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Brochure

FISHER INVESTMENTS[®]

401(K) SOLUTIONS

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December 1, 2014

This brochure provides information about the qualifications and business practices of Fisher Investments. If you have any questions about the contents of this brochure, please contact us at 888-322-7586, or by email at 401k@fi.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Fisher Investments is a Registered Investment Adviser. Being registered with the SEC or any other regulatory authority does not imply Fisher Investments has a certain level of skill or training.

Additional information about Fisher Investments is available on the SEC’s website at www.adviserinfo.sec.gov.

Material Changes

The 401(K) Solutions brochure is a new brochure. Information for this brochure was taken from the Fisher Investments Private Client and Institutional brochures dated August 6, 2014.

Information about Fisher Investments is also available on the SEC's website at www.adviserinfo.sec.gov. To request a copy of the most recent disclosure brochure, contact us at:

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Advisory Business

Firm Description

Fisher Investments (“FI”), a privately held limited liability company, is an investment adviser with offices in California and Washington. FI is registered with the U.S. Securities and Exchange Commission (“SEC”); in Canada with the Alberta Securities Commission, British Columbia Securities Commission, Manitoba Securities Commission, New Brunswick Securities Commission, Newfoundland and Labrador Financial Services Regulation Division, Nova Scotia Securities Commission, Ontario Securities Commission, Prince Edward Island Securities Office, Quebec Autorité des Marchés Financiers, and Saskatchewan Financial Services Commission; and with the Netherlands Authority for the Financial Markets. FI has a branch office registered with the Dubai International Financial Centre. Being registered with the SEC or any other regulatory authority does not imply FI has a certain level of skill or training.

FI manages assets within its Fisher Investments Institutional Group (“FIIG”), Fisher Investments Private Client Group (“FIPCG”), Foreign Private Client Group (“FPCG”), and Fisher Investments 401(k) Solutions Group (“401(k) Solutions”). Collectively, these groups serve a global client base of diverse investors including corporate, public and multi-employer pension plans, foundations and endowments, insurance companies, healthcare organizations, governments, investment companies and high net worth individuals across America, Europe, Canada, Asia, Australia, and the Middle East. The firm offers a broad array of US, non-US, and global equity strategies with various capitalization and style orientations. Founded in 1979, all strategies are supported by the firm’s global research platform developed over its 30+ year history. Investment decisions are made by the firm’s four member Investment Policy Committee (“IPC”), with two of the four members working together for over 31 years and three of the four working together for over 14 years. In the mid-1990s, FI began offering separate portfolio management directly to high net worth individuals. In early 2000, FI expanded service offerings into Canada and Europe. 401(k) Solutions was launched in 2014.

Principal Owners

FI is wholly-owned by Fisher Investments, Inc. (“FII”). The principal owner of FII is Kenneth L. Fisher.

Types of Advisory Services

FI, through 401(k) Solutions, provides investment fiduciary services for 401(k) plan sponsors in the United States, including the following:

- Selecting, monitoring and updating of designated investment alternatives (“DIAs”):
FI, along with the plan sponsor, will review the investment objectives and goals of the plan as set forth in the plan’s investment policy statement (“IPS”). FI will select, monitor and update the plan’s DIAs in accordance with the criteria set forth in the IPS. FI will monitor and evaluate the DIAs and update any DIA(s) that no longer meet the IPS criteria on a periodic basis,
- Creation and maintenance of model asset allocation portfolios (“Models”):
FI will create a series of goal-based Models comprised solely of the plan’s DIAs. On an annual basis, FI will reallocate and rebalance the Models in accordance with the IPS or other guidelines approved by the plan sponsor.
- Selecting, monitoring and updating of qualified default investment alternative(s) (“QDIA(s)”)
FI will designate one or more Models to be utilized as the plan’s QDIA(s). Once the plan sponsor confirms the plan’s desired QDIA type, FI will select, monitor and update the QDIA(s) in accordance with the IPS or other guidelines approved by the plan sponsor.

As explained in more detail in Methods of Analysis, Investment Strategies and Risk of Loss on page 7 and Affiliations on page 8, FI serves as investment adviser to several of the funds available through 401(k) Solutions and on which the Models are based (the “401(k) Solutions Funds”). In general, the investment options available through 401(k) Solutions are limited to the 401(k) Solutions Funds. Some plan sponsors, however, may elect to make additional investment options available to plan participants through a self-directed brokerage account.

Through 401(k) Solutions, FI may also provide the retirement plan consulting services described below on a ministerial or administrative basis; however, FI will not be acting in a fiduciary capacity under ERISA when providing such services:

Administrative Support:

- Assist the plan sponsor in reviewing objectives and options available through the plan
- Review plan committee structure and administrative policies and procedures
- Recommend participant education and communication policies under ERISA 404(c)
- Assist with development and maintenance of fiduciary audit file and document retention policies
- Deliver fiduciary training and/or education periodically or upon reasonable request
- Coordinate and communicate investment-related participant disclosures under ERISA 404(a)(5)
- Develop requirements for responding to participant requests

Oversight of Relationship with Service Providers:

- Assist fiduciaries with a process to select and monitor service providers
- Assist fiduciaries with review of covered service provider (“CSP”) disclosures under ERISA 408(b)(2) and fee benchmarking
- Provide reports and/or information designed to assist fiduciaries with monitoring CSPs

Participant Services:

- Facilitate group enrollment meetings
- Coordinate employee education regarding plan investments and fees
- Assist plan participants in understanding plan benefits, retirement readiness and impact of increasing deferrals

Assets under Management

FI manages client assets on a discretionary basis. As of December 31, 2013, FI managed a total of:

| | Private Client | Institutional | Total |
|-------------------|------------------|------------------|------------------|
| Discretionary | \$31,774,857,420 | \$22,052,211,900 | \$53,827,069,320 |
| Non-Discretionary | \$0 | \$0 | \$0 |
| Total | \$31,774,857,420 | \$22,052,211,900 | \$53,827,069,320 |

Fees and Compensation

Description

While at times FI may negotiate rates other than specified below, the following schedule lays out 401(k) Solutions’ basic billing rates:

All plans participating in the 401(k) Solutions platform are billed at a fixed rate based on the plan asset levels listed below:

| Total Plan Assets | Annual Rate |
|------------------------------|--------------------|
| Amounts below \$500,000 | \$6,000 |
| \$500,001 to \$1,000,000 | 1.2% |
| \$1,000,001 to \$5,000,000 | 1.1% |
| \$5,000,001 to \$10,000,000 | 1.0% |
| \$10,000,001 to \$15,000,000 | 0.9% |
| \$15,000,001 to \$20,000,000 | 0.8% |
| \$20,000,001 to \$30,000,000 | 0.7% |
| Above \$30,000,000 | 0.6% |

401(k) Solutions typically targets plans with at least \$500,000 in investable assets, but it may accept smaller plans, at FI's discretion, which will be billed the annual flat fee shown above. FI will not negotiate fees to manage a plan fiduciary's personal assets in connection with plan assets.

Fee Billing

Fees are generally calculated and charged quarterly. Fees are based on the value of plan assets held by the plan's custodian, excluding the value of any assets invested in a participant's self-directed brokerage account, using closing prices at quarter end, at one-quarter of the annual rates listed above. Fees are billed and paid after they are earned. Fees for the services provided by FI are typically calculated and charged beginning on the date the Fiduciary Retirement Agreement ("FRA") with FI is signed by the plan sponsor. Unless otherwise agreed, Fees will be deducted from the plan's assets (excluding any assets forfeited by participants) pro rata based on each participant's account balance.

Unless the FRA is signed on the first day of the calendar quarter, fees for the initial billing period will be calculated based on the number of calendar days from the date the FRA is signed until the end of the quarter. A fee will not be calculated and billed for an initial billing period if there are no assets in the plan's account or the number of billing days in the period is less than 16. Instead, the following calendar quarter may be combined with the initial billing period, making the billing period longer than one calendar quarter depending upon when FI begins managing the plan's assets. The fee will be calculated for that entire longer period based on the account value at the end of the following calendar quarter.

In general, a plan may terminate the FRA with FI at any time by notifying FI in writing. At such time, FI will bill the plan for services already rendered, prorated through the calendar day prior to the date of termination. FI will provide a final invoice to the plan or the plan's custodian depending on the plan's billing method and the availability of funds. Since FI does not bill in advance, a refund of fees is not applicable.

Other Fees

Plans may incur certain charges imposed by unaffiliated third parties. Such charges include, but are not limited to, fees paid to the plan's record keeper or third party administrator or indirect expenses charged to the 401(k) Solutions Funds. These indirect expenses include brokerage fees, commissions and related taxes or charges. These other fees are not paid to FI. Investments through a self-directed brokerage account may be subject to additional fees charged by third parties. Please refer to Brokerage Practices on pages 10-12 for additional information on how FI selects brokers.

Performance-Based Fees and Side-By-Side Management

FI does not charge performance-based fees for plans with 401(k) Solutions, but may for institutional clients who specifically request it, if appropriate. Managing accounts that are charged a performance-based fee and accounts that are charged another type of fee, such as a fixed-rate fee, presents certain conflicts of interest. There is an incentive to favor performance-based fee accounts. FI's policies and procedures have been developed to ensure that all clients are treated

fairly and equally, and without regard to the fee type in determining trade allocation. Please refer to Order Aggregation on page 11 for more information. FI reviews trade aggregation and allocation policies and procedures at least annually to ensure adherence to firm procedures and that no client is being systematically favored.

Types of Clients

Description

FI has a global client base of diverse investors including corporations, public and multi-employer pension plans, foundations, endowments, governments, investment companies and high-net-worth individuals across America, Europe, Canada, Asia, Australia, and the Middle East.

Account Minimums

401(k) Solutions primarily serves small and mid-size 401(k) plans. At present, 401(k) Solutions targets accounts with at least \$500,000 in investable assets, but may accept smaller accounts at FI's discretion.

Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis

FI uses both qualitative and quantitative tools to analyze markets, sectors, and securities. FI makes extensive use of computers, computer peripherals, software, and computer databases in screening for securities worthy of investment consideration. FI uses a centralized portfolio management system, which includes block trading, portfolio management and securities price data collection.

Investment Strategies

Other than plan assets invested through a self-directed brokerage account or assets forfeited by a participant, plan assets are invested in the 401(k) Solutions Funds. Other than the Vanguard Prime Money Market Fund, the 401(k) Solutions Funds are part of a collective investment trust ("Trust") organized under the laws of the Commonwealth of Pennsylvania and for which SEI Trust Company ("Trustee") serves as trustee. The Trust is managed by the Trustee based on investment advice provided by FI. The 401(k) Solutions Funds all have the goal of meeting or exceeding the return of a specific benchmark with a level of risk similar to the risk associated with the benchmark.

For the 401(k) Solutions Funds it advises, FI uses investment benchmarks as a framework for constructing portfolios, managing portfolio risk, and monitoring portfolio performance by comparing rates of return over time. FI can provide information about particular investment benchmarks upon request.

If FI forecasts a prolonged and substantial downturn for the U.S. and/or the foreign stock markets, it may recommend the 401(k) Solutions Funds it advises deviate significantly from their respective benchmarks, in an effort to minimize losses or seek investment returns. There can be no guarantee that FI will accurately forecast any prolonged and substantial downturn in the market, or that the use of derivatives and other defensive techniques would be successful in avoiding losses. These defensive strategies may be used for a 401(k) Solutions Fund only to the extent not prohibited by the Trust documents, custodian limitations, and applicable law.

Derivatives typically derive their value from the performance of an underlying asset, interest rates or index. Premiums or other transaction costs related to the purchase of an option—a type of derivative—would be lost when the option expires worthless. The price movements of derivatives may be more volatile than those of other securities, and result in increased investment risk. Many of these investments may not enjoy as much liquidity as other securities. Consistent with each 401(k) Solutions Fund's investment guidelines, FI will seek to recommend liquid investments to the extent they represent

the best investment option in FI's view.

Risk of Loss

Investing in capital markets involves risk of loss that each plan should be prepared to bear. Investing in foreign stock markets involves additional risks including political, economic and currency risks, and differences in accounting methods. Investing in fixed income instruments may involve certain costs and risks such as liquidity risk, interest rate risk, and credit risk. 401(k) Solutions Funds investing in derivatives could lose more than the principal amount invested in those instruments. There can be no guarantee that a 401(k) Solutions Fund will not suffer losses.

Disciplinary Information

Legal and Disciplinary

There have been no disciplinary events and no material legal events related to FI or any management personnel.

Other Financial Industry Activities and Affiliations

Financial Publications

Kenneth Fisher is a regular contributor to various publications (for example: *Forbes* and *Interactive Investor*). The 401(k) Solutions Funds may or may not hold some or all of the securities mentioned in a particular article.

Financial Industry Activities

Three FI personnel are registered as representatives of the unaffiliated broker-dealer distributor for the Purisima Funds, a registered investment company consisting of two mutual funds.

Affiliations

FI acts as investment adviser to the Trust. The 401(k) Solutions Funds in the Trust are exempt from registration as investment companies because they are bank collective trusts for the investment of assets of participating tax qualified pension and profit sharing plans and related trusts, and governmental plans. The Trustee maintains ultimate fiduciary authority over the management of, and the investments made, in each of the 401(k) Solutions Funds advised by FI. The 401(k) Solutions Funds are as follows: Fisher Investments Foreign Equity Collective Fund, Fisher Investments Emerging Markets Equity Collective Fund, Fisher Investments All World Equity Collective Fund, Fisher Investments U.S. Equity Collective Fund, Fisher Investments U.S. Fixed Income Collective Fund, and the Vanguard Prime Money Market Fund. FI also advises the Fisher Investments All Foreign Equity Collective Fund, which is part of the Trust but is not available through 401(k) Solutions.

FI acts as the investment manager for the Purisima Funds, which include the Purisima Total Return Fund and the Purisima All-Purpose Fund (SEC File Number 811-07737).

FI acts as the investment manager for the UK-based Purisima Investment Funds, an open ended investment company ("OEIC"), comprised of three sub-funds: the Purisima Global Total Return Fund, the Purisima UK Total Return Fund, and the Purisima EAFE Total Return Fund. The OEIC is incorporated in England and Wales under registered number IC 162 and authorized as an Undertaking for Collective Investment in Transferrable Securities ("UCITS") by the UK Financial Conduct Authority.

FI acts as the investment manager for the Purisima Investment Fund (CI) Limited, an OEIC established in Jersey, Channel Islands, as an Expert Fund in accordance with the Jersey Collective Investment Funds Order 1995.

FI acts as the investment manager for the Fisher Investments Institutional Funds plc, an open ended investment

company with variable capital incorporated in Ireland under the Irish Companies Act 1963 to 2009 with registered number 496650 and authorized as a UCITS by the Central Bank of Ireland, which is currently comprised of three sub-funds, the Fisher Investments Institutional Emerging Markets Equity Fund, the Fisher Investments Institutional Global Equity Fund, and the Fisher Investments Institutional US Small and Mid-Cap Value Equity Fund.

FI acts as the investment manager for the Fisher Investments Institutional Group Emerging Markets Equity Fund, the Fisher Investments Institutional Group Foreign Equity Fund, the Fisher Investments Institutional Group Global Small Cap Fund, and the Fisher Investments Institutional Group Small Cap Value Fund, each a series of Fisher Investments Trust, a Delaware statutory trust.

FI acts as the investment manager for the Fisher Investments Global Total Return Unit Trust Fund, Fisher Investments Foreign Equity Unit Trust Fund, Fisher Investments Emerging Markets Equity Unit Trust Fund, and Fisher Investments Global Small Cap Unit Trust Fund, each a series of the Fisher Investments Canadian Series Trust Funds, an Ontario trust.

FI owns Fisher Investments Europe Limited (“FIE”), an investment adviser headquartered in London, UK whose purpose is to market FI’s money management services to prospective clients in the United Kingdom, as well as to manage money for clients in Europe that is sub-managed by FI. FIE has branches in various European countries. FI earns a sub-management fee for the sub-management services it provides to FIE.

FI owns Fisher Investments Australasia Pty Ltd, an investment adviser in Australia whose primary purpose is to manage money for wholesale clients (as defined by the Australian Securities and Investments Commission) in Australia that is sub-managed by FI.

In 2007, FI entered into a joint venture, Grüner Fisher Investments GmbH, an investment adviser that offers investment services to investors in Germany.

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

Code of Ethics and Personal Trading

When FI employees invest for their own accounts, conflicts of interest may arise between clients and employees. As an investment adviser and mutual fund adviser, FI is subject to Rule 204A-1 of the Advisers Act and Rule 17j-1 of the Investment Company Act of 1940, as amended. To comply with these requirements, FI has adopted a Code of Ethics containing provisions reasonably necessary to prevent its “Access Persons,” as defined in the Code of Ethics, from engaging in any act, practice or course of business prohibited by the Rules. The Code of Ethics addresses investments by Access Persons in securities with particular rules for initial public offerings and limited offerings.

In accordance with FI’s Code of Ethics, all Access Persons are required to have most security transactions including all common stock, options, corporate bonds, exchange traded funds, and trades in the Purisima Funds approved in advance by designated personnel involved in the trading process. Access Persons and FI Principals have bought, owned, and sold securities in various publicly traded corporations, including those held by plans with 401(k) Solutions.

Access Persons and Principals may hold securities, which were purchased previous to their employment with FI, and are now still held. Access Persons and Principals may participate in block transactions placed for clients or the funds advised by FI. Additionally, Access Persons and Principals must submit all brokerage statements, which reflect transactions for their benefit, to ensure this policy is implemented according to stated objectives. FI will provide a copy of its Code of Ethics upon

request.

Participation or Interest in Client Transactions

FI imposes restrictions upon itself and all managed accounts that have a relationship with an FI Access Person or Principal to ensure plan and client interests are considered before the interests of FI or any person who may be associated with FI. Such accounts are called proprietary accounts. They will trade in block trades with or after non-proprietary clients. Exceptions may be made to liquidate certain previously held equity positions in proprietary accounts that cannot be blocked with non-proprietary accounts provided a determination is made that no non-proprietary client will be disadvantaged. All clients with assets in proprietary accounts are aware of such trading practices. At no time will transactions be effected in any manner such that FI or the FI Access Person could benefit at the expense of a non-proprietary client.

Political Contributions

FI personnel may make personal contributions to support political candidates or elected officials, including candidates who may share the firm's views on issues related to its business interests. Designated personnel are responsible for ensuring that their political activities comply with applicable laws restricting political contributions and solicitations, as well as FI's policies and procedures.

Brokerage Practices

Selecting Brokerage Firms

FI generally determines both the brokers to be used to effect transactions for plans and the commissions at which those transactions are to be effected. Brokers are selected on the basis of FI's assessment of their execution and other services relative to the commission charged for each trade. FI evaluates brokers' fees and commission rates in light of rates other advisers could obtain from brokers for similar transactions.

Best Execution

FI allocates transactions to brokers and/or dealers for execution on such markets at such prices and at such commission rates (which may be in excess of the prices or commission rates that might have been charged for execution on other markets or by other brokers or dealers) as in the good faith judgment of FI are appropriate. FI considers the selection of brokers and/or dealers based not only on the available prices and rates of brokerage commissions, but also other relevant factors which can include:

- (a) the execution capabilities of the brokers and/or dealers;
- (b) the size of the transaction
- (c) the difficulty of execution;
- (d) the operational facilities of the brokers and/or dealers involved;
- (e) the risk in positioning a block of securities;
- (f) the quality of the overall brokerage and research services provided by the broker and/or dealer; and,
- (g) research (including economic forecasts, investment strategy advice, fundamental and technical advice on individual securities, valuation advice and market analysis), custodial, trade generation and management software and hardware, and other services provided by such brokers and/or dealers which are expected to enhance FI's general management capabilities.

FI may cause a plan to pay a broker or dealer a higher amount of commission for effecting a transaction than another broker or dealer would have charged for effecting that same transaction. This may occur if FI determines in good faith that the amount of commission is reasonable in relation to the value of the brokerage and research services provided by the broker or dealer, viewed in terms of either the particular transaction or FI's overall responsibilities with respect to the accounts for which FI exercises investment discretion.

Soft Dollars

The 401(k) Solutions Funds advised by FI do not participate in “soft dollar” programs, but FI may use soft dollars with respect to other clients under FI’s “Section 28(e)” soft dollar policies. Pursuant to that policy, FI’s research and trading departments may make use of research products and services (such as Bloomberg, MSCI, FactSet, and S&P Research Insight, and other research data services) used in the investment decision making process and order execution/brokerage products and services (such as Eze OMS, Transaction Network Services, Omgeo CTM and other services) to affect securities transactions and perform trading and settlement functions.

Most broker-dealers that custody client assets or effect securities transactions provide their own research services such as reports, access to website materials, and access to their analysts. In some cases FI uses that research if it is believed to be useful and of reasonable value. In other cases FI receives unsolicited research from those broker-dealers that may be considered a soft-dollar benefit even if the research is not requested or used by FI.

Generally speaking, all of FI’s clients benefit from research services provided to FI by the brokers and dealers who effect transactions for FI’s client accounts. Not all such research services, however, may be used by FI in connection with the client accounts that paid commissions to the brokers or dealers providing such research services. In addition, instances may arise where: (a) research services obtained in connection with transactions effected for a particular client’s account benefit other clients of FI; or (b) not all research services may be used by FI after payment of commissions by clients. FI’s receipt of research services from brokers and dealers that effect transactions for FI’s client accounts does not reduce FI’s customary research activities. FI may pay commissions higher than those obtainable from other brokers for its soft dollar arrangements.

Order Aggregation

FI has adopted the following allocation policy and procedure for aggregating trade orders.

- Orders will not be aggregated unless aggregation is consistent with our best execution duty and the applicable advisory agreements.
- No advisory account will be consistently favored over any other account.
- Before entering an aggregated order, an electronic summary of the allocation shall be made in connection with that order.

FI’s IPC determines the securities to be purchased and sold in client accounts where FI acts with discretion and recommends the securities to be purchased or sold in each 401(k) Solutions Fund advised by FI. FI will aggregate all orders directed by the IPC by custodian and/or business segment (e.g., Institutional, including 401(k) Solutions, and Private Client Group) for trade routing.

- When transactions are aggregated into blocks:
 - The actual execution prices applicable to the aggregated transaction will be averaged, and each client account or fund participating in the aggregated transaction will be deemed to have purchased or sold its share of the security, instrument or obligation involved at that average price; and,
 - All transaction costs incurred in effecting the aggregated transaction shall be shared on a pro rata basis among all participating accounts, except to the extent certain broker-dealers that also furnish custody services may impose minimum transaction charges. Client direction and other restrictions may result in different costs for a particular account.
- When blocks are partially executed, trades are allocated on a pure prorated basis. Each account is allocated executed shares in direct proportion to its percentage of the overall block order to the nearest round lot (generally 100 shares). Aggregated orders receive one average price per broker. FI may, at its discretion, make small adjustments to accounts with relatively small share counts (generally <1,000 shares) to avoid excessive transaction costs.

- Orders will be allocated on a basis different from the above only if all clients receive fair treatment and the reason for the different allocation is approved by a member of the IPC member in writing. Common reasons for deviations include, but are not limited to, cash balance differences and relative position sizes.
- Client mandated orders are generally segregated from existing blocks and executed at the market. If it is deemed that executing the order at the market may have significant market impact, the order will be executed with discretion.
- Books and records will reflect separately the securities held, bought, and sold for each client account or fund. With respect to 401(k) Solutions, an independent third party is responsible for maintaining records relevant to each plan and plan participant.
- FI does not participate in initial public offerings and therefore has no allocation policy with respect to such offerings.
- No additional compensation or remuneration of any kind will be received by FI as a result of the procedure.

Trading Errors

Trading errors sometimes happen for various reasons that may or may not be FI's responsibility. FI handles trading errors according to its trade error policy and procedure, including the use of trade error accounts intended to absorb unfavorable consequences of trade errors (as well as favorable consequences when deemed not beneficial to a client account or a fund) to reduce the chance that a fund or an account would be affected. FI may aggregate the balances of its error accounts among various broker-dealer and bank custody accounts on a quarterly basis to determine whether to donate aggregate gains to charity or to contribute to one or more accounts for aggregate losses. In any event, each of the 401(k) Solutions Funds advised by FI will always be made whole and soft dollars will never be used to correct trade errors.

Review of Accounts

Periodic Reviews

Information about the holdings of each 401(k) Solutions Fund advised by FI, including quantities and values of securities held, the amounts of cash and cash equivalents, and account transaction activity is maintained in FI's portfolio management and accounting systems. This information is reconciled against statements or electronic files from appropriate custodial agents generally daily, but no less than monthly. Information about the plan and individual plan participants is provided and maintained by the third party administrator or record keeper.

Review Triggers

Each of the 401(k) Solutions Funds advised by FI is subject to periodic reviews depending on the criteria being evaluated. Most reviews utilize computer-generated exception reports from FI's portfolio management and accounting systems. Cash balance, position count, position size, asset allocation, country weight, and sector weight reports are among the measures periodically evaluated. Additionally, ad hoc reports supplement the review process. FI's Implementation Manager, under the supervision of the Group Vice President of Research, oversees the daily operations of the existing account review process.

The IPC consists of four members: the Chief Executive Officer, a Vice Chairman, an Executive Vice President, and a Senior Vice President. They collectively determine firm investment policy and are responsible for managing broad investment strategies. All are actively engaged in securities and capital markets research contributing to the review process.

Client Referrals and Other Compensation

Incoming Referrals

From time to time, FI has client referral relationships with outside vendors and/or independent, unaffiliated third-party custodians which provide services that may include custody of securities, trade execution, and clearance and settlement of transactions. Potential conflicts of interest may arise from these referral relationships, as FI may

receive certain economic benefits through its participation in these relationships. FI also has incentives for its sales personnel to solicit and refer clients. FI occasionally pays a referral fee to third party solicitors. No fee is paid unless a signed contract is executed and the prospective client signs a disclosure form that contains the details of the referral agreement. FI's participation in referral relationships does not reduce or eliminate FI's fiduciary duties to put the interests of its clients first and seek best execution in securities transactions on behalf of its clients.

Other Compensation

FI may have obligations under referral programs with custodians with respect to certain clients, including certain clients who become clients of FI as part of its merger and acquisition activities. Pursuant to such programs, FI is obligated to pay the custodian an ongoing fee, usually as a percentage of the fees billed to the account or a percentage of the assets in the account, with a one-time fee generally payable in the event the account is transferred away from such custodian. Since the one-time fee is generally higher than the ongoing fee, FI will have an incentive to maintain the account at the existing custodian.

Custody

Account Statements

FI is not a broker-dealer and does not take possession of plan assets. Assets of plans using the 401(k) Solutions platform are generally invested in the 401(k) Solutions Funds. 401(k) Solutions Fund assets are, in turn, housed in independent, third party firms, otherwise known as custodians. Plan sponsors and plan participants have access to their individual account statements through their plan's record keeper or third party administrator. Plans and plan participants should carefully review those statements.

Direct Debit of Fees

If authorized by a plan in its FRA, FI will have the ability to invoice the plan's record keeper for its fee, and the record keeper will be authorized to use plan assets to pay FI. FI has policies and procedures in place to ensure fees are calculated correctly and in accordance with clients' agreed upon rates. Refer to Fee Billing under Fees and Compensation on Page 5.

Investment Discretion

Discretionary Authority for Trading and Limited Power of Attorney

FI serves as the investment advisor to the 401(k) Solutions Funds that are part of the Trust. The Trustee nevertheless retains and will exercise complete, final and full authority and power to maintain the Trust and manage Trust assets at all times.

Voting Client Securities

Proxy Votes

The Trustee delegates proxy voting to FI, the investment advisor, for the securities held in the Trust. FI exercises this authority in accordance to its proxy voting policies and procedures. These policies and procedures set forth guidelines for voting (or abstaining from voting) many typical proxy proposals. FI regularly reviews these guidelines. In certain instances the IPC may determine it is in the best interests of a client account or a 401(k) Solutions Fund to vary from the guidelines or the proxy issue may require individual case-by-case consideration under the guidelines. Where a proxy proposal raises a material conflict of interest between the interests of FI and its clients or one of the 401(k) Solutions Funds, FI will vote in accordance with the guidelines where FI does not have discretion to vary from the guidelines. Alternatively, FI will obtain voting direction from an independent third party, disclose the conflict of interest and abstain from voting, or obtain consent prior to voting the securities. There may also be a variety of corporate actions or other matters for which shareholder action is required or solicited and with respect to which FI may take action that it deems appropriate in its best judgment except to

the extent otherwise required by agreement. These actions may include, for example and without limitation, tender offers or exchanges, and bankruptcy proceedings.

Financial Information

Financial Condition

FI does not require or solicit prepayment of fees. FI is currently not in, nor has been historically in, a financially precarious situation, or the subject to a bankruptcy petition.

Additional Information: Fair Valuation

For the 401(k) Solutions Funds that are part of the Trust, the Trustee is responsible for determining the fair value of securities and other assets for which market quotations are not readily available. The Trustee will make its determinations according to the valuation standards that the Trustee, in good faith, deems applicable under the circumstances. For other funds, custodians may have alternative valuation procedures that will apply to accounts or funds managed by FI.