



Item 1. Cover Page

ADV Part 2A Brochure:

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This brochure provides information about the qualifications and business practices of Highclere International Investors LLP (“Highclere”). Questions about the contents of this brochure should be directed to Fergus Gilmour, Chief Operating Officer at fgilmour@highclereinvestors.com.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”), any other state or federal regulatory authority, any foreign regulatory authority or any self-regulatory body.

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

Highclere has not authorized any third party to provide information in connection with its investment program or investment operations.

Highclere is a registered investment adviser. Please note that being a registered investment adviser does not imply, in any way, a certain level of skill or training.

June 30th, 2017

Item 2. Material Changes

Highclere carried out the annual update of Form ADV and the brochure in June 2017. The following material changes have been incorporated since the last annual update:

November 2016: Updated for staff changes

February 2017: Update to the Brokerage Practices section and added more detail on the fund valuation procedures within the Custody section

Copies of the historic ADV Part 2 documents prepared by Highclere or its predecessor entity (HII Limited) are available upon request.

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Item 4. Advisory Business

History

Highclere is a private investment management company established in May 2006 by Ed Makin and team in order to specialize in international small and mid-cap investment primarily on behalf of investors based in the United States.

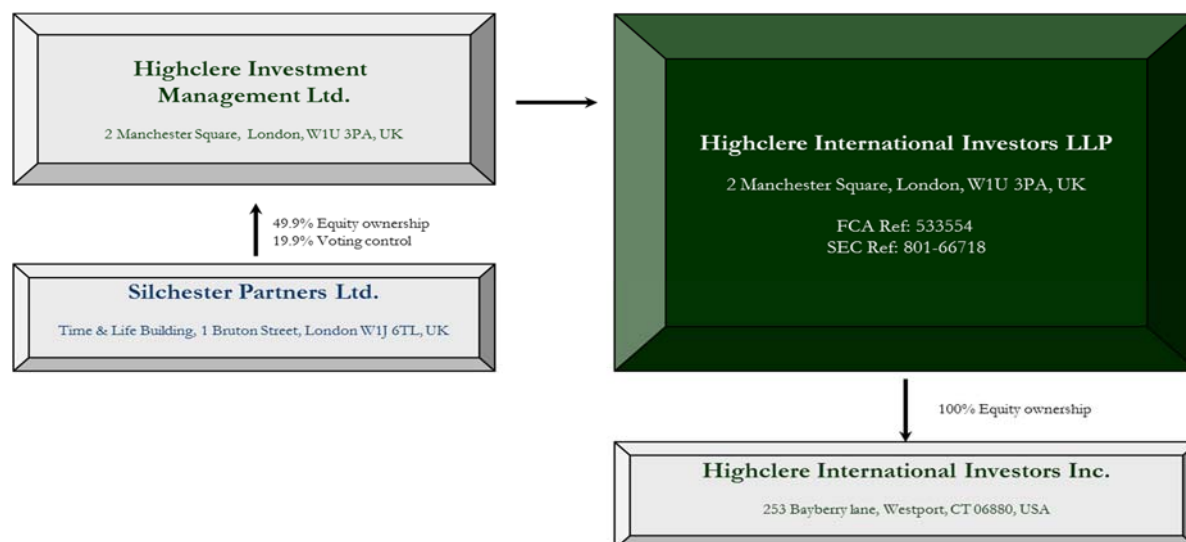
Highclere was registered by the FSA (now FCA) on May 3, 2006, and by the SEC on June 7, 2006.

Structure

All Fund Management and Operations are conducted by Highclere International Investors LLP, a private Limited Liability Partnership (“Highclere”). All Marketing and Client Servicing is directed by Highclere International Investors, Inc. a wholly-owned US subsidiary.

Highclere is a UK limited liability partnership. As of March 31st, 2017, Highclere had seven (7) partners and fourteen (14) employees. Highclere Investment Management Limited (“HIM Ltd”) owns a majority (>90%) of Highclere’s capital. The remaining capital has been contributed by the working partners.

A structure chart highlighting Highclere’s organisation structure and material direct and indirect owners follows.



Types of Services Offered

Highclere provides discretionary investment management services to its Clients. Highclere has a single primary investment focus: international (ex-US) small and mid-cap equity. Highclere currently offers small and mid-cap exposure through three long-only commingled funds. Highclere no longer accepts separate accounts.

The Firm runs three closely related investment programs. The International Smaller Companies program launched in June 2006. It has a microcap tilt and is focused on the most inefficient priced end of the universe.

The Highclere International Investors SMID program launched in July 2008. It has a very high quality bias and is a more concentrated portfolio of ideas that, for the most part, have grown out of our smaller companies research.

The Highclere International Investors Emerging Markets SMID program was launched in December 2013. Again, this strategy retains our quality bias and is a more concentrated portfolio of emerging market SMID names.

Highclere does not customise or modify its investment programme based on individual investor needs. Unitholders in either of the commingled funds are not permitted to impose restrictions on investing in certain securities or types of securities.

Highclere does not participate in wrap fee programs.

Discretionary assets under management were \$5.31bn as at March 31st, 2017.

Item 5. Fees and Compensation

Highclere operates three commingled funds for US investors:

1. The Highclere International Investors Smaller Companies Fund (“HII SCF”)
2. The Highclere International Investors SMID Fund (“HII SMID”)
3. The Highclere International Investors Emerging Markets SMID Fund (“HII EM SMID”)

	HII SCF	HII SMID	HII EM SMID
	% Per Annum	% Per Annum	% Per Annum
First \$25m	1.25	1.00	1.25
Next \$25m	1.10	0.90	1.15
Thereafter	1.00	0.80	1.05

Fees are paid by each Unitholder invested in the Funds based upon the market value of the Units held by the Unitholder rather than the value of the Fund itself. Fees are not negotiable. Some seed investors received a discount at inception. Fees are normally payable monthly in arrears and are normally paid via the redemption of part of the Units held by each Unitholder in a Fund on a monthly basis. The management fee is paid whether or not the Fund is profitable in a given month. If an investment in the Fund is held for less than a month, the Custodial Trustee will pro rate the management fee to reflect the number of days in the month the investment was actually held. Unitholders will incur brokerage and other transaction costs as described in Item 12, ‘**Brokerage Practices**’.

Highclere no longer accepts separate accounts, with the exception of temporary accounts used to facilitate investment into or withdrawals out of its Funds.

The Funds pay their own direct trading expenses, clearing fees, and other exchange fees and charges. Direct trading expenses include brokerage commissions, market spreads, registration and transfer fees, regulatory and governmental charges and duties, and other fees and expenses relating to investments. The Funds are obligated to pay all income and other taxes related to their underlying investments. In addition, the Funds may be required to reimburse Highclere or the third-party service providers to the Funds for legal expenses

incurred that Highclere deems to be necessary to protect the Unitholders (e.g., extraordinary legal expenses such as those incurred in connection with litigation to protect or promote the investment rights or obligations of the Funds (as applicable) and legal or accounting expenses incurred in connection with reclaiming foreign withholding taxes).

Highclere pays all routine legal, audit and accounting fees related to the Funds as well as annual audit fees and tax return expenses (if any). Highclere pays any fees payable to the Custodians, Trustees, Fund Administrators, Managers, Managing Members, Auditors, Tax Advisors and other similar service providers of the Funds. The Funds are not required to reimburse Highclere in the event that the investment management fees are insufficient to cover the expenses borne by Highclere.

Investors invested in temporary separate accounts or transition accounts pay their own direct trading expenses, clearing fees, and other exchange fees and charges. Direct trading expenses include brokerage commissions, market spreads, registration and transfer fees, regulatory and governmental charges and duties, and other fees and expenses relating to investments.

Item 6. Performance-Based Fees and Side by Side Management

Highclere does not charge performance-based fees to any of the Funds or to any Unitholders.

Item 7. Types of Clients

Each Fund, and not the underlying Unitholders in each Fund, is considered a Client pursuant to Rule 203(b)(3)-1 of the Investment Advisers Act of 1940. Highclere makes investments on behalf of the Funds for the benefit of the underlying Unitholders in each respective Fund. Units are sold only to Unitholders that qualify as “**accredited investors**” and “**qualified purchasers**” under applicable securities laws.

The minimum initial subscription for Units in each of the Funds is US\$2m.

Highclere will often use temporary security accounts and transition accounts to facilitate investment into or withdrawals out of its Funds. The term “client” refers to each Fund and to any investor using a temporary security account.

Sideletter Agreements

It is Highclere’s policy not to agree to any sideletter or other similar agreements that grant any Unitholder or group of Unitholders preferential rights with respect to management fees, the payment or timing of redemptions, indemnification by Highclere, the law governing Highclere’s and each Unitholder’s responsibilities under the governing documents for the Funds, or access to Fund level data. Our sideletter agreements tend to deal with operational matters. As a matter of policy, we do not offer investors preferential rights to data, redemption rights, or reductions in investment management fees. It is Highclere’s intention and expectation, that we will incorporate side letter terms within the offering documents at the earliest opportunity. We will provide a copy of a Fund’s sideletter summary to any current or prospective investor upon request and will discuss the contents of any sideletters with any current or prospective investor.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

Investment Strategy and Analysis – International Equity Programme

Highclere’s investment objective is to achieve long-term growth primarily by investing in a diversified portfolio of equity securities of companies located in any country other than the United States. As many companies have multinational operations, a company’s location will ordinarily be determined by factors such as (i) its jurisdiction of incorporation, (ii) the location of its head office, primary market, significant sources of revenues, income or the location of its assets, or (iii) its classification as determined by various market indices.

We are flexible in our approach to investing in companies, not limited by a particular style bias. We focus on absolute returns and expect to own a balance of early stage growth and recovery stocks in the portfolio. The balance of growth and recovery within the portfolio will be dictated by the opportunities that present themselves in our investment universe. At any one point in time we aim for the portfolio to represent a collection of attractively valued small and mid-cap stocks. We maintain a decent level of portfolio turnover in order to sell or trim stocks which become too expensive, or where quality is fading, and reinvest the proceeds in better quality, more attractively valued stocks. Simply trimming and adding to existing positions in response to short term volatility also helps to preserve the attractiveness of the overall portfolio.

Our process has a bias to higher quality, less leveraged, attractively valued companies. We believe that over the longer term this is the best strategy for enhancing the wealth of our clients. There will be times when we will do less well than our benchmark or peer group, typically when liquidity is flowing towards stocks with high financial leverage, or when a particular theme or concept overtakes what we believe to be rational valuations.

Our investment decision process is systematic, methodical and research-driven. Our ideas are generated by database screening to identify companies which meet our growth and valuation criteria; analysis of eight to ten year relative price performance charts versus local markets to find ideas and growth trends; financial analysis to identify the strength and liquidity of the balance sheet and cash flow; and fundamental analysis of each company's products, franchise, market opportunity and management. For each company, a succinct research report is written with conclusions summarized under five key headings: quality, value, insight, target price, and recommendation.

We use several different sources to generate investment candidates from the available three different universes of stocks, including quantitative screens (for example EPS growth, P/E), relative chart screens, corporate actions (IPOs), company referrals, local brokers and proprietary Highclere research derived from company visits. We then ascertain whether the company meets our criteria:

The first question we ask ourselves is whether a company is a good company. Will it use shareholder capital competitively, creatively and efficiently? Is it focused on its product or services? Can we understand the business? Is the company competitive, can it sustain this position? Is the management motivated and high quality? Foremost in our minds is the need to perform our fiduciary duty, assessing companies as to whether they deserve to be invested in by our clients. Secondly, we test to see if it is an attractively valued stock. Our valuation methodology reflects the nature of the underlying corporate business model. All valuations are fluid, are measured in relation to likely profitability and growth, and incorporate measures of creditworthiness. We are happy to measure returns to shareholders in earnings, dividends or asset value as appropriate.

Highclere has established investment parameters as to the amount of each Fund's portfolio invested in securities with particular characteristics, individual securities, and the securities of companies located in particular countries or regions. These investment parameters are outlined more fully in the Investment Guidelines set out in the confidential private offering memorandum for each Fund.

Types of Securities

Highclere will invest primarily in listed equity markets. Highclere is permitted to utilize a wide range of equity instruments in attempting to achieve its investment objectives, including both common and preferred stocks, convertible preferred stocks, convertible investment grade instruments, depository receipts, and to a limited extent, options and warrants on equity securities. Highclere is also permitted to invest in physical currencies and spot and forward currency contracts. Since purchases of foreign securities may give rise to unwanted foreign currency exposure, Highclere will analyze such exposures, and may, in its discretion, enter into hedging transactions in order to achieve a better balance of currency exposures. Such a transaction will normally be in the form of spot and forward currency contracts.

Subject to investment guidelines, Highclere may invest in (i) non-exchange traded securities including private placements and securities subject to transfer restrictions under Rule 144A or Regulation S of the Securities Act of 1933 or otherwise commit to acquire securities on a forward commitment basis, and (ii) unregistered and bearer securities. Highclere does not invest in futures or options on futures. However, Highclere may invest in, hold, and purchase, or otherwise acquire rights, stock options, stock coupons,

warrants, and other similar investments issued, sold, or distributed by a portfolio holding as part of a corporate action or other similar transaction. Highclere may purchase the securities of issuers during an initial public or secondary offering of securities.

Companies involved in initial public or secondary offerings of securities typically have short operating and trading histories and generally are less established. The prices of securities issued as part of initial public or secondary offerings traditionally have been quite volatile. Highclere may also be required to agree to certain transferability restrictions as a precondition for participating in these types of security offerings.

Frequency of Trading

Over the course of a market cycle, Highclere would expect the turnover of its commingled funds to typically be in the range of 60-80% per annum. Highclere makes investment decisions on when to sell a security solely based on its investment criteria and does not take into account tax considerations. In other words, Highclere does not engage in “tax loss harvesting” strategies employed by other investment advisers.

Strategy Risks:

Investing in securities involves the risk of loss. Clients, in consultation with their financial, tax and legal advisors should understand this risk and be prepared to bear the risk of loss. There are a number of material risks associated with investing in small to mid-cap publicly traded non-US equity securities. These include, but are not limited to, the matters listed below. Further information on investment risks is disclosed in the confidential private offering memorandum of each Fund.

- *Global Markets.* Highclere invests in global markets in both developed and emerging countries. Investors are therefore subject to: (i) currency exchange-rate risk; (ii) the possible imposition of withholding, income, capital gains or excise taxes; (iii) the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements and little or potentially biased government supervision and regulation; (iv) financial, economic and political risks, including expropriation, currency exchange control and potential restrictions on foreign investment and repatriation of capital.
- *Emerging Market Securities.* Highclere invests in the securities of issuers located in emerging markets. Holders of emerging market securities are subject to additional risks, including potential periods of illiquidity, increased price volatility, the volatility of emerging market exchanges due to smaller market capitalization, evolving clearance and settlement procedures, potential restrictions on foreign investment, security transfer and the repatriation of investment income and capital. Trading in emerging market currencies may be subject to governmental or significant administrative restrictions or only tradable with certain approved counterparties. Approved counterparties are typically sub custodians or subagents appointed by a privately offered commingled fund’s custodian (such as Northern Trust). These factors may result in higher spreads being paid when the currencies associated with emerging market securities are traded.
- *Liquidity.* Highclere’s investment guidelines restrict our ability to invest more than a given percentage in any given security, country, industry group, or industry sector. We tend to be patient, limit-driven investors and normally limit our daily volumes to no more than 1/3 of the traded volume of a security. We will be a larger part of daily volumes if a “natural” buyer or seller is looking to trade larger security sizes. We view ourselves as patient providers of liquidity, rather than users of liquidity. Because our portfolio positions have been built over a period of time, we would not expect to liquidate our entire portfolio in a day, week, month, or quarter. One way in which market stresses could impact our portfolio is the liquidation of securities as part of client redemptions. We would prefer to match withdrawals with incoming contributions so that we are not forced sellers in a market. However, we allow investors to redeem moneys once per month. If larger redemptions cannot be offset by investor contributions and a redeeming investor is unable or unwilling to wait for offsetting contributions, we would normally redeem the investor in specie and liquidate the securities in the market as prudently as possible in order to meet the investor’s deadline for raising the necessary cash. Obviously, liquidating a larger volume of securities over a longer period of time is more likely to minimize the market impact of any forced sales.

- *Cash Balances.* Highclere's style is to be fully invested so any cash balance is residual. The US dollar cash balances for the Funds are invested in money market funds sponsored by Northern Trust. Highclere may direct Northern Trust to hold US dollar cash balances in other money market funds, deposit accounts or other vehicles in its sole discretion. Investors could incur losses in the event that the net asset value of the money market funds falls below US\$1.00 or if redemptions from the money market funds, deposit accounts or other vehicles were restricted. Non-US dollar cash balances are held in deposit accounts at various subagent banks. These deposit accounts are subject to counterparty and credit risk (for example, if either the custodian or the subagent bank were to declare bankruptcy or otherwise default on its financial obligations).
- *Tax Risks.* Highclere's investment decisions are based primarily upon economic considerations and not tax considerations, and could result, from time to time, in adverse tax consequences. Certain markets may assess capital gains taxes in the event a Client holds more than a given percentage of a company's shares in issue and sells these shares at a gain in a given period. In other markets, local tax authorities may assess a capital gains tax on gains that are realized from selling shares issued by so-called "land rich" companies. "Land rich" companies are generally viewed as companies the majority of whose assets consists of land, buildings, leasehold improvements, mining, mineral and oil concessions and leases or other similar issues. In other cases, capital gains taxes may be assessed on gains if the shares were not held for more than a given period of time (typically 12 months). In most cases, the amount of capital gains taxes can be reduced under double taxation treaties to the extent Highclere can prove that each underlying investor is resident in the US for income tax purposes. This is normally done by providing the foreign tax authority with an IRS Form 6166 (Certificate of Residency) for the Fund and/or a copy of an individual IRS Form 6166 or IRS Determination Letter for each investor.

Item 9. Disciplinary Information

There have been no legal or disciplinary proceedings against Highclere since its inception in May 2006. There are none pending.

Item 10. Other Financial Industry Activities and Affiliations

Highclere is not affiliated with any banks, broker dealers or custodians. Highclere is an independent limited liability partnership that is owned and controlled by its partners.

Highclere Investment Management Limited ("HIM Ltd") is a partner in Highclere. HIM Ltd is an independent private company with two classes of shareholders. The "B" class are owned by current and past employees and these permit majority control of the company. Ed Makin, the Chairman and Chief Executive, owns the majority of this class. The "A" class are owned by Silchester Partners Ltd ("SP Ltd") and these carry minority voting rights. SP Ltd is entitled to appoint a non-executive member to the Executive Group of Highclere. SP Ltd has made similar minority investments in other SEC registered investment advisors and also is the parent company of a SEC registered investment adviser. Although Highclere is under "common control" with these investment advisers, apart from SP Ltd's appointment of a non-executive director to the Executive Group of Highclere, there are no arrangements or relationships with any such advisers that are material to Highclere's business. Moreover we do not believe the appointment of SP Ltd of a member to our Executive Group creates a material conflict of interest with any of our Clients. Details can be found on their ADV Part 1 and Part 2. In addition, Highclere owns 100% of HII Inc., an entity formed for tax and employment purposes to operate Highclere's marketing and client services division.

Item 11. Code of Ethics; Participation or Interest in Client Transactions and Personal Trading

Highclere has adopted a Code of Ethics ("Code") which complies with the purposes and objectives of Rule 204A-1 of the Investment Advisors Act of 1940. This Code sets forth Highclere's fiduciary duties to its Clients and establishes standards of conduct for its supervised personnel. Among the topics covered in the Code are: prohibitions on insider trading, resolving conflicts of interest, personal securities transactions by

Highclere's personnel, and confidentiality of Unitholder information. Highclere will provide a copy of its Code to any Unitholder or prospective investor upon request. To obtain a copy of the Code, please contact the Highclere's Chief Compliance Officer, Fergus Gilmour via email at fgilmour@highclereinvestors.com.

Participation or Interest in Client Transactions:

Partners and Employees of Highclere and Highclere's subsidiary (HII Inc.) have invested in the Funds alongside other investors. As the Funds are pooled vehicles our Partners and Employees, like all other investors, are allocated units at the NAV on trade date. The Funds are independently valued and all Unitholders are treated the same.

Cross Transactions:

To reduce transaction costs, rebalance the Fund's portfolio or for other reasons, the Investment Manager may, from time to time, to the extent permitted by law (including, without limitation, ERISA), cause the Fund to enter into cross transactions with other accounts or commingled funds for which the Investment Manager also acts as a discretionary manager. This normally occurs where inflows into one commingled fund coincide with outflows from another commingled fund for which the Investment Manager also acts as an adviser. In the event that the Investment Manager causes the Fund to purchase securities from or sell securities to such other account or commingled fund, the Investment Manager will use its best efforts to mitigate potential conflicts of interest by arranging such transaction to ordinarily occur at the then prevailing market price of the applicable security via a broker and by considering the interests of both the Fund and such other accounts or commingled funds. The Investment Manager will provide a Unitholder with details of the Fund's crossing activities on a periodic basis upon the receipt of a written request for such information from the Unitholder.

Personal Account Trading Policies:

Employees and members of Highclere and its subsidiaries may trade securities for their own accounts in accordance with Highclere's Code and the procedures set forth therein. In order to minimize any potential conflicts and to fully serve the best interests of the Firm's Clients, Employees and related parties are generally prohibited from personal account dealing in securities that form part of the Firm's small to mid-cap universe (market capitalisation less than US\$15bn) or which form part of any Client portfolio.

Item 12. Brokerage Practices

Brokerage Selection

The Investment Manager may, in its sole discretion, appoint one or more brokers to execute security transactions and to provide research and research-related services to the Fund and the Investment Manager. The introduction of the Markets in Financial Instruments Directive (MiFID) in Europe created an obligation on Highclere's brokers to take all reasonable steps to obtain the best possible result for Highclere and its Clients. Helpfully, MiFID explained that a firm must take into account a number of different factors in the execution of orders on favorable terms. The firm must consider "price, costs, speed, likelihood of execution and settlement, size nature or any other relevant consideration".

Highclere's trader will select an executing broker based on any combination of these factors that will provide the best result for the Fund. Separate commission rates for execution and for research are pre-agreed with each broker and for each market. These rates are influenced by the broker's expertise, local knowledge and specific market costs. These rates may be "bundled" or "unbundled" but the element related to research is separately identifiable and tracked against a budget. Highclere monitors the execution data for all brokers throughout the year and assesses each broker on a combination of factors including those listed above. Where issues arise or expectations are not met, Highclere may meet with the brokers to review the relationship and the services being provided.

Highclere determines amounts to pay brokers for research separately and the research budget is managed and allocated in a separate process. Research services includes information or analysis relating to companies, sectors, countries and other services that may assist Highclere in its investment decision-making. These services are paid for using commission dollars that have been designated for this purpose.

Highclere does not participate in commission recapture or directed brokerage arrangements and unitholders are not permitted to direct the use of commissions.

Broker Commission Policy:

Commission costs may vary for reasons such as whether execution and research services are bundled or separately charged. Commission costs also are reflective of different commission schedules in effect in different international markets. Commission cost factors include, but are not limited to, the particular expertise of the broker with respect to the size or type of transaction, the commission rates charged, the nature and character of the relevant markets on which the transactions will be executed, and the broker's execution experience, integrity, credit-worthiness, financial responsibility and operational efficiency. Commission rates generally are subject to annual reappraisal, ordinarily during formal reviews of the third-party broker relationship, and are subject to careful monitoring and renegotiation to ensure that they are competitive.

The Investment Manager can use a combination of "bundled" and "unbundled" brokerage commissions to pay for third-party research. Over time, the Investment Manager intends to cease using bundled commissions to pay for research and will move to execution-only commission rates and a separate research budget. Regardless, the costs of third-party research will continue to be borne by the Fund.

When using "bundled" commissions to pay for third-party research, the Investment Manager may select brokerage firms that provide research to the Investment Manager resulting in the payment of higher rates than those charged by other brokers if the Investment Manager believes such rates are justified by the value of the research provided or the quality or nature of the brokerage services provided to the Fund. Any commission amount paid that is over and above an agreed execution rate will be deemed to be for research. Under this commission structure, the Investment Manager and its affiliates pay "soft dollar" commissions and receive "soft dollar" benefits from the Fund's brokers and counterparties and may participate in commission sharing arrangements ("CSAs") so long as these CSAs comply with applicable regulations. The type of "soft dollar" benefits received by the Investment Manager from brokers is limited to research and research-related services that fall within the so-called "safe harbor" provisions of Section 28(e) of the Securities Exchange Act of 1934, as amended (the "1934 Act"), and the so-called "permitted research" exemptions established by the FCA governing the receipt of research and execution services from brokerage counterparties. The Investment Manager conducts an internal assessment to ensure that the amount of commissions paid to brokers providing it with research and research-related products and services is reasonable in relation to the value of the brokerage and research services received, viewed in terms of a particular transaction or the Investment Manager's overall responsibilities to the Fund and Unitholders. Highclere maintains several CSAs with brokers in order to collect commissions to remunerate the research providers. These commissions may be swept into a central account maintained by a broker so that Highclere may direct the payments.

Soft Dollar Policy:

Highclere may use a combination of "bundled" and "unbundled" brokerage commissions to generate and manage payments for third party research. Over time, Highclere intends to cease using bundled commissions to pay for research and will move to execution only commission rates and a separate research budget using a fair and equitable allocation method. Regardless, the Fund will continue to bear the cost of all third party research, whether paid indirectly through the "soft dollars" generated by bundled commissions or directly or a combination of both. On a semi-annual basis, each investor in the Fund will receive a report detailing the amount of research purchased by the Investment Manager per broker or provider. The purchase and monitoring of research is conducted at the manager level as the investment process across the funds is designed to be similar and consistent. Research costs are therefore shared by each fund.

When using bundled commissions to pay for third party research, Highclere may select brokerage firms that also provide research and which results in the payment of higher rates than those charged by other brokers if Highclere believes such rates are justified by the value of the research provided or the quality or nature of the brokerage services provided to the Fund. Under this commission structure, Highclere pays "soft dollar" commissions and receives "soft dollar" benefits from the Fund's brokers and counterparties and may participate in commission sharing arrangements ("CSAs") so long as these CSAs comply with applicable regulations.

The type of “soft dollar” benefits received by Highclere from brokers is limited to research and research related services that fall within the so-called “safe harbor” provisions of Section 28(e) of the Securities Exchange Act of 1934, as amended (the “1934 Act”) and the so-called “permitted research” exemptions established by the FCA governing the receipt of research and execution services from brokerage counterparties.

Highclere does not participate in any directed brokerage relationships and does not use so-called “traditional” soft dollars to purchase items such as Bloomberg machines, market data, pricing information, etc. These services are purchased directly by Highclere in hard dollars.

Allocation of Investment Opportunities:

Highclere endeavours to act in a manner that it considers fair, reasonable and equitable in allocating investment opportunities among its clients.

When Highclere determines that it would be appropriate and feasible for more than one Client to participate in an investment opportunity, Highclere may place combined orders for all such Clients simultaneously and, if the order is not filled at the same price, Highclere will average the prices paid over a particular trading day or such longer period consistent with the accumulation or disposition of a particular position. Similarly, if an order is placed on behalf of more than one Client and the order cannot be fully executed under prevailing market conditions, Highclere may allocate the trade execution among different Clients on a basis that Highclere deems equitable. This is normally achieved by pro-rating actual trade executions among Clients in accordance with the total number of shares outstanding on each Client's order and rounding such executions to reflect minimum trading sizes, minimum allocations necessary to avoid undue costs being realized by clients (such as transaction and foreign exchange costs triggered by certain allocations having a de minimus value) and efficiencies inherent in trade reporting. Situations may occur where a Client could be disadvantaged because they participated in the aggregate order.

Highclere anticipates that Pro-rata allocation will be used on all orders unless this is not beneficial or possible for reasons described above. If the pro-rata allocation method is overridden then an explanation is required. This may occur when a Client has insufficient cash on hand to settle an allocated order or satisfy certain future commitments. In these situations, Highclere will use its judgment to determine whether a Client should receive no allocation or a smaller allocation of shares resulting from a given execution. In other situations, a larger allocation of shares may be made to a Client if, for example, an additional allocation is required to clear a Client's negative cash balances or to raise funds to satisfy future Client commitments. All explanations for overridden allocations are stored within the trading system and a report is produced for review each quarter. The report is reviewed by the Head of Trading or the Compliance Officer.

Item 13. Review of Accounts

Reviews and Reviewers:

All Funds are kept under daily review both for price and changes in fundamentals affecting the securities. All portfolios are reviewed weekly by the portfolio manager, the assistant portfolio managers and the investment team. All reviewers are equally responsible for ensuring that accounts are maintained in line with Highclere’s policies and are equally responsible for all accounts. Please see the list of supervised persons in Part 2B below.

Frequency of Regular Reports to Clients:

Clients with temporary separate or transition accounts (these are used to facilitate investment in and/or withdrawal from one of Funds) receive a monthly valuation and a schedule of transactions for their portfolios. Investors in a Fund receive a monthly participation statement showing elected information about their investments in the commingled fund directly from the Fund’s administrator. Such reports are ordinarily distributed on or before the third business day of each calendar month. Investors also receive audited financial statements for the Funds on an annual basis. Highclere distributes a monthly factsheet and a quarterly newsletter describing the economic and financial background, the strategy adopted and the performance of the Fund.

Item 14. Client and Unitholder Referrals and Other Compensation

Highclere does not receive any compensation or other economic benefit from any non-Clients for providing investment management services nor compensates any persons for Client and/or Unitholder referrals so this item is not applicable.

Item 15. Custody

The Northern Trust Company acts as the custodian, fund administrator and custodial trustee (where required) for the Funds. The Funds offered by Highclere are organised as Delaware statutory trusts and are treated as partnerships for U.S. tax purposes. With respect to the Funds, Northern Trust has been appointed as custodial trustee and an indirect wholly-owned subsidiary of Northern Trust has been appointed as Delaware trustee.

Highclere does not act as custodian or hold any Client moneys or assets. However, because the Funds are private funds offered in the US, Highclere acknowledges that the SEC's definition of custody can be applied to it. Highclere is deemed to have custody by virtue of the standing instruction with the custodian to deduct client management fees via a redemption of units. It is however exempted from the requirement to have a surprise audit. Nevertheless, Highclere ensures that the funds are audited annually in accordance with US GAAP and that fund investors are provided with a copy of the financial statements within 120 days of the fund's year end. Northern Trust is solely responsible for the custody and safekeeping of the Fund's assets, performs certain administrative functions for the Fund at the direction of Highclere in accordance with each Fund's governing documents and provides certain recordkeeping and accounting services to the Funds, including the calculation of the Net Asset Value of the Funds and its units on a monthly (or more frequent) basis and the distribution of valuation statements directly to the Unitholders.

Valuation of the Funds

Northern Trust acts as the custodian and fund administrator for the US Funds. In its capacity as fund administrator, Northern Trust is responsible for independently valuing the US Funds' assets. Equity securities are valued using Northern Trust's custody and investment pricing guidelines and translated into USD using exchange rates provided by WM/Reuters. Forward currency contracts are valued using WM/Reuters exchange rates and adjusted to reflect the settlement period for the forward currency contract. Dividend and withholding tax accruals are valued at fair market value in accordance with GAAP.

The US Funds are valued for trading on a monthly basis, as of the last business day of each month. Daily indicative valuations (not tradable) are also available

Highclere reviews, but *cannot* arbitrarily override, Northern Trust's valuations. If Highclere believes that Northern Trust has mis-priced a security, Highclere follows a "challenge procedure" and will provide Northern Trust with a "direction letter" supporting the alternate valuation. Northern Trust will consider the challenge and if valid, Northern Trust will amend the valuation. If not, Northern Trust's valuation will stand. Because of the nature of the US Funds' investments (publicly traded equities), pricing challenges are infrequent.

Once the Fund valuations are approved, Northern Trust is responsible for preparing the participant reports. Highclere reviews the reports prior to their distribution to clients. Once approved, the reports are sent directly by Northern Trust to the client. Highclere *does not* have any opportunity to 'alter' or 'adjust' client valuations.

Illiquid or Stale Priced Securities

The Pricing Unit at Northern Trust performs a weekly review of security prices that have remained unchanged (stale) for 3 days or more. An Aged Price exception report is generated listing the security's most current trading status as provided by Northern Trust's pricing providers. Securities with a trading

status of unlisted, delisted, suspended or illiquid are priced at their last available price until Northern Trust's pricing sources provide an updated price and/or a trading status. Generally, a security is assigned this trading status if:

- It may not be sold or disposed of in the ordinary course of business within seven (7) business days at approximately the value at which the asset is reflected on the books of the holder;
- It has not been offered in the public markets;
- It is listed but its exchange listing has been suspended or is to be listed but not yet in effect;
- It is not trading in the open market or between market makers; or
- It would be deemed illiquid under applicable law

All other stale prices with no current trading status provided are challenged by Northern Trust's Pricing Unit for confirmation.

Accounting Records and Current Holdings

Copies of the US Funds' most recent audited financial statements and current unaudited security / holdings list are available to clients on request from Highclere's Connecticut office.

Item 16. Investment Discretion

Highclere does accept discretionary authority to manage securities accounts on behalf of its Clients. Other than as specified by a Fund's investment guidelines (or, if applicable, pursuant to the terms of a separate account investment management agreement), Highclere has sole authority to determine, without obtaining specific consent, the amount of and specific securities to be bought and sold for each Client.

Item 17. Voting Client Securities

Highclere considers it to be of paramount importance when assessing proxy voting responsibilities on behalf of the Fund, and its underlying Unitholders, to recognize its fiduciary responsibility as investment manager. Highclere also recognizes the need to exercise its proxy voting obligations with a view to enhancing the Fund's long term investment values. The Investment Manager believes that both are generally compatible with good corporate governance as they provide the best operating environment for each underlying portfolio company to cope with competitive commercial pressures. To help achieve its objectives, it is the Investment Manager's policy, subject to the considerations described below, to use its best efforts to vote proxies arising on all shares held on behalf of each Fund.

The Investment Manager categorizes meeting agenda items into whether ballots contain standard or material issues. Standard issues are typical of Annual General Meetings, in that they are often operational items of a routine nature. Material issues are considered to be items that relate to corporate governance matters. Standard issues can also be considered material when there is knowledge that a potential conflict of interest with management is present, in this instance the Investment Manager's conflict of interest policy would have jurisdiction.

The Custodial Trustee holds all Fund securities for the benefit of the Unitholders. The Custodial Trustee provides this information to Institutional Shareholder Services (ISS), a leading provider of proxy voting and corporate governance services. ISS provides an online interface to the Investment Manager detailing all notifications, ballots and status of voting on a real time basis. Separately, Highclere has contracted with ISS to provide proxy advisory services which include, voting recommendations and analyst research on all shareholder meetings for which the Investment Manager is eligible to vote. The research is provided by ISS analysts local to the country of incorporation and they are familiar with local market practices and regulations. The Investment Manager does not outsource any part of its proxy voting decision making process to ISS or the Custodial Trustee.

Subscription to the ISS proxy advisory services was led by the Investment Manager's commitment to the evaluation of corporate governance risk within the investment portfolio. Huge variations in the standards of disclosure and corporate governance across the small and mid-cap global universe have dictated the requirement for detailed external research in order for the portfolio managers to maintain their consistently

high standards towards the business practices of companies in which the fund wishes to invest. The research itself provides comprehensive data on otherwise equivocal agenda items such as board membership, executive compensation and financial performance alongside generating equity-based assessment models that forecast the effect of related pay plans and authorized share increases. Highclere has incorporated an Environmental, Social and Corporate Governance (“ESCG”) policy into its investment screening and selection process and these considerations are applied when voting proxies. The proxy voting policy is one of the mechanisms by which the investment manager can apply the principles of its ESCG policy.

The portfolio managers use the ISS research and other sources such as annual financial reports to initially determine the nature of the agenda items. If only standard issues are included on the proxy summary then one of the portfolio managers may vote on the proxy. If material issues are included, two or more of the Investment Manager’s portfolio managers responsible for implementation will discuss the issues, assess the potential impact that the issues may have on the portfolio company and the value of the underlying investment, and decide on how to vote the proxy in question. Once approved, staff for the Investment Manager will process the proxy vote electronically using the ISS voting platform.

In certain circumstances, the Investment Manager may be unable to vote a specific proxy including (but not limited to) a situation when the Custodial Trustee or ISS does not provide a voting service in a given market, because the Custodial Trustee or its agent, in error, does not process a proxy or provide sufficient notice of a vote, or because an error is committed by any party involved in the proxy voting or registration process. The Investment Manager may also refrain from voting; if it is considering liquidating a position as shares may be blocked when proxies are submitted, where the costs of voting a specific proxy outweigh the economic benefit that the Investment Manager believes would be derived by the Fund, where a specific class of shares does not carry voting rights with respect to a given issue subject to shareholder vote or where re-registration of the shares into the Fund’s (rather than the Custodial Trustee nominee’s) name may (or may reasonably be expected to) result in a violation of local privacy laws or adversely impact the Fund’s economic interests.

Unitholders are advised that when voting proxies in certain international markets, the Investment Manager may be constrained by certain country or portfolio company specific issues. For example, some companies in the portfolio impose voting caps on the maximum number of proxy votes that any single outside shareholder may control. Others require all board issues to be resolved by a show of hands, rather than a poll. Since all the Investment Manager’s client shares may be held by one nominee, these restrictions have the effect of substantially limiting the impact of any proxies cast. Furthermore, some companies in the portfolio may restrict investment managers (such as the Investment Manager) from voting proxies where disclosures of the Fund holdings or securities under the Investment Manager’s control have not been made on a timely basis or in a format required under their articles of incorporation.

Additional information on the Investment Manager’s proxy voting and corporate governance policies can be found in the Stewardship Code Statement on the Investment Manager’s website (www.highclereinvestors.com). Unitholders may receive a quarterly summary of proxies voted or not voted and issues raised at meetings held by portfolio companies by contacting the Tax Matters Partner and asking to be included on the quarterly proxy voting distribution list.

Item 18. Financial information

Highclere has no financial condition that is reasonably likely to impair its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

Part 2B Brochure Supplement: Supervised Persons

Name:	Edward Llewellyn Makin
Year of Birth:	1964
Education and Degree:	Royal Holloway College, London University: BA (Hons) Economics
Business Background:	Highclere International Investors: January 2006 to Present: Partner, Chief Investment Officer, Portfolio Manager Wellington Management: May 1994 to December 2005: Portfolio Manager and European Analyst
Disciplinary Info:	None
Other Business:	None
Additional Comp:	None
Supervised By:	Fergus Gilmour (per details on front page of ADV Part2)

Name:	Nikunj Hindocha
Year of Birth:	1975
Education and Degree:	London School of Economics & Political Science: B.Sc - Economics London School of Economics & Political Science: M.Sc - Economics
Business Background:	Highclere International Investors: May 2006 to Present: Partner, Portfolio Manager SMID Emerging Markets Wellington Management: September 2003 to April 2006: Assistant Portfolio Manager
Disciplinary Info:	None
Other Business:	None
Additional Comp:	None
Supervised By:	Edward Makin (per details on front page of ADV Part2)

Name:	Alexander Michael Sweet
Year of Birth:	1980
Education and Degree:	University of Oxford: B.A (Hons) PPE
Business Background:	Highclere International Investors Limited: February 2007 to Present: Partner, Assistant Portfolio Manager (SCF Fund) Sanford C. Bernstein: March 2005 to January 2007: Research Associate
Disciplinary Info:	None
Other Business:	None
Additional Comp:	None
Supervised By:	Edward Makin (per details on front page of ADV Part2)

Name:	Richard James Gordon
Year of Birth:	1978
Education and Degree:	University of Cape Town: Batchelor of Commerce (Hons) Financial Accounting Post Graduate Diploma in Accounting
Business Background:	Highclere International Investors Limited: July 2007 to Present: Partner, Assistant Portfolio Manager SMID Fund Bear Stearns International Limited: May 2005 to June 2008: Vice President, European Equity Research
Disciplinary Info:	None
Other Business:	None
Additional Comp:	None
Supervised By:	Edward Makin (per details on front page of ADV Part2)

Name:	Amy Platts
Year of Birth:	1981
Education and Degree:	University of Edinburgh October 2000 to September 2005 : BSc Hons Molecular Biology University of Edinburgh Business School September 2006 to September 2007: MSc International Business and Emerging Markets
Business Background:	Highclere International Investors LLP: August 2013 to Present. Investment Analyst Martin Currie Investment Management: October 2007 - August 2013: Investment Analyst - Global Financials University of Edinburgh, Institute for Stem Cell Research – 2005 – 2006: Research Associate Merck Sharp and Dohme: July 2003 – September 2004: Internship
Disciplinary Info:	None
Other Business:	None
Additional Comp:	None
Supervised By:	Edward Makin (per details on front page of ADV Part2)

Name:	Richard Adams
Year of Birth:	1987
Education and Degree:	Oxford University – October 2006 – June 2010 MEng Engineering Science
Business Background:	Highclere International Investors LLP: Nov 2013 to present Grant Thornton, Aug 2010 to July 2013: Auditor BlackRock August 2013 to November 2013: Fixed Income Research Analyst
Disciplinary Info:	None
Other Business:	None
Additional Comp:	None
Supervised By:	Edward Makin (per details on front page of ADV Part2)

Name:	William Balfour
Year of Birth:	1987
Education and Degree:	Cambridge University Oct 2007 – Jun 2011 MEng Engineering
Business Background:	Highclere International Investors LLP: Sept 2014 to present Neptune Investment Management Asst Fund Manager
Disciplinary Info:	None
Other Business:	None
Additional Comp:	None
Supervised By:	Edward Makin (per details on front page of ADV Part2)

Name:	William Sumner
Year of Birth:	1986
Education and Degree:	Radley College 1999/2004 University of Durham 2004 – 2007 BA, Economics
Business Background:	Highclere International Investors LLP: Sept 2016 to present Investment Analyst Fidelity International (FIL) 2014-2016 Analyst T Rowe Price International 2008-2014 Associate analyst & Investment Liaison
Disciplinary Info:	None
Other Business:	None
Additional Comp:	None
Supervised By:	Edward Makin (per details on front page of ADV Part2)

Name:	Jan Klincker
Year of Birth:	1990
Education and Degree:	Lycee de Garcon Luxembourg 2002-2009 University of Manchester 2009-2012 BA (Hons) Accounting & Finance
Business Background:	Highclere International Investors LLP: Nov 2016 to present Investment Analyst Fidelity International (FIL) 2012-2013 Equity Research Associate
Disciplinary Info:	None
Other Business:	None
Additional Comp:	None
Supervised By:	Edward Makin (per details on front page of ADV Part2)

Name:	Sanjeev Lakhani
Year of Birth:	1983
Education and Degree:	Haberdashers Askes School for Boys 1994-2001 London School of Economics 2001-2004 Bsc Economics (2:1)
Business Background:	Highclere International Investors LLP: Nov 2016 to present Investment Analyst Henderson Global Investors 2011-2016 Investment Manager Gartmore Investment Management 2008-2011 PricewaterhouseCoopers 2005-2008 Corporate Finance Associate
Disciplinary Info:	None
Other Business:	None
Additional Comp:	None
Supervised By:	Edward Makin (per details on front page of ADV Part2)

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