

Item 1: Cover Page

PART 2 OF FORM ADV: FIRM BROCHURE

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This brochure provides information about the qualifications and business practices of Fundsmith LLP (“Fundsmith” or the “Firm”). If you have any questions about the contents of this brochure, please contact us at +44 (0)20 3551 6337 or info@fundsmith.co.uk. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

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

FUNDSMITH IS A REGISTERED INVESTMENT ADVISER WITH THE SEC. REGISTRATION WITH THE SEC AS AN INVESTMENT ADVISER DOES NOT IMPLY THAT FUNDSMITH OR ANY PRINCIPALS OR EMPLOYEES OF FUNDSMITH POSSESS A PARTICULAR LEVEL OF SKILL OR TRAINING IN THE INVESTMENT ADVISORY OR ANY OTHER BUSINESS.

Item 2: Material Changes

This Brochure dated January 16, 2019 contains one material change, the addition of two (2) new investment strategies, as well as other non-material updates.

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Item 4: Advisory Business

4.A. Advisory Firm Description

Fundsmith is a limited liability partnership that was formed in England and Wales on April 16, 2010 under the Limited Liability Partnerships Act 2000. Fundsmith is regulated by the United Kingdom Financial Conduct Authority and authorized by the Financial Conduct Authority to carry on certain regulated activities in the United Kingdom. Fundsmith is 100% owned and controlled by its partners, who have worked closely together over many years. It is headquartered in London, England. The principal owner of Fundsmith is Terence Smith. Mr. Smith owns interests in Fundsmith, individually, as well as through International Value Investments Limited, a corporation 100% indirectly owned by Mr. Smith.

4.B. Types of Advisory Services

Fundsmith provides investment management services to the following pooled investment vehicles (the “Funds” and each, a “Fund”): (1) Fundsmith Equity Fund, an investment company registered in England and Wales, (2) Fundsmith Equity Sustainable Fund (OEIC), both these funds are collectively defined as the “U.K. Funds”, (3) Fundsmith Equity Fund Feeder, an open-ended investment company organized under the laws of the Grand Duchy of Luxembourg as a *société d’investissement à capital variable* (the “Feeder Fund”)¹; (4) Fundsmith Equity Fund, L.P. a Delaware limited partnership, (5) Fundsmith Sustainable Equity Fund, L.P., a Delaware limited partnership (the “FSEF Fund”), both these funds are collectively defined as the “U.S. Funds”, (6) Fundsmith Emerging Equities Trust plc, an investment trust incorporated and registered in England and Wales (“FEET”), (7) The Smithson Investment Trust plc investment company registered in England and Wales (“SSON”), and provides sub-investment management to (8) The Investment Fund for Foundations Multi-Asset Fund (“TIFF Multi-Asset”) an investment company registered in the U.S. under the Investment Company Act of 1940 (“Investment Company Act”). Fundsmith also provides investment management services to institutional clients through separately managed accounts (“SMAs”). The Funds and SMAs are collectively referred to below as “Advisory Clients.”

In connection with providing investment management services to its Advisory Clients, Fundsmith has been appointed as the investment manager with full discretion to invest the assets of its Advisory Clients.

The majority of the Firm’s activities are therefore carried out in the UK in relation to Advisory Clients based in the UK and Luxembourg. The UK and Luxembourg funds are not available for investment by U.S. Persons. Fundsmith has three U.S. based Advisory Clients whose assets are managed from the Firm’s office in London, UK.

It should be noted that Fundsmith outsources elements of the portfolio management process to its delegate, Fundsmith Investment Services, Ltd (“FIS”), which is a participating non-U.S. affiliate of Fundsmith (the registered affiliate). FIS is a separately organized entity located in Mauritius and authorized by Financial Services Commission of Mauritius. Further details of this delegation arrangement are provided in section 8A, below.

4.C. Investment Objectives/Restrictions

Fundsmith, on behalf of its Advisory Clients, invests in equities on a global basis employing a buy-and-hold investment strategy that seeks to achieve long-term growth in value. Fundsmith’s approach is to be a long-term investor in its chosen stocks and it does not adopt short-term trading strategies. Fundsmith adheres to strict investment criteria, through which it seeks to invest only in high-quality businesses that it believes will deliver attractive risk-adjusted returns to investors over the long term.

Fundsmith does not invest in derivatives.

¹ The Feeder Fund is an “undertaking for collective investment in transferable securities” fund established pursuant to Directive 2009/65/EC of the European Parliament of July 13, 2009 (a “UCITS”) (as defined in the Luxembourg law of December 17, 2010 on undertakings for collective investment, as amended (the “UCI Law”). The Feeder Fund invests substantially all of its assets in the U.K. Fund, which qualifies as a master UCITS (as defined by the UCI Law). In compliance with the provisions of the UCI Law, the Feeder Fund will at all times invest at least 85% of its assets in shares of the U.K. Fund and may hold up to 15% of its assets in ancillary liquid assets, including cash, cash equivalents and short-term bank deposits.

The information set forth herein is qualified in its entirety by reference to applicable prospectus, confidential private placement memoranda, limited partnership agreements and/or other governing documents (collectively, the “Governing Documents”) for each Fund (defined below). In the event of a conflict between the information set forth in this brochure and the information in the Governing Documents, the Governing Documents shall control.

Investors and prospective investors in each Fund should read the applicable Governing Documents for complete information on the investment objectives and investment restrictions with respect to a particular Fund. There is no assurance that any of the Funds’ investment objectives will be achieved.

4.D. Wrap Fee Programs

Fundsmith does not participate in, nor is it a sponsor of, any wrap fee programs.

4.E. Assets Under Management

As of March 31, 2018, Fundsmith manages approximately US\$20.1 billion regulatory assets under management on a discretionary basis and \$0 assets on a non-discretionary basis.

Item 5: Fees and Compensation

5.A. Adviser Compensation

The fees applicable to each Fund and account are set forth in detail in the relevant Governing Documents. A brief summary of those fees is provided below.

Investors in the Funds pay a management fee (the “Management Fee”) to Fundsmith calculated and payable monthly in arrears (for FEET, quarterly in arrears), equal to an annual rate of between 0.9% and 1.5% of the net assets of such Fund.

The management fees for SMAs are separately negotiated between Fundsmith and the Advisory Client the terms of which are detailed in an investment management agreement (“IMA”).

Fundsmith has sole discretion to reduce or rebate the Management Fee by up to 75 basis points with respect to the U.K. Funds and the Feeder Fund with respect to certain investors, including members, managers, partners, shareholders, directors, officers, affiliates or employees of Fundsmith, its affiliates or the Funds, or such person’s family members and trusts or other entities established for the benefit of such person or his or her family.

With respect to the U.S. Funds, Fundsmith has sole discretion to reduce, waive or calculate differently the Management Fee with respect to certain investors, including members, managers, partners, shareholders, directors, officers, affiliates or employees of Fundsmith, its affiliates or the U.S. Funds, or such person’s family members and trusts or other entities established for the benefit of such person or his or her family.

The general partners of the U.S. Funds are authorized enter into “side letters” or similar agreements with certain investors in the U.S. Funds, granting such investors specific rights, benefits, or privileges that are not made available to investors generally. Larger investors in the U.S. Fund may be able to benefit from a reduced management fee.

5.B. Direct Billing of Advisory Fees

Fundsmith is authorized under the Governing Documents of the U.S. Funds to charge and deduct advisory fees directly from the fund’s assets, at the times and in the amounts described in the Governing Documents. Fundsmith may also receive advisory fees from certain Advisory Clients, as specified in the relevant IMA governing such relationship.

5.C. Other Non-Advisory Fees

In addition to the fees payable to Fundsmith, the Funds (with certain exceptions described in the Governing Documents) pay for all costs and expenses incurred in connection with the investments in their accounts, which may include (but may not be limited to) brokerage commissions, clearing and settlement charges, custodial fees, interest expenses, expenses relating to consultants, attorneys, brokers or other professionals or advisers who provide research advice, proxy voting services or due diligence services with regard to investments, research related expenses, appraisal fees and expenses, and investment banking expenses, portfolio valuation and pricing services, legal expenses, accounting, audit, tax preparation and other tax related expenses, entity level taxes, value added tax, subscription tax, expenses related to obtaining insurance for the directors and officers of the Fund (or the general partners of the Fund, as applicable), transfer agent fees, share dealing and registration fees, shareholder meeting expenses, Financial Conduct Authority fees and any other governmental, regulatory or corporate director fees, organizational and offering expenses, and administration fees and related costs, as described in greater detail in the Governing Documents for each Fund.

The section below titled “**Item 12. Brokerage Practices**” describes the factors that Fundsmith considers in selecting or recommending broker/dealers for client transactions and determining the reasonableness of their compensation (e.g. commissions).

5.D. Timing of Payments

Management Fee payments are generally due either monthly or quarterly in arrears depending on the terms set forth in the applicable Governing Documents or IMAs. Please refer to the Governing Documents of each Fund or the applicable IMA of each SMA for more complete information on the timing of advisory fee payments, including the circumstances under which Fundsmith will refund

any unearned portion of the Management Fee upon termination of a client account.

5.E. No Compensation for Sale of Securities or Other Investment Products

Neither Fundsmith nor its supervised persons will receive any compensation with respect to the purchase or sale of securities or other investment products by any client, including any Fund.

Item 6: Performance-Based Fees and Side-By-Side Management

Fundsmith does not receive an annual performance allocation or fee based on a share of capital gains or capital appreciation of assets under management.

Item 7: Types of Clients

Types of Clients

Fundsmith provides advice to institutional separate accounts, investment companies and pooled investment vehicles, including the Funds. The limited partners and shareholders of the Funds include corporations, endowments, foundations, trusts, estates, individuals and pension and profit sharing plans, among others. Limited partner interests in the U.S. Funds are offered in the United States to accredited investors as defined under Regulation D under the Securities Act of 1933, as amended (the “Securities Act”), and to qualified purchasers as defined under Section 2(a)(51) of the Investment Company Act, as amended, and are therefore not required to register as investment companies under the Investment Company Act in reliance upon the exemption under Section 3(c)(7) for funds whose securities are not publicly offered.

Shares in the U.K. Funds, the Feeder Fund, and FEET and SSON have not been and will not be registered under the Securities Act and they may not be offered, sold or transferred in the United States of America, its territories and outlying areas or offered or sold to any U.S. person.

Fundsmith also provides investment management services to four U.S.-based Institutional Clients, where Fundsmith acts as the investment manager or the sub-investment manager. One such client the TIFF Multi-Asset Fund (“TIFF Multi-Asset”), an investment company registered under the Investment Company Act, has appointed Fundsmith as the sub-investment manager for two of their funds.

Minimum Investment Requirements

As noted above, limited partners interests in the U.S. Fund may only be offered to “accredited investors” as defined in Regulation D under the Securities Act and a “qualified purchasers” as defined in Section 2(a)(51) of the Investment Company Act.

Investors in the Fundsmith Equity Fund (one of the U.K Funds) are required to make a minimum initial investment of £1,000. Investors in the Feeder Fund are required to make a minimum initial investment of €2,000. Investors in the FSEF (UK Fund) are required to make a minimum initial investment of £5M. Investors in the U.S. Funds are required to make a minimum initial investment of US\$250,000, although the general partners of the U.S. Funds have discretion to accept lower amounts.

The Funds, with the exception of FEET and SSON, are generally open ended, however; investors should review the withdrawal and redemption terms and procedures set forth in detail in each Fund’s Governing Documents.

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

8.A. Methods of Analysis and Investment Strategies

Fundsmith generally adheres to certain investment criteria in selecting securities for the Funds' investment portfolios that ensures that the Funds invest in:

- high quality businesses that can sustain a high return on operating capital employed;
- businesses whose advantages are difficult to replicate;
- businesses that do not require significant leverage to generate returns;
- businesses with a high degree of certainty of growth from reinvestment of their cash flows at high rates of return;
- businesses that are resilient to change, particularly technological innovation; and
- businesses whose valuation is considered by Fundsmith to be attractive.

For the Funds other than FEET, Fundsmith selects potential investments by searching for companies that meet the following criteria: (i) the company has a market capitalization that is greater than US\$2,000,000,000; (ii) the company's stock is quoted on an exchange in a developed market (including developed Asian markets), and (iii) the company operates in a business sector that has certain business and financial characteristics, such as a high return on capital employed, strong top line growth, sustainable margins, high free cash flow yield, reinvestment opportunities, low capital intensity, no leverage requirements and strong secular growth themes.

Once Fundsmith has identified a potential investment that fits the criteria above, it will then analyze the financial characteristics of the targeted company to determine if it (i) can achieve an operating return on capital comfortably in excess of its weighted average cost of capital across the business cycle, (ii) can achieve operating margins that are suitably high for its particular line of business, and (iii) has a strong fixed charge coverage ratio.

The investment process followed in respect to sub-investment management relationships and SMAs is essentially the same as above, albeit with some additional investment restrictions imposed by the client.

In contrast to Fundsmith's other Advisory Clients, FEET's investment policy is to invest in shares issued by listed or traded companies which have the majority of their operations in, or revenue derived from, developing economies and which provide direct exposure to the rise of the consumer classes in those countries. FEET will however generally be invested using the same methodology as all Fundsmith Funds and, as such, the methodology may include the investment criteria described above. FEET will generally be:

- Seeking high-quality businesses with specific characteristics and intangible assets;
- Avoiding over paying for shares;
- Buying and holding;
- Not attempting to market time; and,
- Selecting the investments it makes having regard to the existing corporate governance landscape

Fundsmith's principal sources of information regarding specific investments include quarterly and annual reports, offering materials, SEC filings (if available), general industry knowledge, and other publicly available information.

These descriptions of specific strategies that are or may be engaged in by Fundsmith on behalf of its Advisory Clients are a summary only.

Investing in securities involves a high degree risk including the risk that the entire amount invested may be lost. Advisory Clients should be prepared to bear such risk of loss.

It should be noted that Fundsmith is assisted in its management of the Funds' portfolios by its delegate and participating non-U.S. affiliate, FIS. Under the delegation arrangement, FIS has essentially been appointed to provide Fundsmith with advice on which securities it should buy and sell on behalf of certain of its Advisory Client. Fundsmith is the investment manager and has ultimate discretion and decision-making power with regard to the Funds' portfolios, whereas FIS provides advisory services to Fundsmith only. Fundsmith reviews the advice given by FIS to ensure that it adheres to the investment objectives, strategy and applicable investment limitations of the relevant Fund(s). Once satisfied that this is the case, Fundsmith will proceed. For further information on FIS, please refer to Item 10C hereof.

8.B. Material Risks of Investment Strategies

Although investments in the Funds (and other Advisory Client accounts) may result in significant returns, they also involve a substantial degree of risk. Fundsmith generally only accepts Advisory Clients that are able to bear the financial risk of the investment strategy for an indefinite period of time and are able to sustain the loss of all or a significant part of their investment.

Prospective investors in the Funds and other Advisory Clients should carefully review the risks described in this brochure and the Governing Documents or IMA for the relevant Fund or Advisory Client account, and should evaluate the merits and risks of an investment in the context of their overall financial circumstances. The risk factors below are not intended to be exhaustive and should be considered carefully by prospective investors or clients together with the full text of the applicable Governing Document or IMA.

Long-Term Investment Strategy. Fundsmith's investment philosophy is to seek to invest in companies which it believes will provide higher than average risk adjusted returns over the long-term. Fundsmith does not seek to engage in short-term trading strategies to generate returns. Accordingly, any investment in the Funds should be viewed as a long-term investment.

Concentration. Fundsmith's investment approach is to invest in a relatively small number of securities (subject to spread and concentration limits). This may result in portfolio concentration in sectors, countries, or other groupings. These potential concentrations mean that a loss arising in a single investment may cause a proportionately greater loss to a Fund than if a larger number of investments were made.

8.C. Material Risks of Securities Used in Investment Strategies

Investment Currency Risks. The values, in pounds sterling or dollar terms, of investments that are not denominated in pounds sterling or dollars, respectively, may rise and fall purely on account of exchange rate fluctuations. Fundsmith will not hedge currency exposures.

Political and/or Environmental Risks. The investee companies may operate in countries where the ownership rights may be uncertain and development of the resources of investee companies may be subject to disruption due to factors including civil disturbances, industrial action, interruption of power supplies, as well as adverse climatic conditions.

Liquidity Risk. There is a risk that an investment cannot be liquidated in a timely manner at a reasonable price. There is no active secondary market for interests in the U.S. Funds, and it is not expected that such a market will develop. There can be no assurance that the liquidity of the investments of the U.S. Funds will always be sufficient to meet withdrawal requests as, and when, made. Any lack of liquidity may affect the liquidity of interests in the U.S. Funds and the value of the U.S. Fund's investments.

Technology and Cybersecurity Risks. Fundsmith and its affiliates depend on certain of their service providers, telecommunication, information technology and other operational systems (e.g., custodians, transfer agents and other parties to which Fundsmith and its affiliates outsource certain services or business operations). These systems may fail to operate properly or become disabled as a result of events or circumstances wholly or partly beyond our control. Despite Fundsmith's best efforts to implement security measures, the firm's information technology and other systems, and those of others, could be subject to physical or electronic break-ins, unauthorized tampering or other security breaches, resulting in a failure to maintain the security, availability, integrity and confidentiality of data assets. Technology failures or cybersecurity breaches, whether deliberate or

unintentional, including those arising from use of third-party service providers, as well as failures or breaches suffered by the issuers of securities in which the strategy invests, could delay or disrupt Fundsmith's ability to do business and service the Advisory Clients, harm the firm's reputation, result in a violation of applicable privacy and other laws, require additional compliance costs, subject Fundsmith to regulatory inquiries or proceedings and other claims, lead to a loss of Advisory Clients and revenues or financial loss to Fundsmith's Advisory Clients or otherwise adversely affect the business, Advisory Clients and/or investors in the Funds.

Item 9: Disciplinary Information

Neither Fundsmith nor any of its management persons have been the subject of any material legal or disciplinary event required to be disclosed in response to this item.

Item 10: Other Financial Industry Activities and Affiliations

10.A. No Registered Representatives

None of Fundsmith or its principals or employees is registered as a broker-dealer or a registered representative of a broker-dealer.

10.B. No Other Registrations

None of Fundsmith or its principals or employees is registered, or has an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading adviser, or an associated person of the foregoing entities.

10.C. Material Relationships or Arrangements

Fundsmith has filed a single ADV together with its participating non-U.S. affiliate, Fundsmith Investment Services Ltd. (“FIS”).

Fundsmith Equity Fund (GP) LLC was set up solely to act as a general partner to the U.S. Fund. It serves no other purpose and receives no compensation in connection with acting as a general partner to the U.S. Fund. In addition, effective December 1, 2016, Fundsmith Partners U.S. LLC, a wholly owned subsidiary of Fundsmith (“Fundsmith U.S.”), was admitted to the U.S. Fund as an additional general partner, accepting its admission and agreeing to be bound by the terms of the second amended and restated limited partnership agreement of Fundsmith U.S.

FIS is a participating non-U.S. affiliate of Fundsmith in accordance with Uniao de Bancos de Brasileiros, SEC No-Action Letter (pub. avail. July 28, 1992); The National Mutual Group, SEC No-Action Letter (pub. avail. Mar. 8, 1993); Mercury Asset Management plc, SEC No-Action Letter (pub. avail. Apr. 16, 1993); Kleinwort Benson Investment Management Limited, SEC No-Action Letter (pub. avail. Dec. 15, 1983); Murray Johnstone Holdings Ltd., SEC No-Action Letter (pub. avail. Oct. 7, 1994); ABN AMRO Bank N.V., SEC No-Action Letter (pub. avail. July 1, 1997); and Royal Bank of Canada et al., SEC No-Action Letter (pub. avail. June 3, 1998) (collectively, the “Unibanco Letters”).

Consistent with the Unibanco Letters, the guidance in IV(B)(2) of the March 2013 publication by the Staff of the Investment Adviser Regulation Office, Division of Investment Management, entitled “Regulation of Investment Advisers by the U.S. Securities and Exchange Commission” and the IM Information Update (Information Update for Advisers Relying on the Unibanco Letters) (March 13, 2017) (the “IM Update”), FIS is a delegate of Fundsmith, which has been appointed to assist with the selection of stocks for the Advisory Clients of Fundsmith. FIS is a separately organized entity and its personnel are all associated persons of Fundsmith and required to adhere to the compliance policies and procedure of Fundsmith. Fundsmith is staffed by personnel capable of providing investment advice, and the SEC will be given access to all applicable records and may monitor the conduct of FIS to the extent necessary to enable it to identify conduct that may harm U.S.-based Advisory Clients or markets. To facilitate the SEC’s ability to monitor and enforce FIS and Fundsmith’s performance of their obligations to the U.S. Advisory Clients, reliance on the Unibanco Letters is conditioned upon such advisers’ making certain representations and undertakings to the SEC, including maintaining certain records and providing the SEC with access to FIS’ foreign personnel (the “FIS Undertaking”). In June 2017, FIS, in its capacity as a participating affiliate of Fundsmith, submitted the FIS Undertaking to the SEC staff at the email address designated in the IM Update.

As discussed in the section titled “Code of Ethics, Participation or Interest in Client Transactions and Personal Trading,” Fundsmith’s related persons manage and invest in each of the Funds. Fundsmith and its related persons may spend substantially all of their business time on one or more of the Funds.

10.D. Recommendations of Other Investment Advisers

Fundsmith does not recommend or select other investment advisers for its Advisory Clients or receive compensation from such advisers in a manner that would create a material conflict of interest. Fundsmith does not have other business relationships with other advisers that create a material conflict of interest.

Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

11.A. Code of Ethics

Fundsmith strives to adhere to the highest industry standards of conduct based on principles of professionalism, integrity, honesty and trust. In seeking to meet these standards, Fundsmith has adopted a Compliance Manual and Code of Ethics (the “Code”), which is reviewed and updated (if necessary) at least annually. The Code incorporates the following general principles that all employees are expected to uphold:

- employees must at all times place the interests of Advisory Clients first;
- all personal securities transactions must be conducted in a manner consistent with the Code and any actual or potential conflicts of interest or any abuse of an employee’s position of trust and responsibility must be avoided;
- employees must not take any inappropriate advantage of their positions;
- information concerning the identity of securities and financial circumstances of Advisory Clients and the Funds must be kept confidential; and
- independence in the investment decision making process must be maintained at all times.

The Code also places restrictions on personal trades by employees, including requiring that they disclose their personal securities holdings and transactions to Fundsmith on a periodic basis, and requires that employees pre-clear certain types of personal securities transactions.

As part of the Code, Fundsmith also maintains insider trading policies and procedures (the “Insider Trading Policies”) that are designed to prevent the misuse of material, non-public information. Fundsmith personnel are required to certify to their compliance with the Code, including the Insider Trading Policies, on a periodic basis.

The Insider Trading Policies prohibit Fundsmith and its personnel from trading for themselves, or recommending trading, in securities of a company while in possession of material, non-public information (“Inside Information”) about the company, and from disclosing such information to any person not entitled to receive it. By reason of its various activities, Fundsmith may have access to Inside Information or be restricted from effecting transactions in certain investments that might otherwise have been initiated. Fundsmith has designed and implemented policies and procedures reasonably designed to shield its investment professionals in most cases from access to Inside Information so that investment decisions may be made on the basis of public information only. Among other things, such policies seek to control and monitor the flow of Inside Information to and within Fundsmith, as well as prevent trading based on Inside Information. Accordingly, Fundsmith may not have access to Inside Information that other market participants or counterparties are eligible to receive.

Notwithstanding such policies and procedures, there may be certain cases where Fundsmith may receive Inside Information due to its various activities on behalf of itself or its Advisory Clients. If this were to happen, Fundsmith may be restricted from trading in the affected securities until such time as the information becomes public. Fundsmith seeks to minimize those cases whenever possible, consistent with applicable law and its Insider Trading Policies, but there can be no assurance that such efforts will be successful and that such restrictions will not occur.

Advisory Clients may request a copy of the Code by contacting Fundsmith at the address, email address or telephone number listed on the cover page of this brochure.

11.B. Participation or Interest in Client Transactions

As a matter of policy, Fundsmith does not engage in principal transactions, cross trading or agency cross transactions. Any exceptions to this policy must be approved in advance by Fundsmith.

11.C. Personal Trading

On occasion, Fundsmith and its principals and employees may buy and sell securities for themselves that they also recommend to Advisory Clients. Fundsmith's principals and employees are investors in some of the Funds. The Code contains policies and procedures designed to prevent improper practices with respect to such transactions, and compliance with the Code by Fundsmith, its principals and employees is the primary method employed by Fundsmith to address the conflicts of interest that arise with respect to these transactions. For example, the principals and employees of Fundsmith must pre-clear certain personal securities transactions with Fundsmith's Chief Compliance Officer if the security (or related security, e.g., warrants, options or futures) is a suitable investment option for any Advisory Client of Fundsmith, regardless of whether the Advisory Client currently has a position in the security (or related security, e.g., warrants, options or futures), as well as transactions that require pre-clearance under the Investment Advisers Act of 1940, as amended (the "Advisers Act").

Item 12: Brokerage Practices

12.A. Selection of Broker/Dealers

Subject to the investment objectives, policies and restrictions of each Advisory Client as set forth in such Advisory Client's Governing Documents or IMAs. Fundsmith has discretionary authority to determine the type, amount, and price of securities and investments to be bought and sold on behalf of its Advisory Clients, including the selection of, and commissions paid to, brokers.

In selecting broker-dealers to effect securities transactions, Fundsmith seeks to obtain best execution by considering such factors as price, transaction costs, a broker's or dealer's ability to effect the transactions, its facilities, reliability and financial responsibility, and commitment of capital, as well as such other factors as Fundsmith considers relevant and beneficial to its Advisory Clients. Neither Fundsmith nor the Funds utilize the services of a prime broker.

Research and Other Soft Dollar Benefits

Section 28(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), provides a safe harbor that permits advisers, when selecting brokers to execute transactions for client accounts, to take into account certain research products and services provided to the adviser by brokers. Advisory Clients may pay higher commissions than are obtainable from other brokers as a result of the consideration of research services as a factor in selecting brokers in addition to commission cost and best execution, provided that the adviser determines in good faith that the amount of commissions charged is reasonable in relation to the value of the brokerage and research services provided by such broker. Research services provided to advisers by brokers may include written information and analyses concerning specific securities, companies or sectors; market, financial and economic studies and forecasts; statistics and pricing services; and discussions with research personnel. Receipt of such services from brokers may provide an adviser with a benefit because it will not have to produce or pay for the research, products or services, and an adviser may have an incentive to select a broker-dealer based on its interest in receiving the research or other products or services, rather than on an Advisory Client's interest in receiving most favorable execution.

Fundsmith does not currently engage in any soft dollar arrangements in which Fundsmith receives third-party services.

Brokerage for Client Referrals

Fundsmith does not utilize the capital introduction services of a prime broker.

Directed Brokerage

Fundsmith does not recommend, request or require Advisory Clients to direct it to execute transactions through a specified broker-dealer.

12.B. Aggregation of Orders

When it is determined that it would be appropriate for the Advisory Clients to participate in an investment opportunity, Fundsmith will seek to execute orders for all of the participating investment accounts on an equitable basis, taking into account such factors as the relative amounts of capital available for new investments. However, Fundsmith has no obligation to obtain any particular investment opportunity for any particular Fund or other Advisory Client, and Fundsmith may be precluded from offering to certain Advisory Clients particular securities in certain situations, including where Fundsmith or its affiliates have a prior contractual commitment with other accounts or Advisory Clients. Orders may be combined for all such accounts, and if any order is not filled at the same price, they may be allocated on an average price basis. Similarly, if an order on behalf of more than one account cannot be fully executed under prevailing market conditions, securities may be allocated among the different accounts on a basis which Fundsmith or its affiliates considers equitable. There is no assurance that the Advisory Clients will hold the same investments or perform in a substantially similar manner as Advisory Clients with similar strategies.

Item 13. Review of Accounts

13.A. Frequency and Nature of Review

Fundsmith performs various daily, weekly, monthly, quarterly and periodic reviews of the Advisory Clients’ portfolios. Such reviews are conducted by Fundsmith’s investment professionals and operational and compliance personnel. Among other criteria, the portfolios are reviewed in the context of each Advisory Clients’ adherence to the investment objectives and guidelines as set forth in the Governing Documents of each Fund or IMAs for SMAs.

Each review is conducted by one or more of the following supervised persons:

Supervised Person	Title
Terence Smith	Chief Executive Officer and Chief Investment Officer
Julian Robins	Head of Research
Simon Godwin	Chief Financial Officer, Chief Compliance Officer and Chief Risk Officer
Tom Armstrong	Head of Product Control
Eva Oroszi	Financial Controller

13.B. Factors that May Trigger an Account Review Outside of Regular Review

Not applicable.

13.C. Content and Frequency of Reports

Investors in the Funds receive annual reports within 120 days of their fiscal year end. The U.K. Funds, the Feeder Fund, and FEET and SSON Funds also provide half-yearly reports to their investors,² while the U.S. Funds also provides monthly reports to its investors.

Investors are requested to refer to the Governing Documents of each Fund for further information on the reports provided by a particular Fund to its investors.

² The Feeder Fund also provides a copy of the annual and semi -annual reports of the U.K. Funds to its investors free of charge upon their request. The reports are also made available to investors on the website of Fundsmith at www.fundsmith.co.uk, the Fundsmith Emerging Equities Trust at www.feetplc.co.uk, Smithson Investment Trust Plc at www.smithson.co.uk and on the website of the Feeder Fund at www.fundsmith.eu.

Item 14: Client Referrals and Other Compensation

Economic Benefits Received from Third Parties

Fundsmith is compensated exclusively by its Advisory Clients for providing investment advice.

Item 15: Custody

Fundsmith does not have physical custody of any Advisory Client assets. Fundsmith or its affiliate(s), however, may be deemed to have custody of the assets of the Funds as a result of their authority over the Funds.

It is Fundsmith's policy to cause each Fund for which Fundsmith or its affiliate(s) are deemed to have "custody" to be audited annually and to distribute audited financial statements. The accounts of the U.S. Funds are prepared in accordance with U.S. GAAP. The accounts of the UK Funds, the Feeder Fund, FEET and SSON are prepared in accordance with International Financial Reporting Standards (IFRSs), and all audited accounts are made available to investors not later than 120 days after the end of each fiscal year.

Fundsmith does not have custody of the assets in SMAs or relationships where Fundsmith serves as the sub-investment manager. In both of these situations the Advisory Clients will receive periodic account statements directly from the qualified custodian for their accounts and are encouraged to carefully review those statements.

All assets in the accounts of Fundsmith Advisory Clients will be held by a qualified custodian.

Item 16: Investment Discretion

Subject to the investment objectives, policies, and restrictions of each Fund as set forth in the Governing Documents of such Fund, Fundsmith generally has discretionary authority to determine the type, amount and price of securities and investments to be bought and sold on behalf of each Fund for which it serves as discretionary investment manager, including the selection of, and commissions paid to, broker-dealers.

As noted above, Fundsmith has delegated elements of the portfolio management process (namely stock selection) to its participating non-U.S. affiliate, FIS. Under this arrangement, Fundsmith still retains ultimate decision-making power and discretion over its Advisory Clients' portfolios.

If, for example, FIS advised Fundsmith to purchase a security which fell outside the Advisory Client's investment mandate, Fundsmith would not follow this advice. Please refer to Item 10C for further details about Fundsmith's participating non-U.S. affiliate, FIS.

Item 17: Voting Client Securities

Because Fundsmith has, or will accept, authority to vote securities held by an Advisory Client, it has adopted policies and procedures (the “Proxy Voting Policies and Procedures”) that have been designed to ensure that Fundsmith complies with the requirements of Rule 206(4)-6 and Rule 204-2(c)(2) under the Advisers Act, and reflect Fundsmith’s commitment to vote all Advisory Client securities for which it exercises voting authority in a manner consistent with the best interest of the Advisory Client.

The general policy is to vote proxy proposals, amendments, consents or resolutions relating to Advisory Client securities, if any (collectively, “Proxies”), in a manner that serves the best interests of the Advisory Clients, as determined by Fundsmith in its discretion, taking into account the following factors: (i) the impact on the value of the investments; (ii) the anticipated associated costs and benefits; (iii) the continued or increased availability of portfolio information; and (iv) industry and business practices. The majority of proxy related issues generally fall within the following five categories: (a) corporate governance; (b) takeover defense; (c) compensation plans; (d) capital structure; and (e) social responsibility. Fundsmith will generally vote in favor of matters that follow an agreeable corporate strategic direction, support an ownership structure that enhances shareholder value without diluting management’s accountability to shareholders and/or present compensation plans that are commensurate with manager performance and market practices.

In limited circumstances, Fundsmith may refrain from voting Proxies where Fundsmith believes that voting would be inappropriate taking into consideration the cost of voting the Proxy and the anticipated benefit to the Advisory Clients.

Prior to exercising its voting authority, if any, Fundsmith reviews the relevant facts and determines whether or not a material conflict of interest may arise due to business, personal or family relationships of Fundsmith, its owners, its employees or its related persons, with persons having an interest in the outcome of the vote. If a material conflict exists, Fundsmith takes steps to ensure that its voting decision is based on the best interests of the Advisory Client and is not a product of the conflict. Fundsmith may, at its discretion, disclose the conflict of interest to the Advisory Client and defer to the Advisory Client’s voting recommendation, defer to the voting recommendation of an independent third-party provider of proxy voting services, or take any other action which would serve the best interest of the Advisory Client. Depending on the particular circumstances involved, the appropriate resolution of one conflict of interest may differ from the resolution of another conflict of interest, even though the general facts underlying both conflicts may be similar or identical.

A copy of the Proxy Voting Policies and Procedures of Fundsmith is available to Advisory Clients upon request. Upon request, Fundsmith will also disclose to its Advisory Clients how they can obtain information on their Proxy votes.

Item 18: Financial Information

Fundsmith believes that there is no financial condition that is reasonably likely to impair Fundsmith's ability to meet its contractual commitments to its Advisory Clients.