



Disclosure Brochure

June 2019

RARE Infrastructure (North America) Pty Limited

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This brochure provides information about the qualifications and business practices of RARE Infrastructure (North America) Pty Limited. If you have any questions about the contents of this brochure, please contact us at +612 9397 7300 or via e-mail to compliance@rareinfrastructure.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about RARE Infrastructure (North America) Pty Limited is available on the SEC's website at www.adviserinfo.sec.gov.

Registration as a registered investment adviser does not imply a certain level of skill or training.



Item 2. Material Changes

This brochure has been updated as follows:

Item 4 – Change of ownership structure – Legg Mason, Inc. now owns 100% of RARE Infrastructure Limited (“RIL”), the parent of RARE Infrastructure (North America) Pty Limited (“RARE”).

Item 10 – Other Financial Industry Affiliations – Now reflects the arrangements between RARE and its affiliate, ClearBridge Investments, LLC (“ClearBridge”).

Item 12 – Brokerage Practices

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Item 4. Advisory Business

RARE Infrastructure (North America) Pty Limited ("RINA") is an investment adviser registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940, as amended.

RINA was founded in 2009 by Richard Elmslie and Nick Langley. RINA, together with its affiliated entities (collectively, "RARE"), is a boutique investment management company specialising solely in the rapidly growing and increasingly recognized asset class of global infrastructure. RARE services clients in both the USA and other jurisdictions.

RARE invests in the securities of major infrastructure projects and developments such as airports, gas, electricity, water and roads, which provide essential ongoing services to communities in both developed countries and emerging markets. Our small and dedicated team of highly experienced investment managers and securities analysts has 90+ combined years of experience in global infrastructure and 70+ combined years in funds management. We conduct our own infrastructure research using a rigorous analysis.

It is our job to identify, analyse, invest and manage a wide range of global infrastructure securities with the aim of delivering stable, reliable dividends and capital growth for our investment clients.

RARE values its long term relationships with investors. We provide a highly personalized service to wholesale clients and retail funds incorporating not only careful selection of global infrastructure securities and expert funds management but also reliable and relevant information and friendly assistance to all our clients.

Our investment advice is generally limited to investments in securities of global infrastructure companies. Our day-to-day investment operations are managed by our Investment Leadership Team. Each of RARE's three main investment strategies have Investment Committees comprising of the two Investment Directors along with senior Portfolio Managers.

RINA is a wholly-owned subsidiary of RARE Infrastructure Limited ("RIL"). RIL is 100% owned by Legg Mason Inc., a public company listed on the New York Stock Exchange ("LM").

RARE Investment Management Services

RARE currently offers the following global listed infrastructure strategies:

RARE Infrastructure Value Strategy
RARE Infrastructure Income Strategy
RARE Emerging Markets Strategy
RARE Global Infrastructure Index
RARE Global Infrastructure SMA

We generally seek to manage client accounts to reflect the model portfolio applicable to that account. When changes are made to our model portfolios, we trade all client accounts to align them with the applicable model portfolio (except where specific instructions provided by the client require otherwise). Although clients typically grant full discretion with respect to security selection, clients may impose restrictions on investing in certain securities or types of securities.

As of 31 March 2019, the RARE Group managed approximately USD 4.035 billion of client assets on a discretionary basis..

Managed Account Programs

For the Global Infrastructure SMA strategy, RINA has established a relationship with Legg Mason Private Portfolio Group, LLC ('LMPPG') through which RINA will gain access to managed account programs by being retained by LMPPG as a sub-advisor. As sub-advisor to LMPPG, RINA anticipates participating in various types of managed account programs, which shall include LMPPG-Implemented Programs, Discretionary Model-Based Programs and Non-Discretionary Model-Based Programs, which are defined as follows:



LMPPG-Implemented Programs. Programs of sponsors in which RARE has security selection discretion and LMPPG implements the investment instructions provided by RARE in the form of model portfolios with respect to client accounts, subject to any implementation protocols or rules agreed to by LMPPG and RARE.

Discretionary Model-Based Programs. Programs of sponsors in which RARE has security selection discretion and LMPPG forwards the investment instructions provided by RARE in the form of model portfolios to sponsors or their designees for implementation, subject to any implementation protocols or rules of the sponsors or their designees; and

Non-Discretionary Model-Based Programs. Programs of sponsors in which LMPPG forwards RARE's non-discretionary investment recommendations in the form of model portfolios to sponsors or their designees for implementation, subject to the discretion of sponsors or their designees.



Item 5. Fees & Compensation

Our annual investment management fees for separately managed accounts generally range up to 0.80% of assets under management. Fees are negotiable based upon the size of the account, relationship and/or the nature and level of services we provide. The fees are based upon the aggregate fair value of the client's account managed by RARE as defined in the Investment Management Agreement ("IMA") with the client.

We also may on occasion charge separately managed accounts a performance-based fee. The performance fee is calculated relative to a benchmark, which may vary from client to client.

The specific manner in which we charge fees is established in the client's IMA. We are generally compensated on either a monthly or quarterly basis in arrears. Clients may elect to be invoiced directly for fees or authorize us to send our invoices directly to their custodians who then disburse fees to us from their client accounts. Management fees are prorated for account contributions and withdrawals made during the applicable period. We charge a prorated fee to accounts initiated or terminated during the applicable period. Upon termination of any account, any earned, unpaid fees will be due and payable.

Clients may also incur charges imposed directly by their custodians with respect to their client accounts and fees and expenses imposed directly by any mutual funds held in or for the client accounts. Clients incur transaction charges imposed by the broker-dealers executing securities transactions for their client accounts. For further discussion concerning our brokerage practices, please see Item 12 of this Disclosure Brochure. All management fees paid to us are separate and distinct from the fees and expenses charged directly by the clients' custodians, broker-dealers and mutual funds. The fees and expenses imposed by mutual funds are described in each fund's prospectus, and will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. We generally do not invest in mutual funds for clients' separately managed accounts. Clients should review both the fees charged by the funds in which client accounts are invested and the fees RARE charges to fully understand the total amount of fees to be paid by them in their efforts to evaluate the investment management services being provided by RARE. RARE does not receive any portion of the commissions, fees, and costs charged by, or applicable, to the funds in which client accounts may be invested.

Fees relating to Separately Managed Accounts

RINA has entered into a relationship with LMPPG through which RINA will gain access to retail managed account programs by being retained by LMPPG as a sub-advisor. RINA has developed a strategy specifically for managed account programs. As of this date, RARE is only providing a model to LMPPG for its seed account.



Item 6. Performance-Based Fees & Side-By-Side Management

We charge the majority of client accounts that we manage an asset-based fee. However, we do manage a small number of accounts that pay a performance-based fee, as described in Item 5, above. Conflicts of interest may arise from our management of these accounts when we have a financial incentive to favour higher fee-paying accounts over other accounts in the allocation of investment opportunities. It is our policy to allocate trades in a fair and equitable manner. We have adopted order aggregation and trade allocation policies and procedures designed to ensure that all clients are treated fairly, and to prevent this conflict from influencing the allocation of investment opportunities among clients.



Item 7. Types of Clients

We provide portfolio management services to corporate pension and mutual funds, investment management companies, charitable institutions, foundations, endowments, trusts and other corporations and business entities. Generally, we do not accept separately managed accounts below \$50 million, although we may do so under certain circumstances.

Through its sub-advisory relationship with LMPPG, RARE can provide investment advisory services through participation in managed account programs. Sponsor firms include banks, broker-dealers or other investment advisers that may use our services for the benefit of their own underlying clients. Generally, accounts should be at least \$50,000 in size, however this may vary under certain circumstances.

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

RARE currently offers the following global listed infrastructure strategies:

RARE Infrastructure Value Strategy - This Strategy is a global portfolio that aims to deliver risk-adjusted returns to equity with a balance between income and capital returns over a rolling five-year period.

RARE Infrastructure Income Strategy - This Strategy is a global portfolio that aims to provide risk-adjusted returns to equity with a return bias towards income with a targeted income return of 5% per annum net of withholding tax, on average over a rolling five-year period.

RARE Emerging Markets Strategy - This Strategy aims to deliver the growth of emerging markets with the attractive risk/return outcome available from infrastructure companies.

RARE Global Infrastructure Index - This Strategy uses a rules based approach to identify the right type of infrastructure exposure, through an economic cycle.

RARE Global Infrastructure SMA – This Strategy is a global portfolio utilizing US listed and ADRs that aims to deliver risk-adjusted returns to equity with a balance between income and capital returns.

Investors should consider an investment horizon of three to five years in appointing RARE as investment adviser with respect to their client accounts. Investors should understand that the value of investments in their client accounts will change over time.

Investment Process

RARE's investment process aims to ensure that the attributes of a security match the investment objective of each client account. Potential investments are ranked based on a proprietary model which includes an assessment of quantitative and valuation metrics as well as various subjective criteria. This ranking is used to create and maintain an approved list of securities called the "RARE Universe". The securities exhibiting the better risk adjusted returns are considered for investment. RARE employs a bottom up analysis of individual securities without reference to any particular index.

Screening analysis

Many companies that are considered as infrastructure in the stock markets do not have the investment characteristics that RARE's investment team considers desirable for an investor in infrastructure. The process screens those companies out from RARE's investment universe. The end result of the process is a universe comprising regulated energy and water utilities, toll roads, airports, ports and rail companies, as well as satellite and communications tower companies. RARE then screens this group of securities further, based on certain liquidity, financial and valuation parameters to produce a list of about 300-350 companies. This list is then subjected to further peer group analysis to identify "best in class" on a sector and regional basis and to identify any securities that have been excluded to this point but which could be worthy of inclusion into the investment universe for further examination.

Individual security assessment

The resources of RARE are utilised to evaluate securities within the investment universe. The evaluation process includes examination and analysis of company specific documentation (annual reports, presentations and announcements), competitors and industry bodies, reports and analysis from investment banks, the business environment and the industry in the particular geographic region in which the company operates. The RARE investment team travels regularly to visit companies whose securities RARE considers are prospective investments. Such visits involve meeting the company's management as well as the management of competitors, regulatory bodies and other parties that may impact on the business and earnings. This quantitative analysis also evaluates the sustainability of future dividends and reasonableness of earnings growth estimates.

RARE undertakes detailed cash flow modelling to assess the intrinsic value of a company based on its future cash flows. These discounted cash flow valuations are checked for reasonableness against other valuation techniques. Coupled with this cash flow analysis is an assessment of the capital structure and its impact on value. RARE believes that an assessment of a company's operating environment is crucial to assessing the value of the company's securities and often influences the outcome of RARE's financial modelling. RARE has regard to political and economic change as these variables can significantly affect current and future valuations of infrastructure assets. RARE also views an assessment of management of each company as essential in determining whether to proceed with an investment. In RARE's experience a change in management invariably provides a potential catalyst for an investment opportunity or, at the very least, a re-evaluation of the value of an investment.

RARE's security valuation methodology includes adjusting the risk weighting to reflect country risk and company specific financial, business and management risk. These risk adjustments are made to the discount rate applied to the company's future cash flows.

Portfolio construction parameters

The portfolio construction of each client account is designed to manage shorter-term risk through sufficient diversification without negatively impacting the long-term objective of consistent performance and returns. The portfolio construction guidelines incorporate risk controls governing the holdings of each client account including:

- sector and regional geographic targets;
- asset maturity targets; and
- security weighting limits.

The portfolio of each client account is constructed as a result of individual security selection and not as a result of reference to any index or market benchmark. This means the composition of securities held by each client account is likely to deviate from world benchmark weights in global industry sectors, regions or individual securities.

Material risks

It is important to understand that there are risks inherent in any investment. The purpose of this section is to inform you of the types of risks that may apply to investments you have with RARE. Whilst we are not able to remove all the risks associated with an investment with RARE, RARE employ a range of investment and risk management strategies to identify, evaluate and manage these risks. All investments are subject to varying risks and generally go up as well as down in value. Different asset classes perform differently at different times and have different risk characteristics and volatility.

The performance of the portfolio or the return of capital is not guaranteed and the value of your investment will go up and down with the value of the assets held with RARE.

Individual investment risk

Individual investments made by RARE will fluctuate in value, meaning that on occasion, they may fall in value. A company's share price may fluctuate for a number of reasons. A company may undergo changes in its financial or operating circumstances, and may also face broader influences such as political and industry changes. RARE aims to reduce these risks by conducting thorough analysis and research of all its investments.

Foreign currency risk

Investment in foreign markets gives rise to foreign currency exposure. This means the value of foreign investments will vary as exchange rates change. Fluctuations in foreign currency can have both a positive and negative impact on your investment with RARE. For Hedged portfolios, RARE will substantially hedge all currency exposure back to the base currency.

For the Unhedged Fund, RARE does not intend to hedge the currency exposure. Therefore investors should be aware of the impact of foreign currency risk on RARE's investments.

Market, country, interest rate and political risk

Economic, technological, political, legal and market conditions in countries in which RARE's portfolios have investments are variable, particularly in developing countries. Changes in these factors can have both positive and negative influences on the value of these investments. Political situations could develop where the government of a country stops or limits RARE's ability to repatriate assets to Australia. The global economic, technological, political, legal and market conditions may directly or indirectly impact on the operations of companies which may, in turn, directly or indirectly impact upon the value of a portfolio's assets.

Changes in interest rates can also have a positive or negative impact directly or indirectly on investment values or returns. For example, hybrid securities, cash and other interest-bearing securities are very sensitive to fluctuations in interest rates. Infrastructure securities tend to be more sensitive to interest rate fluctuations than industrial securities. RARE uses research and analysis to form a view on these matters and then adjusts the investments to reduce the impact where possible. More generally, RARE will avoid investing in less stable countries where it believes the potential risk of loss is significant.

Derivatives risk

Derivatives risks include:

- the value of derivative positions not moving in line with movements in the underlying asset;
- potential illiquidity of the derivative; and
- the portfolio being unable to meet payment obligations as they arise in relation to derivatives contracts.

Although not all of these risks can be eliminated, RARE manages these risks as far as practicable by:

- regularly monitoring derivative exposure;
- ensuring each portfolio is able to pay all of the obligations associated with derivatives from the appropriate amount of cash or physical assets held by the portfolio;
- not borrowing against a portfolio's assets for the purposes of leveraging the returns of the portfolio;
- only investing in derivatives that RARE considers to have adequate market depth; and
- only using intermediaries RARE considers reputable.

Liquidity risk

As RARE invests in securities listed on securities exchanges in various countries, if there is an interruption of regular trading in a market, or for a particular asset of a portfolio, there may be delays in processing withdrawal requests. Similarly, for some securities in the portfolios where the volume of trading is low, the ability to liquidate those securities in a timely manner may be impacted. RARE closely monitors cash levels within each portfolio to manage this risk and ensure that there is adequate liquidity to meet the needs of unit holders in ordinary circumstances.

Unlisted securities risk

Where an investment is made in an unlisted security, additional risks may be assumed, including that the investment will be less liquid than a listed security, that distributable income is likely to be lower and that the underlying investment may not appreciate in value. RARE will manage the liquidity risk by limiting investments in unlisted securities in each portfolio up to 20% of the value of that portfolio. Generally, RARE expects that the value of unlisted securities will be considerably less than this maximum. Valuations for unlisted investments will be based on references to any recent comparable equity sales or by reference to independent third party valuations.

Item 9. Disciplinary Information

There are no reportable disciplinary events for RARE or its employees.



Item 10. Other Financial Industry Activities and Affiliations

Rare Infrastructure Limited

RINA has entered into a Memorandum of Understanding (MOU) with its parent, RARE Infrastructure Limited (RIL). RIL is a Participating Affiliate of RINA, and RINA has appointed, as “associated persons”, all of the employees of RIL as Supervised Persons. RIL provides investment management and other services to RINA. RINA pays a fee to RIL for these services which are based on RINA’s assets under management.

ClearBridge Investments, LLC

RARE recently entered into an agreement with its affiliate, ClearBridge, pursuant to which RARE’s business functions will be integrated into ClearBridge, and the two entities will share personnel. As part of the integration, ClearBridge and RARE will look to combine and leverage the following functional areas: trading, operations, legal, compliance, risk management, technology, finance, human resources, client services, marketing, institutional sales and consultant relations. To facilitate the relationship, RARE employees will be dual-hatted into ClearBridge and vice versa. New York-based ClearBridge traders will trade locally for RARE contracted clients and Sydney-based RARE traders will trade in Asia for ClearBridge contracted clients.

Legg Mason Private Portfolio Group, LLC

RINA has established a relationship with Legg Mason Private Portfolio Group, LLC (‘LMPPG’) through which RINA will gain access to managed programs by being retained by LMPPG as a sub-advisor. RINA will provide to LMPPG investment advisory services for its Global Infrastructure SMA strategy.

Legg Mason Partners Fund Advisor, LLC

RINA is a subadvisor to both the RARE Global Infrastructure Value Fund and Legg Mason Global Infrastructure ETF, being mutual funds managed by Legg Mason Partners Fund Advisor, LLC which is wholly owned by Legg Mason Inc.

Legg Mason Asset Management Australia Limited

RIL is also a subadvisor to the RARE Infrastructure Value Fund (Hedged), RARE Infrastructure Value Fund (Unhedged), RARE Infrastructure Income Fund, and RARE Emerging Markets Fund. The Responsible Entity of these Australian Managed Investment Schemes is Legg Mason Asset Management Australia Limited, which is wholly owned by Legg Mason Inc.

Legg Mason Global Funds plc

Legg Mason Global Funds plc (LMGF plc) is an umbrella fund, established as an open-ended investment company with variable capital, and incorporated with limited liability under the laws of Ireland. RARE Infrastructure International Pty Limited (RIIPL) is an affiliate of RINA, and also a Subadvisor to LMGF plc for the Legg Mason RARE Infrastructure Value Fund and the Legg Mason RARE Emerging Markets Infrastructure Fund.

Legg Mason Investment Funds Limited

Legg Mason Investment Funds Limited has appointed RIIPL as an investment advisor for the Legg Mason Funds ICVC, in respect of the Legg Mason IF RARE Global Infrastructure Income Fund. . Legg Mason Investment Funds Limited is wholly owned by Legg Mason Inc.



Item 11. Code of Ethics and Personal Trading

Code of Ethics

We have adopted a Code of Conduct ("Code") applicable to all staff describing our high standard of business conduct, and fiduciary duty to our clients. The Code includes provisions relating to the confidentiality of client information, prohibition on insider trading, guidelines on the acceptance of significant gifts and business entertainment items, and personal securities trading procedures, among other things. All staff must acknowledge the terms of the Code at least annually. A copy of our Code of Conduct is available to any client or prospective client upon request.

We permit our employees to engage in personal securities transactions in line with our Personal Trading Policy. Our Personal Trading Policy is designed to ensure that our employees who are responsible for developing or implementing our investment advice or who provide the investment advice to clients are not able to act thereon to the disadvantage of clients. The Personal Trading Policy further prohibits our employees from using any material non-public information in securities trading. To achieve this, the Personal Trading Policy prohibits employees from transacting in any securities in the RARE investment universe. Should an employee hold a legacy position in a security that is in the RARE investment universe, he or she may only divest that position with pre-approval from the RARE Compliance department.

Under our Conflicts of Interest Policy, our employees are prohibited from using knowledge of portfolio transactions made or contemplated for any client to profit by the market effect of such transactions or otherwise engage in fraudulent conduct in connection with the purchase or sale of a security sold or acquired by a client. Further, employees are prohibited from taking advantage of an opportunity of any client for personal benefit, or taking any action inconsistent with our fiduciary obligations. Our employees must avoid any actual or potential conflict of interest or any abuse of their position of trust and responsibility.

Employee trading is monitored under the Personal Trading Policy via quarterly testing of employee trading activity as well as annual confirmation by employees that they have complied with the policy.



Item 12. Brokerage Practices

It is RARE's policy to seek best execution when undertaking transactions on behalf of clients. Best execution means obtaining the most favourable result in the context of the full range of services provided within prevailing market conditions. Accordingly, best execution may be assessed and measured over time, rather than on the basis of a single transaction.

Broker selection takes into account a number of factors, including the difficulty of the trade and other influences on trading costs, such as the liquidity of the security and the size of the transaction. RARE also considers counterparty risk, the reliability, integrity and financial condition of the broker-dealer, their record of timely and proper delivery of securities and their expertise in trading particular securities. RARE also considers the value of research.

If broker-dealers are selected on the basis of their research services, we may negotiate commissions that may be higher than for "execution only" transactions, but are nevertheless deemed reasonable in light of the value of such services provided, viewed in terms of either a particular transaction or our overall responsibilities for accounts over which we exercise investment discretion. Research paid for using commissions relating to trades executed for certain client accounts also may be of value to and used for the benefit of other client accounts we manage. We receive research from some of the brokers with whom we place trades on behalf of clients. RARE also participates in alternative brokerage arrangements or commission sharing arrangements that comply with the RARE Alternative Brokerage Policy as well as applicable regulatory restrictions in each jurisdiction where RARE has clients, including without limitation Section 28(e) of the U.S. Securities and Exchange Act of 1934. In the event a client directs the use of a specific broker-dealer, the execution costs for the client may be higher than could be obtained by using a broker-dealer we select. Such higher costs may result from the disparity of commission rates or prices among broker-dealers, our more limited ability to negotiate lower commission rates or prices and the inability of the client to benefit from volume discounts we may obtain from aggregating orders placed with other broker-dealers.

It is our policy to allocate trades in a fair and equitable manner. We attempt (except where specific instructions provided by the client or other restrictions require otherwise) to manage every account to reflect the model portfolio selected for the client. When changes are made to the model portfolios, we trade adjust accounts to align them with the revised model portfolio. This realignment may require the trading of one or more investments on behalf of many client portfolios. We generally combine all of the trade orders into one or more 'block' orders for all of the securities that need to be purchased or sold. Each account participates at the average unit or share price for all the transactions in a security in the applicable block order, with transaction costs allocated pursuant to the applicable broker-dealer fee schedule for the particular account.

Due to the limited trading volume in some of the model portfolio securities, it is likely that we may not always be able to completely fill a block order in one trading session. When block orders are only partially filled during a trading session, we will promptly allocate fills to accounts after the close of the trading session based upon such factors as cash balances in accounts, actual account weighting versus the applicable model weight, commissions, risk profiles, the number of accounts that may be completely filled in that trading session and other matters relevant to particular accounts in filling the orders. In subsequent trading sessions, we generally will allocate fills continuing to consider these factors until the order is completely filled. It is possible that it may take several weeks or even several months to completely fill an order, depending upon the securities involved and market conditions. Our policy is to allocate fills so that accounts are neither preferred nor disadvantaged over time.

Best Execution and Trade Errors

If we make a trading error as a result of our negligence, we are generally responsible for correcting the error and bearing the costs of correcting the error so that the client is not disadvantaged and is made whole. We will take into consideration the suitability of a trade error in connection with the resolution of the error. Unsuitable trades will always be resolved in the client's favour and the client's being made whole and suitable trade errors will be resolved on a case-by-case basis. To the extent that resolution of a suitable trade error results in the purchase of securities in a client's account that increase in value, the increased value results in an increase in the amount of the fee payable to us.



Model Portfolios for managed account programs

RINA anticipates participating in various types of managed account programs, which may include LMPPG-Implemented Programs, Discretionary Model-Based Programs and Non-Discretionary Model-Based Programs. RINA does not engage in trading for SMA Client accounts. In the case of LMPPG-Implemented Programs, LMPPG implements investment instructions furnished by RINA in the form of model portfolios. In the case of Discretionary Model-Based Programs and Non-Discretionary Model-Based Programs, LMPPG disseminates the model portfolio to sponsors or their designees for implementation.

RINA has a trade communication process for retail managed account programs. A Global Infrastructure SMA Investment Committee has been established to update the model portfolio holdings, typically on a weekly basis. Once the model has been updated it will be disseminated to LMPPG in advance of the next US market open. Depending on the program type, LMPPG will then implement the model portfolio or disseminate the model portfolio to managed account program sponsors or their designees in accordance with LMPPG's Trade Communication Policy, which is described in LMPPG's Brochure. Model portfolio clients may experience account performance that is different from the results obtained for accounts that are managed and traded by RINA outside of managed account programs due to the timing and implementation of RINA's model portfolio by a Sponsor, overlay manager or LMPPG.

At times some model constituents may be the same securities as those included in other RARE strategies, be it either the listed security in both strategies, or the locally listed security in another strategy and the relevant US listed ADR in the Global Infrastructure SMA strategy.

Recommendations for a model portfolio provided to a Sponsor (or equivalent) may be contemporaneous to decisions made for RARE's discretionary clients and may include some of the same securities as noted above. There are instances where RARE may have already commenced trading on common constituents for clients under other strategies before the Managed Account Sponsor has received or had time to act on RARE's recommendations. Consequently, trades placed by the Sponsor for its clients may be subject to price movements resulting in the Sponsor's clients receiving prices that are less favorable than the prices obtained by RARE for its other clients. The inverse scenario is also possible where RARE's other clients may receive pricing that is less favorable than those of a Model Portfolio Sponsor.

RARE does not consider itself to have an advisory relationship with clients of the Sponsor of a non-discretionary model-based program and cannot determine the suitability of any such product for the end client. To the extent that this Form ADV Part 2A is delivered to program clients with whom RARE has no advisory relationship, or under circumstances where it is not legally required to be delivered, it is provided for informational purposes only.



Item 13. Review of Accounts

Portfolios are actively managed and securities are continuously monitored by members of the investment management team. The investment management team meets at least weekly to review portfolio strategy and to add or delete companies from the list of approved securities. Portfolio summaries, statistics, and performance results are generated and reviewed at least monthly. While primary responsibility for monitoring, review, and analysis of individual securities is spread among various individual members of the investment management team, all portfolio management decisions and reviews are based on a team approach.

Institutional clients are normally provided reports by their custodian not less frequently than quarterly, including (1) a portfolio schedule, (2) transaction report, (3) performance evaluation, and (4) summary portfolio statistics. We may also provide information as agreed to with the client.



Item 14. Client Referrals & Other Compensation

Other than the research services described in Item 12, RARE does not receive economic benefits from anyone who is not a client in connection with the investment advisory services we provide to clients. RARE may pay firms that sponsor or recommend RARE managed products for the costs of marketing or promotional expenses, or expenses incurred in connection with training and educational seminars for personnel of those firms. These benefits could give firms and their personnel incentives to favour RARE investment management services and RARE-managed products over those of other firms that do not provide the same payments and benefits. These payments and benefits are subject to internal policies and regulatory restrictions.

**Item 15. Custody**

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. We urge you to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

**Item 16. Investment Discretion**

We usually receive discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the investment objectives for the particular client account.

We observe the client's investment policies, limitations and restrictions when selecting the identity and amount of securities to be bought or sold. Various securities and/or tax laws, as well as internal compliance policies, may impose additional restrictions on the investments that may be made. Clients must provide any investment guidelines and restrictions to us in writing.



Item 17. Voting Client Securities

We will vote proxies on behalf of a client if the client has delegated to us the authority to vote proxies on its behalf in the client's IMA or other written instrument. Clients for whom we do not have any authority to vote proxies retain the responsibility for receiving and voting proxies for any and all securities maintained in their portfolios. In the event we receive any proxies intended for clients who have not delegated proxy voting responsibilities to us, we will promptly forward such proxies to the client for the client to vote. When requested by the client, we may provide advice to the client regarding proposals submitted to the client for voting. In the event an employee determines that we have a conflict of interest due to, for example, a relationship with a company or an affiliate of a company, or for any other reason which could influence the advice given, the employee will advise our Investment Committee. The Investment Committee will decide whether we should either (1) disclose the conflict to the client to enable the client to evaluate the advice in light of the conflict, or (2) disclose the conflict to the client and decline to provide the advice.

In cases where the client has delegated proxy voting responsibility and authority to us, we have adopted and implemented the policies and procedures summarized below, which we believe are reasonably designed to ensure that proxies are voted in the best interests of our clients. In pursuing this policy, proxies should be voted in a manner that is intended to maximize value to the client. In situations where we accept such delegation and agree to vote proxies, we will do so in accordance with these policies and procedures.

- a) We evaluate each proxy on a case-by-case basis.
- b) In the event requests for proxies are received with respect to the voting of equity securities, on routine matters, such as election of directors or approval of auditors, the proxies usually will be voted with management unless we determine we have a conflict or determine there are other reasons not to vote with management. On non-routine matters, such as amendments to governing instruments, proposals relating to compensation and stock option and equity compensation plans, corporate governance proposals and shareholder proposals, we will vote, or abstain from voting if deemed appropriate, on a case-by-case basis in a manner we believe to be in the best economic interest of our clients and investment company clients' shareholders. Our Head of Operations is responsible for monitoring our proxy voting actions and ensuring that (i) proxies are received and forwarded to the appropriate decision makers, and (ii) proxies are voted in a timely manner upon receipt of voting instructions. We are not responsible for voting proxies we do not receive, but will make reasonable efforts to obtain missing proxies.
- c) Our Investment Committee, or one of our Investment Directors, is responsible for identifying and monitoring potential conflicts of interest that could affect the proxy voting process, including (i) significant client relationships; (ii) other potential material business relationships; and (iii) material personal and family relationships.
- d) All decisions regarding proxy voting shall be determined by our Investment Committee, or one of our Investment Directors, and shall be executed by our Operations team or, if the proxy may be voted electronically, electronically voted by a Head of Operations or her designee.

If we identify a material conflict, we may (i) disclose the potential conflict to the client and obtain consent; or (ii) establish an ethical wall or other informational barriers between the person(s) that are involved in the conflict and the persons making the voting decisions.

Our Head of Investment Operations is responsible for maintaining proxy voting policies and procedures, proxy statements (or the ability to access them), records of votes cast and abstentions, and any records we prepared that were material to a proxy voting decision or that memorialized a decision.

A copy of our Proxy Voting Policies and Procedures will be provided to clients and prospective clients upon request. Clients may also obtain information from us about how we voted any proxies on behalf of their account(s) upon request by contacting operations@rareinfrastructure.com.



Item 18. Other Financial Information

Not applicable.



Item 19. Requirements for State-registered Advisers

Not applicable.

Form ADV Brochure Supplement for Nicholas J. Langley

RARE Infrastructure (North America) Pty Limited
Level 13, 35 Clarence Street
Sydney, NSW 2000
+61 2 9397 7300

Nicholas J. Langley is a Portfolio Manager with RARE Infrastructure (North America) Pty Limited ("RINA"). He may be contacted at the above address and telephone number. Mr. Langley serves as Portfolio Manager for the following investment management strategies:

- Global Value Infrastructure
- Global Income Infrastructure
- Global Infrastructure SMA

Educational Background and Business Experience

Mr. Langley, born in 1971, holds a Bachelor of Laws and a Bachelor of Commerce from the University of Auckland, New Zealand. Mr. Langley cofounded RARE Infrastructure Limited, RINA's parent company ("RARE"), in 2006 and is its Co-Chief Executive Officer and Co-Chief Investment Officer.

Disciplinary Information

Mr. Langley has no reportable legal or disciplinary events.

Other Business Activities

None.

Additional Compensation

None.

Supervision

As a founder, Co-Chief Executive and Co-Chief Investment Officer, Mr. Langley is a member of the Management and Investment Leadership Teams at RARE. As a member of the Investment Leadership Team, Mr. Langley is responsible for the governance and management of the investment team and the investment process. As a Portfolio Manager, Mr. Langley is a member of the investment committees responsible for the investment performance across all strategies.

This brochure supplement, dated 18 June, 2019, provides information about Nicholas J. Langley that supplements the RARE Infrastructure (North America) Pty Limited brochure. You should have received a copy of that brochure. Please contact Annette Golden of RARE Infrastructure Limited at the address or telephone number shown at the top of this supplement if you did not or if you have any questions about the contents of this supplement.

Form ADV Brochure Supplement for Richard P. Elmslie

RARE Infrastructure (North America) Pty Limited
Level 13, 35 Clarence Street
Sydney, NSW 2000
+61 2 9397 7300

Richard P. Elmslie is a Portfolio Manager with RARE Infrastructure (North America) Pty Limited (“RINA”). He may be contacted at the above address and telephone number. Mr. Elmslie serves as Portfolio Manager for the following investment management strategies:

- Global Value Infrastructure
- Global Income Infrastructure

Educational Background and Business Experience

Mr. Elmslie, born in 1960, holds a Bachelor of Commerce from the University of New South Wales, Australia. Mr. Elmslie cofounded RARE Infrastructure Limited, RINA’s parent company (“RARE”), in 2006 and is its Co-Chief Executive Officer and Co-Chief Investment Officer. He also holds the following designations;

- Chartered Accountant of Australia (CA), which requires a relevant undergraduate degree that covers prerequisite subjects, passing program exams and accounting practical experience.
- Fellow of FINSIA, which requires undergraduate and postgraduate degrees and 7+ years’ industry experience.

Disciplinary Information

Mr. Elmslie has no reportable legal or disciplinary events.

Other Business Activities

None.

Additional Compensation

None.

Supervision

As a founder, Co-Chief Executive and Co-Chief Investment Officer, Mr. Elmslie is a member of the Management and Investment Leadership Teams at RARE. As a member of the Investment Leadership Team, Mr. Elmslie is responsible for the governance and management of the investment team and the investment process. As a Portfolio Manager, Mr. Elmslie is a member of the investment committees responsible for the investment performance across all strategies.

This brochure supplement, dated 18 June, 2019, provides information about Richard P. Elmslie that supplements the RARE Infrastructure (North America) Pty Limited brochure. You should have received a copy of that brochure. Please contact Annette Golden of RARE Infrastructure Limited at the address or telephone number shown at the top of this supplement if you did not or if you have any questions about the contents of this supplement.

Form ADV Brochure Supplement for Charles Hamieh

RARE Infrastructure (North America) Pty Limited
Level 13, 35 Clarence Street
Sydney, NSW 2000
+61 2 9397 7300

Charles Hamieh is a Portfolio Manager with RARE Infrastructure (North America) Pty Limited (“RINA”). He may be contacted at the above address and telephone number. Mr. Hamieh serves as Portfolio Manager for the following investment management strategies:

- Global Infrastructure (Smart Beta)
- Global Value Infrastructure

Educational Background and Business Experience

Charles Hamieh, born in 1976, holds a Bachelor of Economics from the University of Western Sydney, Australia.

Mr. Hamieh joined RARE Infrastructure Limited, RINA’s parent company (“RARE”), in 2010 and is a member of RARE’s Management and Investment Leadership Teams. As Senior Investment Analyst, Portfolio Manager and investment committee member for the Global Value Infrastructure and Global Infrastructure (Smart Beta) Strategies, Mr. Hamieh has investment analysis and portfolio management responsibility across these strategies.

Disciplinary Information

Mr. Hamieh has no reportable legal or disciplinary events.

Other Business Activities

None.

Additional Compensation

None.

Supervision

As a Portfolio Manager and Investment Analyst, Mr. Hamieh’s activities are supervised by the Co-Chief Executive and Co-Chief Investment Officers, Mr. Langley and Mr. Elmslie. Mr. Langley and Mr. Elmslie may be contacted at +61 2 9397 7300. Mr. Langley and Mr. Elmslie supervise Mr. Hamieh’s activities both informally through regular weekly meetings, as well as formally through the annual performance review process including review of his compensation.

This brochure supplement, dated 18 June 2019, provides information about Charles Hamieh that supplements the RARE Infrastructure (North America) Pty Limited brochure. You should have received a copy of that brochure. Please contact Annette Golden of RARE Infrastructure Limited at the address or telephone number shown at the top of this supplement if you did not or if you have any questions about the contents of this supplement.

Form ADV Brochure Supplement for Shane Hurst

RARE Infrastructure (North America) Pty Limited
Level 13, 35 Clarence Street
Sydney, NSW 2000
+61 2 9397 7300

Shane Hurst is a Portfolio Manager with RARE Infrastructure (North America) Pty Limited ("RINA"). He may be contacted at the above address and telephone number. Mr. Hurst serves as Portfolio Manager for the following investment management strategies:

- Global Value Infrastructure
- Global Income Infrastructure
- Global Infrastructure SMA

Educational Background and Business Experience

Mr. Hurst, born in 1976, has a Bachelor of Business from the University of Technology, Australia and a Masters of Commerce (Advanced Finance) from the University of New South Wales, Australia.

Mr. Hurst joined RARE Infrastructure Limited, RINA's parent company ("RARE"), in 2010 and is a member of RARE's Management and Investment Leadership Teams. As Senior Investment Analyst, Portfolio Manager and investment committee member for the Value Strategy, Mr. Hurst has investment analysis and portfolio management responsibility across this strategy

Disciplinary Information

Mr. Hurst has no reportable legal or disciplinary events.

Other Business Activities

None.

Additional Compensation

None.

Supervision

As a Portfolio Manager and Investment Analyst, Mr. Hurst's activities are supervised by the Co-Chief Executive and Co-Chief Investment Officers, Mr. Langley and Mr. Elmslie. Mr. Langley and Mr. Elmslie may be contacted at +61 2 9397 7300. Mr Langley and Mr Elmslie supervise Mr Hurst's activities both informally through regular weekly meetings, as well as formally through the annual performance review process including review of his compensation.

This brochure supplement, dated 18 June 2019, provides information about Shane Hurst that supplements the RARE Infrastructure (North America) Pty Limited brochure. You should have received a copy of that brochure. Please contact Annette Golden of RARE Infrastructure Limited at the address or telephone number shown at the top of this supplement if you did not or if you have any questions about the contents of this supplement.