some transactions in the block to another broker (also called "stepping out" a transaction) without disadvantaging other participating accounts. Except for "step out" circumstances, we will generally execute trades for a client's account after trades have been executed for non-directed accounts. As a result, the account may receive a price and execution that is less favorable than that obtained for non-directed accounts, particularly in volatile markets. We may also execute trades in over-the-counter securities with market makers in those securities. Even if the client's selected broker-dealer is a market maker in such securities, we may be unable to obtain best execution as a result of each respective brokerage arrangement.

Any client direction agreement must be in writing. Clients are encouraged to specify the level of commissions or target they desire, but may not exceed limits imposed by each investment discipline. In the absence of a specific direction or target, we will set targets and limits and inform the client in writing.

OTHER TRADING MATTERS

Principal vs. Agency Transactions. AllianceBernstein's trading personnel are responsible for determining whether to place a trade on behalf of a client account with a broker on a

principal or agency basis. (Generally, a broker is considered to act as a principal when it transacts in a security with its own capital or for its own account.) This decision, made on a trade-by-trade basis, is based on several factors. For example, trades made on a principal basis could lead to a higher execution cost, and therefore will only be used when we believe that the extra cost is justified by the added liquidity and speed of execution. The additional commission will be correlated to the level of risk taken by the broker on the trade.

The size of an order may also influence a decision to opt for an agency or principal basis. When current market conditions suggest that the size of the order placed may affect the price of the security, an order placement specialist may ask the broker to take a position (when we are selling) or to sell short (when we are buying) a security. Accounts may pay a premium for this additional risk assumed by the broker. Trading on a principal basis may also be preferable when engaging in a program trade. When trading in a basket of securities, often in relatively small quantities, we may ask a broker to execute the order "across the board," meaning that the broker will buy from us or sell to us the entire block of securities from its own account. Clients benefit from the speed of the execution, as the account would not be subject to market risk during an extended execution period.

Direct Market Access (DMA) Services. AllianceBernstein directs client portfolio transactions to brokers for execution and uses electronic, self-directed DMA trading tools to execute on various exchanges. In an effort to maximize execution quality, reduce market impact and transaction costs incurred by clients and increase anonymity of orders, we have been increasing direction of trades to non-full service brokerage alternatives. This includes the use of execution-only brokers, algorithmic tools and other electronic order routing products offered by brokers and electronic crossing networks (ECN). Per share commission rates charged for these execution services are substantially lower than rates charged by full service brokerage firms (typically 4¢ per share), including our affiliated broker, Bernstein LLC.

Increasing the use of non-full service alternatives has helped to reduce overall commission costs to clients, even though commission rates are only one component of a best execution analysis. We attempt to utilize these alternatives as much as possible across all equity accounts on a fair and equitable basis, when appropriate and we believe that doing so will achieve the best execution for a particular order. Trading through these alternative platforms at certain commission rates also allows us to generate credits that can be used to acquire research services.

However, due to the nature of the marketplace, certain securities are more likely to be available in sufficient quantity through non-full service alternatives than others. As a result, depending on the investment service and other factors such as the timing of orders, the percentage of a client's transactions

executed through non-full service alternatives will vary. Therefore, certain clients may receive the benefit of these lower transaction costs more often than other clients and thus would experience lower overall transaction costs.

We believe that in order to achieve “best execution” for clients on an overall basis, we continue to require services offered by full service brokers that are not offered by non-full service alternatives. Although commission rates paid to full service broker-dealers are substantially higher than non-full service alternatives, we believe that the fees are reasonable in relation to the value of the brokerage and research services provided.

Brokerage Selection—Managed Account Programs.

With regard to a particular trade, we may conclude that an SMA program account may be materially disadvantaged by effecting that transaction through the SMA sponsor or the broker-dealer designated by the SMA sponsor. AllianceBernstein may therefore place the order on an aggregated basis with institutional or mutual fund accounts and the SMA client will pay the additional transaction charge.

Holdings in Securities Exchanges. Client accounts may hold positions in the securities of exchanges or companies that operate or have significant investments in market centers. These holdings bear no influence on our decisions to direct orders to brokers, exchanges or markets centers.

Liquidity Rebates. Bernstein LLC or unaffiliated brokers may earn liquidity rebates when placing orders in certain Market Centers while trading on behalf of AllianceBernstein.

Brokers are chosen based on our policy of seeking best execution, which is determined by several quantitative and qualitative factors. It is against AllianceBernstein’s policy to take into consideration the broker’s potential to earn ECN liquidity rebates when deciding whether to choose a particular full service broker.

Foreign Exchange Transactions. AllianceBernstein normally executes currency transactions on an active basis through our currency trading desk, except where market restrictions in some emerging currencies exist and execution for trade settlement is arranged by the custodian directly. In addition, certain of our asset-management clients direct their currency trades to their custodian banks for execution via standing instructions, and in such cases as well as in the case of restricted emerging currencies, AllianceBernstein does not know the precise execution time of the FX trade and cannot influence the exchange rates applied to these trades.

Whenever our institutional client portfolios engage in foreign exchange transactions, or we are otherwise authorized by a client mandate to utilize certain types of derivative instruments, AllianceBernstein may use the services of an unaffiliated intermediary as an information depository for purposes of delivering to counterparties client information

and constituent and other documentation as may be required by counterparties in connection with such foreign exchange or derivatives transactions.

J. Review of Accounts (ADV Item 13)

REGULAR ACCOUNT REVIEWS

AllianceBernstein regularly reviews and evaluates accounts for compliance with each client’s investment objectives, policies and restrictions. We also periodically review portfolios for deviations from our target portfolio construction criteria for the service, including asset diversification and performance. For services offered through Bernstein Global Wealth Management, we review for adherence to the directed asset allocation and product mix. For SMA programs, AllianceBernstein reviews and evaluates model strategies to ensure compliance with the strategy’s investment objectives, policies and restrictions.

As noted above, AllianceBernstein uses systems to assist with guideline compliance. Compliance personnel and others at the firm review the codes in our guideline compliance systems as appropriate. These compliance systems generate alerts to indicate potential guideline breaches on a daily basis. The alerts are reviewed and resolved by the Compliance Guideline Management group, the Portfolio Management Group and our compliance personnel. Our portfolio managers, compliance officers and legal counsel are involved in reviewing these alerts as needed.

In all cases, portfolios are reviewed when material cash or securities are added to or withdrawn from the account or when AllianceBernstein is advised of a change in circumstances that warrants a change in management of the account. Other events that may trigger a review include asset allocation imbalances or significant model or investment strategy changes. Various tools and quality control reports are used to identify these triggers.

We also have several risk committees that provide independent oversight of investment management processes (although not necessarily of individual client portfolios). Committee functions include calibrating portfolio and functional risks, ensuring adherence to investment policies, reviewing portfolios against benchmarks, reviewing quantitative models, aggregating firm-wide holdings and reviewing performance dispersion among managers.

REPORTS TO CLIENTS

Depending on their preference, clients serviced through the Alliance Institutional Investments and Bernstein Global Wealth Management channels receive, on a monthly or quarterly basis, portfolio appraisal reports and summaries, purchase and sales reports, performance reviews and transaction summaries. Upon request, confirmations of each trade

can be sent to clients or their custodian banks on a trade-by-trade, monthly, quarterly or semi-annual basis. Confirmations are in some instances sent through the automated system of the Depository Trust Company to a client or its custodian bank after each execution of a transaction in the account. SMA clients receive reports from the program sponsor firms.

At the client's request, a cumulative monthly statement can also be provided that shows the commissions per share paid by the account on all transactions since the beginning of the calendar year. It also lists the names of the executing brokers and whether they were selected by AllianceBernstein or the client.

Pursuant to Section 11(a)(1)(H) of the Exchange Act and/or Prohibited Transaction Exemption 86-128 ("PTE 86-128") under ERISA, reports are furnished to clients regarding securities transactions with Bernstein LLC and pursuant to PTE 86-128 with respect to Bernstein LLC and Bernstein Limited. In addition, special reports may be developed which are tailored to meet specific client requirements. AllianceBernstein encourages frequent review with its clients, particularly early in the relationship. Formal performance reviews are generally held or offered on a quarterly basis.

We also respond to special requests of clients for ad hoc reports related to activity in their account including, for example, proxy voting.

K. Client Referrals and Other Compensation (ADV Item 14)

SOLICITOR AGREEMENTS

Persons introducing new client accounts to AllianceBernstein (including Bernstein Global Wealth Management) may receive a portion of the advisory fee generated by the account for a period which varies on a case-by-case basis. In addition, we may compensate a solicitor for introducing a direct investor in an investment company or other pooled vehicle managed by AllianceBernstein. Such compensation amounts to a portion of the management fee that we earn from the investment company or pooled vehicle, in compliance with legal requirements. These fees are not paid by clients.

Employees of AXA Advisors, an affiliate of AXA Financial, who refer clients to our Bernstein Global Wealth Management unit are paid a portion of our management fee under an existing solicitor arrangement. In 2013, AllianceBernstein entered into a solicitor arrangement with Morgan & Co., under which the latter will be paid a portion of our management fee for successfully referring clients with Taft-Hartley retirement plans. Both arrangements comply with the relevant provisions of the Investment Advisers Act of 1940.

PAYMENTS TO CONSULTANTS

On occasion, our Alliance Institutional Investments unit purchases data, research, conference attendance and other services or products from institutional asset management consultants who conduct searches and recommend money managers to prospective clients. The sale of such products and services may be profitable to consultants, which may indirectly reduce the cost of the consulting services to prospective institutional clients. In order to mitigate potential conflicts for the consultants, we do not purchase such services and products unless we have determined in good faith that they will provide AllianceBernstein with industry data and/or proper assistance in marketing our services.

AllianceBernstein's *Statement of Policy and Procedures Regarding Consultant Conflicts of Interest* addresses conflicts that can arise vis-à-vis the referral services consultants provide to separate account clients as well as in circumstances where consultants evaluate and recommend mutual funds for prospective client investments. We have procedures for monitoring compliance with this policy.

Listed below are the costs of the products and services that the AllianceBernstein Institutional Investment Management unit purchased from institutional asset management consultants in 2013:

Name of Consultant	Cost of 2013 Purchases
Callan Associates	\$58,000
DeMarche Associates	\$31,500*
Mercer (Japan)	\$14,000
Mercer (UK)	\$42,000
RogersCasey	\$40,000
Segal RogersCasey	\$38,000

*Paid in 2012

AllianceBernstein also purchases data and publications from firms that analyze or review the mutual funds we sponsor such as Lipper and Morningstar.

EMPLOYEE REFERRALS

Our employees are eligible to earn an account referral bonus for referring a potential client to AllianceBernstein. Senior management will determine whether an employee's involvement was significant enough to warrant this bonus. Certain employees may not be eligible for an Account Referral Bonus due to a conflict of interest or other reasons as determined by senior management. In particular, portfolio managers and research analysts are no longer eligible to receive payments based on solicitation efforts from companies they cover.

L. Custody (ADV Item 15)

AllianceBernstein L.P. does not take actual custody of client assets. Rather, our client assets are custodied at trust banks and broker-dealers, including our affiliated broker-dealer, Bernstein LLC.

Our clients receive statements concerning their portfolios from both AllianceBernstein and their custodians. We encourage clients to compare the statements received from their custodians with the statements they receive from AllianceBernstein.

M. Investment Discretion (ADV Item 16)

INVESTMENT DISCRETION

AllianceBernstein provides both discretionary and non-discretionary investment advisory services. The vast majority of our clients grant discretion, which allows us to manage portfolios and make investment decisions without client consultation regarding the securities and other assets that are bought and sold for the account. In such accounts, we do not require client approval for the total amount of the securities and other assets to be bought and sold, the choice of executing brokers or the price and commission rates for such transactions.

All clients (with the exception of certain SMA clients) are required to enter into a written investment advisory agreement with us (or an affiliate) prior to the establishment of an advisory relationship.

In some instances, clients may seek to limit or restrict our discretionary authority on these matters by imposing investment guidelines or restrictions on their account. Our approach to reviewing and accepting guidelines at the beginning of a client relationship are set forth in Section A above. We make every effort to manage restricted portfolios along with other clients within similar mandates. However, it is possible that security selection and trade placement may be delayed for these portfolios while we determine whether a proposed investment decision complies with the account guidelines and restrictions or identify alternatives. Accounts subject to investment restrictions may therefore forfeit some of the advantages that may result from aggregated orders and may be disadvantaged by the market impact of trading for other portfolios.

In non-discretionary relationships, we make periodic investment recommendations to clients about the securities that should be bought or sold and the total amount of such transactions. Clients may ask AllianceBernstein to

place orders for the purchase or sale of the securities being recommended, either through executing brokers of our choice or according to the client's request. Orders placed by AllianceBernstein will be aggregated with those discretionary clients in the same security, based on standard procedures.

We will not, however, delay trading for discretionary client orders while a non-discretionary client considers and approves an investment recommendation. In addition, non-discretionary clients will not share in the allocation of those trades that were completed before they approved an order. In cases where the non-discretionary client places its own orders without our involvement, procedures are adopted to ensure it is fair to both the discretionary and non-discretionary clients.

LIMITATIONS ON OWNERSHIP AND TRADING OF SECURITIES FOR CLIENT ACCOUNTS

From time to time, we may invest on behalf of our clients in securities subject to various ownership limitations such as charter provisions, shareholder rights plans (commonly known as "poison pills") and regulatory restrictions on ownership. AllianceBernstein takes precautions to comply with any ownership limitations applicable to any specific security as failure to monitor such levels could lead to adverse regulatory action or dilution of client holdings. In addition, we have adopted procedures that restrict further purchases of equity securities when the aggregate holdings of all client accounts and the client accounts of its related persons reaches 16.5% of the shares outstanding. When these limits are reached, we determine if there are any risk management or other concerns that preclude further purchases. If not, the security is re-opened for purchase.

Additional transactions in the securities of a publicly traded company may also be prevented by our business activities or those of a related party (such as AXA or entities under AXA's control). For example, if AllianceBernstein or a related party took a significant interest in a publicly traded company, we could be prevented from buying or selling that security for clients during periods in which such a transaction might otherwise be desirable.

From time to time, Bernstein LLC, our affiliated broker-dealer, may be involved in public offerings of equity securities. Accounts of clients registered under the Investment Company Act of 1940 may be subject to limitations in participation when Bernstein LLC is acting as an underwriter for the offering. Accounts for clients subject to ERISA may be prohibited from participating when Bernstein LLC is receiving compensation as a manager or co-manager on an offering, and may be subject to limitations in participation in other situations.

CLAIMS ON BEHALF OF CLIENTS

Our investment discretion authority does not normally give AllianceBernstein power of attorney to initiate legal proceedings on behalf of the client accounts we manage. Accordingly, it is not our practice to initiate lawsuits on behalf of our clients for damage claims they may have with respect to securities transacted in their AllianceBernstein accounts.

As of January 2010, AllianceBernstein no longer submits securities class action settlement claims on behalf of all advisory clients. The service is available under specific terms to Bernstein Global Wealth Management clients who custody assets at Bernstein LLC and to certain client accounts that also receive administration services from AllianceBernstein.

Pursuant to our investment discretion, we will file claims for bankruptcy trust proceeds on behalf of existing clients whose account holdings appear to create eligible claims. We identify these bankruptcy proceedings and file such claims based upon our reasonable best efforts. Clients who require higher levels of bankruptcy claim services are encouraged to obtain them from their account custodians or outside counsel.

N. Voting Client Securities (ADV Item 17)

As a registered investment adviser that exercises proxy voting authority over client securities, we have a fiduciary duty to vote proxies in a timely manner and make voting decisions that are in our clients' best interests. AllianceBernstein has adopted a *Statement of Policies and Procedures for Proxy Voting* and a related *Proxy Voting Manual* (together, the "Proxy Voting Policy"), which reflects the policies of the firm and its investment management subsidiaries.

The Proxy Voting Policy is a set of voting guidelines intended to maximize the value of the securities in our client accounts. It describes our approach to analyzing voting issues, identifies the persons responsible for determining how to vote proxies and includes procedures to address material conflicts of interests that may arise between AllianceBernstein and clients relating to proxy voting.

HOW WE APPROACH VOTING

As a research-driven firm, we approach our proxy voting responsibilities with the same commitment to rigorous research that we apply to all of our investment activities. In addition to our firm-wide proxy voting policies, our proxy voting committee ("Proxy Committee") is directly involved in the decision-making process to ensure that our votes are guided by the investment professionals who are most familiar with a given company.

The Proxy Committee includes senior investment professionals from our Equities group. Different investment philosophies may occasionally result in different conclusions being drawn regarding certain proposals and, in turn, may result in the Proxy Committee making different voting decisions on the same proposal for value and growth holdings. Nevertheless, the Proxy Committee always votes proxies with the goal of maximizing the value of the securities in client portfolios. The Proxy Committee also will consider the impact of the U.N. Principles for Responsible Investing when voting proxies.

In addition to senior investment professionals, the Proxy Committee also consists of members of the Legal and Compliance Department. It is the responsibility of the Proxy Committee to evaluate and maintain proxy voting procedures and guidelines, to evaluate proposals and issues not covered by these guidelines, to consider changes in policy and to review the Proxy Voting Policy no less frequently than annually. In addition, the Proxy Committee meets as necessary to address special situations.

In evaluating proxy issues and determining our votes, we welcome and seek out the points of view of various parties. Internally, the Proxy Committee may consult chief investment officers, directors of research, research analysts across our value and growth equity platforms, portfolio managers in who's managed accounts a stock is held and/or other Investment Policy Group members. Externally, the Proxy Voting Committee may consult company management, company directors, interest groups, shareholder activists and research providers. Our engagement with companies and interest groups continues to expand as we have had more such meetings in the past few years.

Votes generally are cast in accordance with our written Policy. In situations where our Policy does not call for a certain voting outcome, our Proxy Voting Manual often will provide criteria to guide our decision. However, in situations where the vote still cannot be clearly decided by an application of the Policy and reference to the Proxy Voting Manual, a member of the Proxy Committee or his/her designee will make the voting decision in accordance with the basic principal of our policy to vote proxies with the intention of maximizing the value of the securities in our client accounts. Where appropriate, the views of investment professionals are considered. Also, from time to time a client may request that we vote their proxies consistent with AFL-CIO guidelines or the policy of the National Association of Pension Funds. In those situations, AllianceBernstein reserves the right to depart from those policies if we believe it to be in the client's best interests. All votes cast contrary to our stated voting Policy on specific issues must be documented. On an annual basis, the Proxy Committee will receive a report of all such votes.

It is AllianceBernstein's policy to support confidential voting. Employees are prohibited from revealing how we intend to vote on any proposal except to (i) members of the Proxy Committee; (ii) portfolio managers that hold the security in their managed accounts; and (iii) the research analyst(s) who cover(s) the security. Members of the Proxy Committee, portfolio managers and research analysts are prohibited from disclosing our intended vote. However, upon a request from a client that has delegated proxy voting authority to us and holds the security in question in their account, Proxy Committee members or Proxy Managers may disclose our intended vote to that client (or the client's portfolio or administrative contact within the firm).

While we must also be cautious about disclosing how we have voted on specific issues, we are sensitive to the demand for this type of information. For example, the SEC requires that US mutual funds file with the SEC and make available to shareholders the specific proxy votes that they cast in shareholder meetings of issuers of portfolio securities (in addition to requiring that US mutual funds disclose the policies and procedures they use to vote proxies relating to portfolio securities). Accordingly, we may participate in proxy surveys conducted by shareholder groups or consultants so long as such participation does not compromise our confidential voting policy. Specifically, prior to our required SEC disclosures each year, we may respond to surveys asking about our proxy voting policies, but not any specific votes. After our SEC disclosures, we may respond to surveys that cover specific votes in addition to our voting policies.

On occasion, clients for whom we do not have proxy voting authority may ask us for advice on proxy votes that they cast. A member of the Proxy Committee or a Proxy Manager may offer such advice subject to an understanding with the client that the advice shall remain confidential.

Any material, substantive contact regarding proxy issues from the issuer, the issuer's agent or a shareholder group sponsoring a proposal must be reported to the Chair of the Proxy Committee if such contact was material to a decision to vote contrary to the Proxy Voting Statement or our Manual.

POTENTIAL PROXY CONFLICTS

We recognize that there may be a potential material conflict of interest when we vote a proxy solicited by an issuer whose retirement plan we manage, or we administer, who distributes AllianceBernstein-sponsored mutual funds, or with whom we or an employee has another business or personal relationship that may affect how we vote on the issuer's proxy. Similarly, we may have a potential material conflict of interest when deciding how to vote on a proposal sponsored or supported by a shareholder group that is a client. In order to avoid any perceived or actual conflict of interests, we have established procedures for use when we encounter a potential

conflict to ensure that our voting decisions are based on our clients' best interests and are not the product of a conflict.

When considering a proxy proposal, members of the Proxy Committee or investment professionals involved in the decision-making process must disclose to the Proxy Committee any potential conflict (including personal relationships) of which they are aware and any substantive contact that they have had with any interested outside party (including the issuer or shareholder group sponsoring a proposal) regarding the proposal. Any previously unknown conflict will be recorded on the Potential Conflicts List (discussed below). If a member of the Proxy Committee has a conflict of interest, he or she must also remove himself or herself from the decision-making process.

No less frequently than annually, a list of companies and organizations whose proxies may pose potential conflicts of interest is compiled by the Legal and Compliance Department. The Potential Conflicts List includes:

- Publicly-traded Clients from the Russell 3000 Index, the Morgan Stanley Capital International ("MSCI") Europe Australia Far East Index (MSCI EAFE), the MSCI Canada Index and the MSCI Emerging Markets Index;
- Publicly traded companies that distribute AllianceBernstein mutual funds;
- Bernstein private clients (if their relationship exceeds a certain asset threshold) who are directors, officers or 10% shareholders of publicly traded companies;
- Clients who have material interest in a proposal upon which we will be eligible to vote;
- Publicly-traded affiliated companies;
- Companies where an employee of AllianceBernstein or AXA Financial has identified an interest;
- Any other conflict of which a Proxy Committee becomes aware.

AllianceBernstein's votes for all meetings of companies on the Potential Conflicts List will be documented pursuant to internal procedures.

Because we consider the research of the firms ISS and Glass Lewis, the Proxy Committees also will take reasonable steps to verify that both ISS and Glass Lewis are, in fact, independent based on all of the relevant facts and circumstances. This includes reviewing ISS's and Glass Lewis's conflict management procedures on an annual basis. When reviewing these conflict management procedures, we will consider, among other things, whether ISS and Glass Lewis (i) have the capacity and competency to adequately analyze proxy issues; and (ii) can offer research in an impartial manner and in the best interests of our clients.

SECURITIES LENDING

AllianceBernstein does not offer a securities lending service. However, many of our clients have entered into securities lending arrangements with custodians or other third-party agent lenders. In addition, Bernstein LLC may engage in securities lending for its brokerage accounts to which it provides custody services.

AllianceBernstein will not be able to vote securities that are on loan under these types of arrangements. However, under rare circumstances, for voting issues that may have a significant impact on the investment, we may ask clients to recall securities that are on loan if we believe that the benefit of voting outweighs the costs and lost revenue to the client or fund and the administrative burden of retrieving the securities.

FURTHER INFORMATION AVAILABLE

Clients may obtain a copy of our Proxy Voting Policy and information about how we voted with respect to their securities by writing to:

AllianceBernstein L.P.
Attn: Chief Compliance Officer
1345 Avenue of the Americas
New York, NY 10105

O. Financial Information (ADV Item 18)

Audited financial statements of AllianceBernstein L.P. and AllianceBernstein Holding L.P. are publicly disclosed on an annual basis in connection with the SEC Form 10-K filings by each of those entities.

The Form 10-Ks filed by each entity for the year ended December 31, 2013 are available through our public website at the following address:

http://www.alliancebernstein.com/abcom/Our_Firm/Investor_Media/reports/reports.htm

We are not presently aware of any financial condition that is reasonably likely to impair our ability to meet contractual commitments to our clients.

P. Appendix A—Fee Schedules

ACTIVE US EQUITY MANAGEMENT

US Strategic Value

- 0.900% on the first \$15 million
- 0.500% on the next \$35 million
- 0.400% on the balance

Minimum Account Size: \$25 million

US Diversified Value

- 0.650% on the first \$25 million
- 0.500% on the next \$25 million
- 0.400% on the next \$50 million
- 0.300% on the next \$100 million
- 0.250% on the balance

Minimum Account Size: \$25 million

US Small Cap Value

- 1.000% on the first \$25 million
- 0.900% on the next \$25 million
- 0.750% on the balance

Minimum Account Size: \$25 million

US Small Cap Growth

- 1.000% on the first \$50 million
- 0.850% on the next \$50 million
- 0.750% on the balance

Minimum Account Size: \$25 million

US Large Cap Growth

- 0.800% on the first \$25 million
- 0.500% on the next \$25 million
- 0.400% on the next \$50 million
- 0.300% on the next \$100 million
- 0.250% on the balance

Minimum Account Size: \$25 million

US Low Volatility Equity

- 0.450% on the first \$25 million
- 0.400% on the next \$25 million
- 0.350% on the next \$50 million
- 0.300% on the next \$100 million
- 0.250% on the balance

Minimum Account Size: \$25 million

US Relative Value

- 0.650% on the first \$25 million
- 0.500% on the next \$25 million
- 0.400% on the next \$50 million
- 0.300% on the next \$100 million
- 0.250% on the balance

Minimum Account Size: \$25 million

Select US Equity

- 1.000% on the first \$25 million
- 0.800% on the next \$25 million
- 0.700% on the balance

Minimum Account Size: \$100 million

Select US Equity Long/Short

- 1.000% plus 20% of net excess return

Minimum Account Size: \$200 million

Concentrated US Growth

- 0.800% on the first \$50 million
- 0.700% on the next \$50 million
- 0.600% on the balance

Minimum Account Size: \$50 million

Global Core Equity

- 0.800% on the first \$25 million
- 0.600% on the next \$50 million
- 0.500% on the balance

Minimum Account Size: \$50 million

ACTIVE GLOBAL/INTERNATIONAL EQUITY MANAGEMENT

Global/International Low Volatility Equity

- 0.550% on the first \$25 million
- 0.500% on the next \$25 million
- 0.450% on the next \$50 million
- 0.350% upon the balance
- Minimum Account Size: \$25 million

Market Neutral - US/Global

- 1.000% flat fee

or,

- 0.500% plus 20% of returns above benchmark

Minimum Account Size: \$50 million

Emerging Markets Multi Asset

- 0.850% on the first \$25 million
- 0.800% on the next \$25 million
- 0.750% on the balance

Minimum Account Size: \$25 million

Global/International Large Cap Equity

- 0.800% on the first \$25 million
- 0.600% on the next \$25 million
- 0.500% on the next \$50 million
- 0.400% on the balance

Minimum Account Size: \$25 million

Concentrated Global Growth

- 0.900% on the first \$50 million
- 0.750% on the next \$50 million
- 0.650% on the balance

Minimum Account Size: \$50 million

International Large Cap Equity —All Country

- 0.850% on the first \$25 million
- 0.650% on the next \$25 million
- 0.550% on the next \$50 million
- 0.450% on the balance

Minimum Account Size: \$25 million

US Thematic Research

- 0.800% on the first \$25 million
- 0.500% on the next \$25 million
- 0.400% on the next \$50 million
- 0.300% on the next \$100 million
- 0.250% on the balance

Minimum Account Size: \$25 million

Global Thematic Research

- 0.800% on the first \$25 million
- 0.600% on the next \$25 million
- 0.500% on the next \$50 million
- 0.400% on the balance

Minimum Account Size: \$25 million

Global/International Strategic Value

- 0.900% on the first \$25 million
- 0.700% on the next \$25 million
- 0.600% on the next \$50 million
- 0.500% on the balance

Minimum Account Size: \$25 million

Regional Equity

- 0.600% on the first \$25 million
- 0.450% on the next \$25 million
- 0.350% on the next \$50 million
- 0.300% on the next \$100 million
- 0.250% on the balance

Minimum Account Size: \$25 million

Regional Strategic/Concentrated Equity

- 0.650% on the first \$25 million
- 0.500% on the next \$25 million
- 0.400% on the next \$50 million
- 0.375% on the next \$100 million
- 0.350% on the balance

Minimum Account Size: \$25 million

Emerging Markets Value

- 1.150% on the first \$25 million
- 0.950% on the next \$25 million
- 0.850% on the balance

Minimum Account Size: \$25 million

Global/International Low Volatility

- 0.550% on the first \$25 million
- 0.500% on the next \$25 million
- 0.450% on the next \$50 million
- 0.350% on the balance

Minimum Account Size: \$25 million

Market Neutral - Global

- 1.000% flat fee

or,

- 0.500% plus 20% of returns above benchmark

Minimum Account Size: \$25 million

Emerging Markets Growth

- 1.000% on the first \$25 million
- 0.900% on the next \$25 million
- 0.750% on the balance

Minimum Account Size: \$25 million

Asia ex-Japan Growth

- 0.850% on the first \$25 million
- 0.650% on the next \$25 million
- 0.550% on the next \$50 million
- 0.500% on the balance

Minimum Account Size: \$25 million

Asia ex Japan Value

- 1.100% on the first \$25 million
- 0.900% on the next \$25 million
- 0.800% on the balance

Minimum Account Size: \$25 million

ACTIVE US FIXED INCOME MANAGEMENT

US Core/Mortgage

- 0.450% on the first \$30 million
- 0.180% on the balance

Minimum Account Size: \$25 million

US Strategic Core Plus

- 0.500% on the first \$30 million
- 0.200% on the balance

Minimum Account Size: \$25 million

US High Yield

- 0.550% on the first \$50 million
- 0.350% on the balance

Minimum Account Size: \$50 million

Insurance—Core

- 0.300% on the first \$20 million
- 0.200% on the next \$80 million
- 0.150% on the next \$100 million
- 0.120% on the next \$100 million
- 0.100% on the balance

Minimum Account Size: \$100 million

Short Duration

- 0.400% on the first \$20 million
- 0.250% on the next \$80 million
- 0.200% on the next \$100 million
- 0.150% on the balance

Minimum Account Size: \$25 million

Emerging Markets Multi-Asset

- 0.850% on the first \$25 million
- 0.800% on the next \$25 million
- 0.750% on the balance

Minimum Account Size: \$50 million

US Investment Grade Corporates

- 0.500% on the first \$30 million
- 0.200% on the balance

Minimum Account Size: \$50 million

Insurance—Core Total Return

- 0.450% on the first \$30 million
- 0.180% on the balance

Minimum Account Size: \$100 million

ACTIVE GLOBAL/INTERNATIONAL FIXED INCOME MANAGEMENT

Global Fixed Income/Global Ex-US Fixed Income

- 0.450% on the first \$30 million
- 0.230% on the balance

Minimum Account Size: \$25 million

Global Plus/Global Credit Fixed Income

- 0.500% on the first \$30 million
- 0.250% on the balance

Minimum Account Size: \$25 million

PASSIVE MANAGEMENT

S&P 500

- 0.040% on the first \$300 million
- 0.030% on the first \$200 million
- 0.020% on the balance

Minimum Account Size: \$50 million

International/Global Equity Index

- 0.070% on the first \$300 million
- 0.050% on the next \$200 million
- 0.030% on the balance

Minimum Account Size: \$50 million

US Bond Index

- 0.120% on the first \$50 million
- 0.100% on the next \$50 million
- 0.080% on the balance

Minimum Account Size: \$20 million

BLEND/STRUCTURED & ENHANCED INDEX MANAGEMENT

Global/International Style Blend

- 0.800% on the first \$25 million
- 0.650% on the next \$25 million
- 0.550% on the next \$50 million
- 0.450% on the next \$100 million
- 0.400% on the balance

Minimum Account Size: \$50 million

Emerging Market Debt

- 0.650% on the first \$50 million
- 0.350% on the balance

Minimum Account Size: \$50 million

US Style Blend

- 0.800% on the first \$25 million
- 0.600% on the next \$25 million
- 0.500% on the next \$50 million
- 0.400% on the next \$100 million
- 0.300% on the balance

Minimum Account Size: \$50 million

US Structured Equity

- 0.400% on the first \$10 million
- 0.300% on the next \$40 million
- 0.200% on the next \$150 million
- 0.150% on the balance

Minimum Account Size: \$25 million

Q. Appendix B—Summary of Material Changes for 2012 (ADV Item 2)

On March 31, 2014, AllianceBernstein L.P. and the related investment advisers identified above (“AllianceBernstein”) filed the annual update of their Form ADV Part 2A brochure with the U.S. Securities and Exchange Commission (“SEC”). Material changes to AllianceBernstein’s Part 2A since the last annual update on March 29, 2013 are as follows:

- Ownership information concerning the firm was updated to reflect that, as of December 31, 2013, AXA had an approximate 63.7% economic interest in AllianceBernstein and that approximately 35.4% of the firm was owned by the public through AllianceBernstein Holding L.P. (*Section A—Ownership of AllianceBernstein*)
- The summary of our institutional investment services was amended to include a description of our new Concentrated Growth strategies. (*Section A—Our Approach to Investing*)
- Our list of Advisory Affiliates was amended to include W. P. Stewart & Co., Ltd. and W.P. Stewart Asset Management Ltd., which are investment advisers that AllianceBernstein acquired in December 2013. Employees joining the firm from W. P. Stewart will manage the Concentrated Growth strategies referenced above. (*Section G—Other Financial Industry Affiliations*)
- The disciplinary information section was updated to include settlements of administrative proceedings in Colorado and Florida relating to the state licensing of several current and former employees of AllianceBernstein. The settlements and resulting orders resolved those matters. (*Section F—Disciplinary Information*)

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