

ADV PART 2A
ADVISER DISCLOSURE BROCHURE

FIL Investment Advisors (UK) Ltd.

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This brochure provides information about the qualifications and business practices of FIL Investment Advisors (UK) Limited ("**FIA UK**"). Throughout this brochure and related materials, FIA UK may refer to itself as a "registered investment adviser" or as "being registered". These statements do not in any way imply a certain level of skill or training. If you have any questions about the contents of this brochure, please contact us at 441- 295-0665. 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.

Additional information about FIA UK is also available on the SEC's website at www.adviserinfo.sec.gov.

This brochure is not an offer to subscribe for or purchase securities of any investment funds.

MATERIAL CHANGES

This section discusses only material changes which have been made since the last annual update of our brochure. Below is a summary of the material changes.

FMR and affiliates no longer provide certain research services to FIA UK. FMR and affiliates also no longer facilitate the execution of securities transactions in United States markets for FIA UK or its clients.

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ADVISORY BUSINESS

FIL Investment Advisors (UK) Limited, a UK company formed in 1984, has been in the business of providing investment advisory and sub-advisory services for over 25 years. FIA UK has been registered with the SEC as an investment adviser under the U.S. Investment Advisers Act of 1940 ("**Advisers Act**") since 1985 and is authorized by the UK Financial Conduct Authority to provide investment advisory and asset management services. FIA UK is a wholly owned subsidiary of FIL Holdings (UK) Limited ("**FHL**"), a holding company for UK regulated companies, which in turn is a wholly owned subsidiary of FIL Limited ("**FIL**"), the holding company for the FIL Group.

On a sub-advisory basis through a delegation from its affiliate, FIL Investment Advisors, a Bermuda company ("**FIA**"), FIA UK provides discretionary investment advisory services to institutional accounts, including U.S. investment companies (also referred to as "**mutual funds**") registered under the U.S. Investment Company Act of 1940 (the "**1940 Act**"). Primarily, Fidelity Management & Research Company or FMR Co., Inc. ("**FMR**"), Boston, Massachusetts, is the principal investment adviser of FIA UK's mutual fund clients.

FIA UK or its affiliates generally have authority to determine which securities to purchase or sell, and the total amount of such purchases and sales. FIA UK's affiliate, FIL Investments International ("**FII**") determines the brokers or dealers through which transactions decided upon by FIA UK are effected. However, with respect to each discretionary account, FIA UK's and its affiliates' authority is subject to certain limits, including the applicable investment objectives, policies and restrictions. These limitations may be based on a variety of factors, such as regulatory constraints, as well as policies imposed by a client or its governing body (e.g., Board of Trustees) and may cause differences in allocations on investment opportunities, executing brokers or dealers and/or commission rates paid. (See Brokerage Practices below)

As of 30th June 2015, FIA UK's assets under management were USD \$6,055,856,000. All assets are managed on a discretionary basis.

Other Activities of Certain FIA UK Portfolio Managers, Analysts and Employees

From time to time, non-clients (for example, public media commentators, conference attendees, consultants) may ask FIA UK portfolio managers, analysts or other employees of FIA UK or its affiliates to express their personal views regarding a particular company, security, industry or market sector. The views expressed by any such person are the views of only that individual and do not necessarily represent the views of FIA UK or its affiliates or any other person in the FIL organization. Any such views are subject to change at any time based upon market or other conditions and FIA UK disclaims any responsibility to update such views. These views are not being offered as investment advice and may not be relied on as such. Furthermore, because any investment decision for an account managed by FIA UK or any of its affiliates may be based on potentially numerous factors, such views should not be construed or relied upon as an indication of trading intent on behalf of a FIA UK account.

FEES AND COMPENSATION

As FIA UK only will provide this brochure to qualified purchasers as defined in the 1940 Act, it is not disclosing its fee schedule.

FIA UK's fees for its discretionary investment advisory services to U.S. clients are negotiable and are either based upon a percentage of the assets under management as to which FIA UK provides such services or a portion of the revenues received by the primary adviser in respect of the assets as to which FIA UK provides such services. Fees are payable in arrears on a periodic basis as may be agreed upon between FIA UK and the client or primary adviser (as applicable) from time to time. Clients do not prepay fees. No other fees are payable by the clients.

In addition to the foregoing, clients for which FIA UK acts as sub-adviser will pay the costs, expenses and liabilities associated with their organization and operations, including, without limitation, brokerage fees (see Brokerage Practices below) incurred in connection with portfolio transactions.

FIA UK's supervised persons do not accept compensation for the sale of securities or other investment products.

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

FIA UK does not charge performance-based fees with respect to any of its U.S. clients.

The management of multiple funds and accounts (including proprietary accounts of FIA UK or one or more affiliates of FIA UK) may give rise to potential conflicts of interest if the funds and accounts have different objectives, benchmarks, time horizons, and fees as a portfolio manager must allocate his time and investment ideas across multiple funds and accounts. FIA UK has adopted policies and procedures and maintains a compliance program designed to help manage such potential conflicts. There can be no assurance, however, that all conflicts have been addressed in all situations.

TYPES OF CLIENTS

FIA UK's clients generally are institutional accounts, mutual funds and other pooled investment vehicles. FIA UK only provides advisory services to U.S. clients on a sub-advisory basis, through a direct delegation from FIA and indirect delegations from FMR or other U.S. advisers.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

FIA UK utilizes a variety of methods of security analysis, including fundamental analysis, quantitative analysis, technical analysis, and cyclical analysis in managing client assets. FIA UK may also use general macro-economic analysis as a component of its security analysis methods. Investing in securities involves risk of loss that clients should be prepared to bear.

FIA UK uses a wide variety of investment strategies in managing client assets, including, but not limited to, investing in stocks and other equity securities, investing in stocks with “growth” or “value” characteristics, investing in U.S. and foreign issuers, including issuers in “emerging” or “frontier” markets, investing in companies with small, medium and large market capitalizations, investing in bonds and other debt securities of all types and repurchase agreements for those securities, investing in compliance with industry-standard regulatory requirements for money market funds for the quality, maturity, and diversification of investments, investing in real estate related investments of all types, allocating investments across different asset classes, market sectors, maturities, and countries and regions, investing in securities of companies engaged in particular industries or market sectors, short sales, margin transactions, and option writing, including covered options, uncovered options or spreading strategies; and providing advice on leveraged loans, non-U.S. governmental debt securities and derivatives. FIA UK may also invest in future contracts and engage in swap transactions, including interest rate, total return and credit default swaps.

Margin may be required in connection with certain client futures and options transactions or in connection with short sales. FIA UK does not engage in the purchase of securities on margin, except in connection with clearance and settlement of securities and permitted derivatives transactions.

FIA UK is allowed to engage in securities lending to parties such as broker-dealers or other institutions, although it currently does not do so.

The strategies used by FIA UK all pose risks, and many factors affect each fund's or account's performance. Strategies that pursue investments in equities will be subject to stock market volatility, and strategies that pursue fixed-income investments (such as bond, money market, or municipal funds) will see values fluctuate in response to changes in interest rates. All strategies are ultimately affected by impacts to the individual issuers, such as changes in an issuer's credit quality, or changes in tax, regulatory, market or economic developments.

Non-diversified funds and accounts that invest in a smaller number of individual issuers can be more sensitive to these changes. Nearly all funds or accounts are subject to volatility in foreign markets, either through direct exposure or indirect effects in domestic markets from events abroad. Those funds and accounts that are exposed to emerging markets are potentially subjected to heightened volatility from greater social, economic, regulatory, and political uncertainties, as the extent of economic development, political stability, market depth, infrastructure, capitalization, and regulatory oversight can be less than in more developed markets.

Additionally, funds or accounts that pursue debt investments are subject to risks of prepayment or default, and funds or accounts that pursue strategies that concentrate in particular industries or are otherwise subject to particular segments of the market (e.g., money market funds' exposure to the financial services industry, or international or emerging markets funds' exposure to a particular country or region) may be significantly impacted by events affecting those industries or markets.

Strategies that lead funds or accounts to invest in other funds bear all the risks inherent in the underlying funds in which those funds invest, and strategies that pursue leverage risk, including investment in derivatives -- such as swaps (interest rate, total return and credit default) and futures contracts and forward settling securities magnify market exposure and losses.

Investors in fund clients should note that the foregoing does not summarize all of the risks that may apply to an investment in the fund. For additional information regarding such risks, investors should carefully read the fund's prospectus or offering document. This brochure is not intended as an offer to subscribe for or purchase securities of any fund.

FIA UK's primary strategy does not involve frequent trading of securities.

DISCIPLINARY INFORMATION

There is no disciplinary information that in FIA UK's opinion is required to be disclosed in this brochure.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Broker-Dealers

FIA UK does not have any relationships with affiliated U.S. broker-dealers in connection with the sub-advisory services it provides to U.S. clients. Information regarding any relationships FMR may have with related broker-dealers is set forth in their respective brochures.

Futures Commission Merchant

Neither FIA UK nor any of its management persons are registered or have an application pending to register as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

Investment Companies

FIA UK provides sub-advisory services for a number of U.S. mutual funds advised by FMR. FIA UK does not consider FMR to be a related person.

Other Investment Advisers

FIL Investment Advisers ("FIA"), a Bermuda company located at Pembroke Hall, 42 Crow Lane, Pembroke, Bermuda HM19, is a registered investment adviser under the Advisers Act. FIA provides investment advisory services to U.S. mutual funds and other institutional clients. FIA sub-delegates certain investment advisory responsibilities to FIA UK with respect to its U.S. clients.

FIL Investments International ("FII"), 130 Tonbridge Road, Hildenborough, Kent, TN11 9DZ, United Kingdom, is a UK company registered with the UK Financial Conduct Authority ("FCA"). FII provides investment advisory services to European investment funds and other clients and operates a trading desk to manage client orders. FIA UK uses investment research generated by FII and its employees and may use FII's trading desk to manage orders in European

securities. FII is a Participating Affiliate of FIA UK. FII may also provide certain affiliates of FIA UK with the same research it provides to FIA for its US clients.

FIL Investment Services (UK) Limited ("FISL"), a UK company located at 130 Tonbridge Road, Hildenborough, Kent, TN11 9DZ, United Kingdom, is registered with the UK FCA and is an indirect subsidiary of FIL. FISL provides investment advisory services to UK investment funds. FIA UK uses investment services generated by FISL. FISL is a Participating Affiliate of FIA UK. FISL may also provide certain affiliates of FIA UK with the same research it provides to FIA UK for its US clients.

FIL Pensions Management ("FPM"), a UK company located at 130 Tonbridge Road, Hildenborough, Kent, TN11 9DZ, United Kingdom, is registered with the UK FCA. FPM provides investment advisory services to pension and retirement plans and other institutional investors. FPM provides FIA with investment research and client support services. FPM is a Participating Affiliate of FIA UK. FPM may also provide certain affiliates of FIA UK with the same research it provides to FIA UK for its US clients.

FII, FISL and FPM (the "**Participating Affiliates**") are not registered as investment advisers under the Advisers Act and are "participating affiliates" (as this term has been used by the SEC's Division of Investment Management in various no action letters granting relief from the Investment Advisers Act's registration requirement for certain affiliates of registered investment advisers) of FIA UK. FIA UK deems the Participating Affiliates and certain employees of the Participating Affiliates ("participating affiliate employees") as "associated persons" within the meaning of Section 202(a)(17) of the Advisers Act because the participating affiliate employees, and the Participating Affiliates through such employees, may have access to information concerning which securities are being recommended to FIA UK's U.S. clients prior to the effective dissemination of such recommendations. As participating affiliates of FIA UK, each of the Participating Affiliates has agreed to submit to the jurisdiction of the United States courts for actions arising under U.S. securities laws in connection with investment advisory activities conducted for FIA UK's U.S. clients.

Fidelity Management & Research Company and its wholly owned subsidiary FMR Co., Inc. ("**FMR**"), located at 82 Devonshire Street, Boston, Massachusetts 02109, USA, are subsidiaries of FMR LLC and registered investment advisers under the Advisers Act. FIA UK does not consider FMR to be a related person.

Pyramis Global Advisers LLC ("PGALLC"), located at 82 Devonshire Street, Boston, Massachusetts 02109, USA is a subsidiary of FMR LLC and a registered investment adviser under the Advisers Act. FIA UK does not consider PGALLC to be a related person.

Pyramis Global Advisers Trust Company ("PGATC"), located at 900 Salem Street, OT3N1, Smithfield, Rhode Island 02917, USA, is a limited purpose trust company organized under the laws of the state of New Hampshire. FIA UK does not consider PGATC to be a related person.

FIA UK does not receive compensation directly or indirectly from those the advisers above that creates a material conflict of interest. Business practices, particularly allocation of investment opportunities among clients and allocations of trades, that may create a material conflict of interest are discussed elsewhere in this document.

CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

FIA UK operates under a Code of Conduct (the “**Code**”) which serves as an overarching Group Policy that highlights FIL’s expectations with regard to ethical behavior and conduct. The Code encompasses various policies including the Personal Trading and Price Sensitive Information Policy (“the **Policy**”) and the Gifts and Entertainment Policy. FIA UK will provide a summary of its Code to any client or prospective client upon request.

The Policy complies with Rule 17j-1 under the Investment Company Act of 1940 and Rule 204A-1 under the Advisers Act which has been adopted and approved by the FIL Board of Directors. The Policy applies to all officers, directors and employees of FIA UK and the Participating Affiliates and requires that they place the interests of FIA UK’s clients above their own. The Policy establishes securities transaction requirements for all employees and their connected persons.

FIA UK may purchase or sell securities for the accounts of clients in which FIA UK’s or its affiliates’ in-house accounts (including institutional accounts), affiliates, directors, officers or employees have a position. This situation results, in part, from the breadth of securities that may be purchased by FIA UK’s varied clients and from the fact that personnel of FIA UK are permitted to invest in securities for their personal accounts. The potential conflicts of interest involved in such transactions are managed by the provisions outlined in the Policy.

The Policy requires brokerage trades to be placed through a broker who has agreed, in writing, to supply FIL with duplicate contract notes and statements, and that Fund-Access employees pre-clear personal securities transactions in specified securities, including any private offerings and any permitted initial public offering, and file quarterly transaction reports. In addition, the Policy prohibits: most purchases of securities in initial public offerings; purchases or sales by portfolio managers of securities which are traded in the funds they manage within seven days of trading the same security for their fund, short-term trading for Fund-Access persons (i.e. trading in and out of a security within 90 days) and short selling in most security types. Violation of the Policy’s provisions may result in the imposition of disciplinary action.

Administration of the Policy depends largely on what category an employee falls in; Non-Access or Fund-Access. Non-Access refers to employees who are not involved with the management, operations or oversight of FIL funds or other advised clients. Fund-Access refers to employees who, because of their roles or the information they have access to, are subject to additional requirements to those applicable to Non-Access employees.

Gifts and Entertainment

The Gifts and Entertainment Policy sets out general requirements for participating in business entertainment and giving and receiving gifts. This policy also includes requirements for giving gifts to or undertaking business entertainment with Government Employees.

Outside Directorships

FIA UK employees must receive prior approval from their manager and the Ethics office to serve as a director or trustee of a publicly traded company or non-FIL private company that has or may issue shares.

Other Conflicts of Interests

Conflicts of interest may arise if FIA UK's client orders are not fully executed when aggregated with those of other accounts managed by FIA UK or its affiliates. FIA UK has adopted policies and procedures (for example, trade allocation procedures) and maintains a compliance program designed to help manage these actual and potential conflicts. There can be no assurance, however, that all conflicts have been addressed in all situations.

FIA UK may undertake cross trades involving advisory accounts in which a security is sold from one account advised by FIA UK and bought for another such advised account through a broker-dealer. FIA UK will undertake such cross trades when FIA UK believes it is in the best interests of all clients involved. Trades will be completed at the market price at the time and date of the transfer.

FIA UK does not buy securities for itself from advisory clients or sell securities it owns to advisory clients. FIA UK may periodically recommend securities to clients that are also recommended by one or more of its affiliated persons to their clients. FIA UK may also purchase or sell securities for the accounts of its clients in which FIA UK or a related person may have a position of financial or other interests and may buy or sell for itself securities that it also recommends to its clients. FIA UK does not have discretion over the investments made by its affiliates and is legally separate from these entities.

Trading in personal accounts, which may give rise to potential conflicts of interest, is restricted by the Policy.

BROKERAGE PRACTICES

Selection of Brokers and Dealers to Effect Client Transactions

FIA UK or its affiliates generally have authority to select broker-dealers with which to place clients' portfolio transactions and has retained FII to make these selections. FII may be responsible for the placement of portfolio transactions for certain client accounts for which an affiliate or related person of FIA UK has investment discretion. In selecting a broker or dealer for a specific transaction, FII evaluates a variety of criteria and uses good faith judgment to obtain execution of portfolio transactions at prices that are reasonable in relation to the benefits received.

When executing client orders, FII takes all reasonable steps to achieve the "best possible result" for those orders. To achieve this outcome FII has in place policies and supporting procedures which are designed to help FII obtain the best result. This is done taking into account the nature of the order, the priorities associated with the order and the nature and conditions of

the market in question. FII aims to achieve the most favorable balance across a range of sometimes conflicting factors.

In selecting the most appropriate venue or approved counterparty FII takes into account the factors relevant to the order and what it reasonably assesses to be the client's best interests in terms of the order. FII considers a range of quantitative and qualitative factors, including, but not limited to, the following: price, transaction costs (including fees, taxes, etc.), speed and certainty of execution, availability of liquidity – market depth, ease of connectivity, size and nature of the transaction, nature and characteristics of the other venues in which the security may be traded, nature of post-trade settlement, and custody and foreign exchange structures. FII also considers other factors such as the ability of the venue or counterparty to manage complex orders, the speed of execution, creditworthiness and the quality of any related clearing and settlement facilities.

The diversity of markets, instruments and the kind of orders placed mean that relevant factors will be assessed differently depending upon the circumstances of execution. For example, in some markets price volatility may mean that the timeliness of execution is a priority, whereas, in other markets with low liquidity, the ability to fulfill the order at all will gain importance. In other cases, FII's choice of venue or approved counterparty may be limited (even to the extent that there may only be one venue or approved counterparty where FII can execute an order).

The trading desks through which FIA UK may execute trades are instructed to execute portfolio transactions on behalf of clients based on the quality of execution without any consideration of Research Services (as defined below) the broker or dealer may provide. The administration of Research Services is managed separately from the trading desks, which means that traders have no responsibility for administering commission sharing activities.

In seeking quality execution, FIA UK or its affiliates may select a broker using a trading method for which the broker may charge a higher commission than its lowest available commission rate. FIA UK or its affiliates also may select a broker that charges more than the lowest available commission rate available from another broker. FIA UK or its affiliates may execute an entire transaction with a broker and allocate all or a portion of the transaction and/or related commissions to a second broker where a client does not permit trading with an affiliate of FIA UK or in other limited situations. In those situations, the commission rate paid to the second broker generally is the same as the commission rate paid to the executing broker.

If FIA UK grants investment management authority to a sub-adviser, that sub-adviser will be authorized to place orders for the purchase and sale of portfolio securities, and generally will do so in accordance with the policies described above.

Investment Research Products and Brokerage Services Furnished by Brokers and Dealers

FIA UK or its affiliates may execute portfolio transactions with broker-dealers that provide products and services that assist companies within FIL Limited (which include FIA UK and the Participating Affiliates) in fulfilling their investment management responsibilities ("**Research Services**") in accordance with applicable law. Research Services may include: economic, industry, company, municipal, sovereign (U.S. and non-U.S.), legal and political research reports or investment recommendations. In addition to receiving these Research Services via written

reports and computer-delivered services, they may also be provided by telephone and in personal meetings with securities analysts, corporate and industry spokespersons, economists, academicians and government representatives and others with relevant professional expertise.

To the extent permitted by applicable law, broker-dealers who execute client transactions may receive compensation, in recognition of their Research Services, which are in excess of the amount of compensation that other broker-dealers might have charged. In order to cause the client to pay such higher compensation, FIA UK or its affiliates will make a good faith determination that the compensation is reasonable in relation to the value of the Research Services provided, viewed in terms of the particular client transaction for the client or FIA UK's or its affiliates' overall responsibilities to that client or their other clients. Typically, these Research Services assist FIA UK or its affiliates in terms of their overall investment responsibilities to their clients or FIA UK's or its affiliates' clients, however, each product or service received may not benefit all clients.

FIA UK has enacted controls to manage the conflicts arising from situations where FIA UK may receive a benefit as a result of its use of Research Services. For example, FIA UK may receive a benefit when it uses these additional Research Services to obtain research because FIA UK does not have to produce or pay for the Research Services. FIA UK also may have an incentive to select or recommend a broker-dealer based on FIA UK's interest in receiving research and clients may pay commissions higher than those charged by other broker-dealers in return for soft dollar benefits. FIA UK's or its affiliates' expenses could increase if they attempted to generate these additional Research Services through their own efforts or if they paid for these Research Services with their own resources.

To minimize the potential for conflicts of interest above, the trading desks through which FIA UK or its affiliates may execute trades are instructed to execute portfolio transactions on behalf of clients based on the quality of execution without any consideration of Research Services the broker or dealer may provide. Currently it is industry standard for brokers to bundle execution and research services in their commission rates. In order to "unbundle" this, FIL evaluates the majority of external research services received - whether from trading counterparts or independent research providers - by using an internal voting process. FIL then compares the overall commission payment to a core broker with the value attributed to research paid out of commission, plus the value of execution provided. Any surplus identified is rebated into its client's account. This unbundling of commissions results in brokers being appropriately rewarded for their research product as well as receiving compensation for the various execution platforms available with a broker.

The administration of Research Services is managed separately from the trading desks, which means that traders have no responsibility for administering commission sharing activities. Furthermore, certain of the Research Services FIA UK receives are furnished by broker-dealers on their own initiative, either in connection with a particular transaction or as part of their overall services. In addition, FIA UK may request a broker-dealer to provide a specific proprietary third-party product or service, certain of which third-party services may be provided by a broker-dealer that is not a party to a particular transaction and is not connected with the transacting broker-dealer's overall services.

While FIA UK takes into account the Research Services provided in determining whether compensation is reasonable, neither FIA UK nor its respective clients incur an obligation to the broker-dealer or third-party to pay for all or a portion of such Research Services by generating a certain amount of compensation through trading activity or otherwise.

FIA UK may execute an entire transaction with one broker-dealer and allocate all or a portion of the transaction and/or related commissions to another broker-dealer in connection with the provision of Research Services. In addition, FIA UK may receive Research Services from broker-dealers in connection with related commissions from securities purchased in new issues and secondary offerings of stock.

Research Services have been helpful to FIA UK in serving its clients. Research information must be reviewed, and the receipt of this information has not reduced FIA UK's normal research activities in providing investment advice to its clients.

Other Considerations and Brokerage Arrangements

Commission Recapture

FIA UK or its affiliates may allocate brokerage transactions to brokers (who are not affiliates of FIA UK) who have entered into arrangements with FIA UK or its affiliates under which the broker, using a predetermined methodology, rebates a portion of the commission paid by a client account or its affiliates. Not all brokers with whom the client account trades have agreed to participate in brokerage commission recapture. FIA UK or its affiliates expect that brokers from whom FIA UK or its affiliates purchase research products and services with hard dollars are unlikely to participate in commission recapture.

FIA UK or its affiliates recommend that clients do not request them to direct client portfolio transactions to specific broker-dealers. Clients may nonetheless make such requests, subject to best execution and provided that the broker-dealer is an approved counterparty of FII.

Transactions Among Clients

FIA UK may execute transactions between mutual funds and other accounts it manages, as well as with certain other clients managed by its affiliates and by FMR or its affiliates. These transactions will be executed in accordance with applicable rules under the Investment Company Act and any procedures adopted by the client's Board of Trustees or Directors (as applicable).

Trade Allocation Policies

Bunched Trades

It is FIA UK's and its affiliates practice, when feasible, to combine, or "bunch," orders of various accounts, including those of its clients, its affiliates' clients, clients of FIA UK, and proprietary accounts, for order entry and execution. Bunched orders may be executed through one or more brokers. The allotment of trades among brokers is based on a variety of factors, which may include price, order size, the time of order, the security and market activity. A bunched trade executed with a particular broker is generally allocated pro-rata among the accounts that

are participating in the bunched trade until any account has been filled, after which the trade is allocated pro-rata among the remaining accounts. Each broker's execution of a bunched order may be at a price different than another broker's bunched order execution price for the same security.

Allocation of Trades

FIA UK has established fixed income and equity allocation policies to ensure allocations are appropriate given the clients' differing investment objectives and other considerations. These policies also apply to initial public and secondary offerings.

For fixed income and equity, when, in FIA UK's or its affiliates' opinion, the supply/demand is insufficient under the circumstances to satisfy all outstanding trade orders, the amount executed generally is distributed among participating accounts based on order size.

For both fixed income and equity, trades are executed by traders based on orders or indications of interest for clients, which are established prior to or at the time of a transaction. The trading systems contain rules that allocate trades on an automated basis, in accordance with these policies. Generally, any exceptions to FIA UK's policies (i.e. special allocations) must be approved by senior trading and compliance personnel and documented.

FIA UK's trade allocation policies identify circumstances under which it is appropriate to deviate from the general allocation criteria and describe the alternative procedures. The trade allocation policies generally provide for minimum allocations for securities in offerings and secondary market trades. In addition, if a standard allocation would result in an account receiving a very small allocation (e.g. because of its small asset size), the account may receive an increased allocation to achieve a more meaningful allocation, or the account may receive no allocation. FIA UK's policies also provide for the execution of short sales, provided that consideration is given to whether the short sale might have a material effect on other active orders on the trading desk.

REVIEW OF ACCOUNTS

The responsible portfolio manager generally reviews accounts on a continuous basis. Each portfolio manager reviews that portion of the accounts for which he or she has responsibility. Assignments are made based on a number of factors, including the experience and seniority of the portfolio managers and the similarities among the investment accounts assigned to a manager. Portfolio managers are typically responsible for two or more accounts and generally the accounts have similar investment objectives. Portfolio Managers draw on the research and trading staff of the Participating Affiliates for support.

The Chief Investment Officer conducts regular reviews of FIA UK's accounts. In addition, FIL's compliance department and in the case of FMR accounts sub-advised by FIA UK, the FMR compliance department, reviews the portfolios managed by FIA UK to ensure compliance with applicable investment guidelines and limitations on a daily basis.

The nature and frequency of reports to clients depends upon the type of account and client. FIA UK will provide data to its mutual fund clients as requested by such clients and required by

the 1940 Act. Reports to non-mutual fund clients may be prepared as requested by the clients. Generally, FIA UK reports data in its capacity as sub-adviser.

CLIENT REFERRALS AND OTHER COMPENSATION

FIA UK does not have client referral arrangements.

CUSTODY

FIA UK does not hold custody of client funds.

INVESTMENT DISCRETION

FIA UK's discretionary authority to manage accounts on behalf of its sub-advisory clients and any limitations that may be imposed on such authority is described in the "Advisory Business" section of this brochure. FIA UK typically assumes this authority through signing a sub-advisory agreement with FIA.

VOTING CLIENT SECURITIES

FIA UK has adopted and implemented Proxy Voting policies and procedures that are designed to reasonably ensure that proxies are voted in the best interest of its clients, in accordance with its fiduciary duties and Rule 206(4)-6 under the Advisers Act.

FIA UK maintains a permanent in-house team of governance specialists who work closely with the investment team and who are responsible for conducting its voting activities. Information is derived from a variety of sources including proxy voting advisory services but all eventual voting decisions are always made in accordance with FIA UK's policies and voting guidelines after consultation with the relevant fund managers where appropriate. FIA UK's approach and policy with regard to the exercise of voting rights are in accordance with all applicable laws and regulations as well as being consistent with the respective investment objectives of the various portfolios. Voting instructions are generally processed electronically via a proxy voting agent.

FIA UK will vote all equity securities where there is a regulatory obligation for it to do so or where the expected benefit of voting outweighs the expected costs. Some markets are still subject to share blocking where if shares are voted they are blocked from trading for a period of time before a general meeting but FIA UK will still seek to vote at least 50% of its shareholding in these markets provided the investment exceeds its minimum size criteria. FIA UK will also take account of the particular circumstances of the investee company concerned and of prevailing local market best practices.

FIA UK recognizes that under certain circumstances it may have a material conflict of interest in voting proxies on behalf of clients. In instances where a fund holds an investment in more than one party to a transaction FIA UK will always act in the interests of the specific fund in question and in instances where there is a conflict with FIA UK's own interests, it will either vote in

accordance with the recommendation of FIA UK's principal third party research provider or if no recommendation is available it will either abstain or not vote.

FIA UK encourages boards to consult with investors in advance rather than risk putting forward resolutions at general meetings which may be voted down. Subject to the size of its investment, where FIA UK's views differ from those of the board it will seek to engage with the board at an early stage to try and resolve differences. Where this is not successful and FIA UK decides to abstain or vote against a company, for all of its larger holdings FIA UK will generally ensure that management understands the reason for its opposition. FIA UK tends to abstain only when it has insufficient information or where it wishes to give a cautionary message to a company. FIA UK's guiding principle is that voting rights should always be exercised in the best interest of investors.

It is not FIA UK's usual policy to attend general meetings but if circumstances warrant it will on occasion vote in person and may additionally make a statement explaining its position.

FINANCIAL INFORMATION

FIA UK is not aware of any financial condition that is reasonably likely to impair its ability to meet contractual obligations.

REQUIREMENTS FOR STATE-REGISTERED ADVISERS

FIA UK is not registered with any state securities authority.