



CAPITAL GUARDIAN TRUST COMPANY

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Form ADV, Part 2A
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This brochure provides information about the qualification and business practices of Capital Guardian Trust Company ("CGTC"). Throughout this brochure and related materials, CGTC may refer to itself as a "registered investment adviser" or "being registered." You should be aware that registration with the United States Securities and Exchange Commission ("SEC") or a state securities authority does not imply a certain level of skill or training.

If you have any questions about the contents of this brochure, please contact us at ADVPart2@capgroup.com.

The information in this brochure has not been approved or verified by the SEC or by any state securities authority.

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

ITEM 2: MATERIAL CHANGES

There have been no material changes since the last annual update of Capital Guardian Trust Company's Form ADV, Part 2A brochure dated September January 1, 2015.

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ITEM 4: ADVISORY BUSINESS

CGTC is a wholly-owned subsidiary of Capital Group International, Inc. which in turn is owned by Capital Research and Management Company, which is wholly owned by The Capital Group Companies, Inc. The Capital Group Companies form one of the most experienced families of investment management firms in the world, dating to 1931, and have always been privately held. CGTC was chartered in 1968 under California banking laws as a non-depository trust company.

CGTC provides investment management and advisory services to large corporate and public pension plans, financial institutions, registered investment companies, endowments and foundations, foreign investors, and certain affiliated companies. In addition, CGTC serves as the investment adviser to the trustee for privately-offered collective investment trusts that are exempt from SEC registration. It also provides investment management and trust services to high net-worth individuals and trusts through the Capital Group Private Client Services (“CGPCS”) division.

CGTC’s investment approach is based on rigorous fundamental research. CGTC offers equity, fixed-income, balanced, and other customized investment strategies based on the investment objectives of CGTC clients. CGTC normally agrees to investment guidelines with clients that set forth the objectives of the account and any specific investment restrictions and limitations. The guidelines typically describe the investment mandate and types of securities that are eligible for (or prohibited from) the account. For investments in funds, the terms of the fund’s governing documents will apply. Please also refer to Items 8 (Methods of Analysis, Investment Strategies and Risk of Loss) and 16 (Investment Discretion) in this brochure for further information.

CGTC’s only business is investment management and related services; it does not have any arrangements on behalf of clients with associated banking, brokerage, custodian or corporate finance businesses. Research is produced for internal use only, and is not published or sold to external parties.

CGTC may be retained as an investment manager under “wrap fee” programs sponsored by broker-dealers or other financial institutions where a sponsor offers bundled investment management, custody, brokerage or other services for a single “wrap fee”. In cases where CGTC is an investment manager to a wrap program, CGTC does not negotiate on the client’s behalf brokerage commissions for the execution of transactions in the client’s account that are executed by or through the sponsor. These commissions are generally included in the wrap fee charged by the sponsor. Please also refer to the “Wrap Fee Program” section under Item 12 (Brokerage Practices) in this brochure for further information. For some wrap fee programs, CGTC may only provide model portfolios to the sponsor and the sponsor will have ultimate decision making and discretionary authority for those accounts. Generally, CGTC is paid an investment management fee by the sponsor, which could be considered a portion of the wrap fee. Clients who enroll in wrap fee programs should carefully review the fee structure and other program documents provided by the sponsor.

As of June 30, 2015, CGTC managed approximately \$65,807,596,183 in client assets (regulatory assets under management) on a discretionary basis. CGTC also provides model portfolios to certain managed account program clients on a non-discretionary basis and as of June 30, 2015 had \$ 212,080,640 in non-discretionary assets under management.

ITEM 5: FEES AND COMPENSATION

Generally, fees are not negotiable. In addition to the fee schedules outlined below, different fee schedules may apply for long standing clients as well as clients with customized mandates or special service needs. For certain investors, CGTC may have a separate performance related fee as discussed in Item 6 (Performance Based Fees and Side-By-Side Management). Client accounts also incur brokerage and other transaction costs. For further details on CGTC's brokerage policies please refer to Item 12 (Brokerage Practices) of this brochure.

Sales and marketing professionals may receive direct or indirect compensation related to the services CGTC provides. This presents a conflict of interest, as marketing and sales associates have an incentive to recommend services because of the compensation they are provided by CGTC.

CGTC investment advisory services are also available through various consulting, or bundled "wrap fee" programs sponsored by certain unaffiliated broker-dealers or other financial institutions. Fees charged to the wrap program's sponsor for such services will vary based on the relationship, services provided and other factors. The end investor of the wrap fee programs generally pays a "wrap fee" to the sponsor based on a percentage of assets; the advisory fees charged by CGTC to the sponsor are generally included in this wrap fee.

SERVICES TO INSTITUTIONAL CLIENTS

The fees and services discussed below are for separate accounts and privately-offered collective investment trusts ("CITs") that are exempt from registration. Such funds currently include: (i) common trust funds designed for U.S. charitable tax-exempt organizations; and (ii) collective trust funds designed for U.S. qualified employee benefit and government plans.

In order to provide the same investment pool to different types of plans and with different fee payment options, a number of the CITs structured as "unit class" funds generally will include a one or more unit classes as follows: (i) two unit classes are designed primarily for use by participant-directed, defined contribution retirement plans (Unit Classes S and T) and/or (ii) one unit class is designed primarily for use by defined-benefit retirement plans (Unit Class DB).

While the "S" unit class charges the investment management fees internally, all other funds offered charge the investment management fees externally. Operating expenses including expenses for custody, audit and ordinary trust administration services are charged internally to all funds (and are reflected in the net asset value of each fund); such expenses may be higher in certain funds given higher administrative costs associated with operating the fund and/or the nature of the investments.

Investment Management Relationships

- Separate accounts
- Investments in CITs which are exempt from registration
- Sub-advisory services to unaffiliated third parties, including registered investment companies
- Sub-advisory services to affiliates

Details of the fees and services discussed below generally relate to separate accounts, CITs designed for defined benefit plans or tax-exempt organizations. For detailed information regarding funds designed primarily for defined contribution plans, please refer to that fund's characteristics.

Calculation of Fees

Generally, investment management fees are calculated at each quarter end, based on the market or appraised value of the account at such time, and are charged quarterly and payable in arrears. With regard to clients who invest in CITs, fees can be (i) charged outside of the unit class directly to the participating plan ("externally charged fees"), or (ii) for certain unit classes that permit daily admissions and withdrawals, the management fee may be incurred within the unit class ("internally charged fees").

Minimum Account Size

Please see the fee schedules below for the minimum account size for each mandate. In some instances, the minimum may be waived due to the overall size of the client relationship or other factors. Due to the nature of the plans, minimum size requirements are not imposed on unit classes designed for use primarily by defined contribution plans (i.e., Unit Classes S and T), however a minimum plan size may be required. Unit Class T, however, is only available to eligible plans as determined by the trustee of the CITs based on certain factors including the plan's overall assets under management and number and type of accounts.

Fee Discounts

A revenue discount, as well as additional breakpoints, may be available to eligible accounts.

Sub-Advisory Fees

The investment management fees for sub-advisory clients that are U.S. registered investment companies are generally higher than the corresponding rates for each of the investment mandates listed under the annual fee schedule below. Fees may also vary between accounts due to the size and relationship status of accounts and other relevant factors. The annual fees for sub-advisory services provided to affiliates are agreed upon from time to time in writing.

Model Investment Portfolios

On occasion, CGTC may agree to a relationship with a third party involving the provision of model investment portfolios. Fees for such services will vary based on the relationship, services provided and other factors.

ANNUAL FEE SCHEDULE FOR INVESTMENT MANAGEMENT SERVICES FOR INSTITUTIONAL CLIENTS

Fees are expressed as a percentage of total assets. All assets are stated in U.S. dollars. Investment mandates in currencies other than U.S. dollars will reflect fee breakpoints that historically have approximated those breakpoints in the local currency.

U.S. Equity Investment Mandates

A. For separate accounts and CITs with externally charged management fees:

Assets:	Rate:
First \$25 million	0.500%
\$25 million to \$50 million	0.350%
Over \$50 million	0.225%

Minimum account size:

Separate accounts: \$50 million

CITs: \$5 million

- B. Unit Class S, with internally charged management fees:
All Assets: 0.45%

U.S. Value Equity Investment Mandates

- A. For separate accounts:
Assets: Rate:
First \$25 million 0.500%
\$25 million to \$50 million 0.350%
Over \$50 million 0.225%

Minimum account size:
Separate accounts: \$50 million

International Equity Investment Mandates

Global Equity Investment Mandates

All Country World Equity / International All Countries Equity Investment Mandates

- A. For separate accounts and CITs with externally charged management fees:
Assets: Rate:
First \$25 million 0.700%
\$25 million to \$50 million 0.550%
\$50 million to \$250 million 0.425%
Over \$250 million 0.375%

Minimum account size – Separate accounts:
International Equity or Global Equity: \$50 million;
All Country World Equity or International All Countries Equity: \$100 million

Minimum account size – CITs:
All investment mandates: \$5 million

- B. Unit Class S, with internally charged management fees:
All assets: 0.64%

International Plus Equity Investment Mandates

World Dividend Growers Investment Mandates

- A. For separate accounts:
Assets: Rate:
First \$25 million 0.700%
\$25 million to \$50 million 0.550%
\$50 million to \$250 million 0.425%
Over \$250 million 0.375%

Minimum account size:
Separate accounts: \$50 million

Emerging Markets Equity Investment Mandates

- A. For separate accounts and CITs with externally charged management fees:
Assets: Rate:
First \$300 million 0.90%
Over \$300 million 0.80%

Minimum account size:
Separate accounts: \$100 million
CITs: \$5 million

- B. Unit Class S, with internally charged management fees:
All assets: 1.10%

Emerging Markets Total Opportunities Investment Mandates

- A. For investments in CITs with externally charged management fees:
- | Account Size: | Flat Rate: |
|---|------------|
| Between \$5 million and \$10 million | 1.00% |
| Between \$10 million and \$100 million | 0.85% |
| Between \$100 million and \$300 million | 0.75% |
| Over \$300 million | 0.70% |

Minimum account size:
CITs: \$5 million

- B. Mutual Funds

Capital Group Emerging Markets Total Opportunities Fund

The Capital Group Emerging Markets Total Opportunities Fund pays all expenses not assumed by the investment adviser, including, but not limited to: custodian, stock transfer and dividend disbursing fees and expenses; shareholder recordkeeping and administrative expenses; costs of the designing, printing and mailing of reports, prospectuses, proxy statements and notices to shareholders; taxes; expenses of the issuance and redemption of fund shares (registration and qualification fees and expenses); legal and auditing expenses; compensation, fees and expenses paid to independent trustees (including legal counsel fees); association dues; cost of stationery and forms prepared exclusively for the fund; and costs of assembling and storing shareholder account data.

CGTC, as the investment adviser to the fund, receives a monthly fee based on the annualized rate of 1.00% of average daily net assets of the fund.

U.S. Core Fixed-Income Investment Mandates

U.S. Core Plus Fixed-Income Investment Mandates

- A. For separate accounts and CITs with externally charged management fees:
- | Assets: | Rate: |
|--------------------------------|-------|
| First \$50 million | 0.30% |
| \$50 million to \$100 million | 0.20% |
| \$100 million to \$300 million | 0.18% |
| Over \$300 million | 0.15% |

Minimum account size:
Separate accounts: \$100 million
CITs: \$5 million

- B. Unit Class S, with internally charged management fees:
All assets: 0.30%

Long Duration Fixed-Income Investment Mandates

A. For separate accounts and CITs with externally charged management fees:

Assets:	Rate:
First \$50 million	0.30%
\$50 million to \$100 million	0.20%
\$100 million to \$300 million	0.18%
Over \$300 million	0.15%

Minimum account size:

Separate accounts: \$100 million

CITs: \$5 million

U.S. Investment-Grade Credit Fixed-Income Investment Mandates

A. For separate accounts:

Assets:	Rate:
First \$50 million	0.30%
\$50 million to \$100 million	0.20%
\$100 million to \$300 million	0.18%
Over \$300 million	0.15%

Minimum account size:

Separate accounts: \$100 million

U.S. High-Yield Fixed-Income Investment Mandates

A. For separate accounts and CITs with externally charged management fees:

Assets:	Rate:
First \$25 million	0.500%
\$25 million to \$50 million	0.350%
\$50 million to \$250 million	0.225%
Over \$250 million	0.195%

Minimum account size:

Separate accounts: \$100 million

CITs: \$5 million

B. Unit Class S, which has internally charged management fees:

All assets: 0.48%

Global Aggregate Fixed-Income Investment Mandates

Global Plus Fixed-Income Investment Mandates

Non-U.S. (International) Fixed-Income Investment Mandates

A. For Separate accounts and CITs with externally charged management fees:

Assets:	Rate:
First \$50 million	0.375%
\$50 million to \$100 million	0.275%
\$100 million to \$300 million	0.255%
\$300 million to \$700 million	0.225%
Over \$1 billion	0.200% ¹

¹ The incremental annual fee rate which occurs at these breakpoints will only be applied for clients with mandate specific assets greater than the applicable breakpoint.

Minimum account size:

Separate accounts: \$100 million

CITs: \$5 million

Global High-Yield Fixed-Income Investment Mandates

A. For separate accounts and CITs with externally charged management fees:

Assets:	Rate:
First \$25 million	0.700%
\$25 million to \$50 million	0.550%
\$50 million to \$250 million	0.425%
Over \$250 million	0.375%

Minimum account size:

Separate accounts: \$100 million

CITs: \$5 million

B. Unit Class S, which has internally charged management fees:

All assets: 0.72%

Emerging Markets Debt Investment Mandates

A. For separate accounts:

Assets:	Rate:
First \$25 million	0.600%
\$25 million to \$50 million	0.500%
\$50 million to \$250 million	0.425%
Over \$250 million	0.375%

Minimum account size:

Separate accounts: \$100 million

For investments ranging from \$5 million to \$10 million in CITs with externally charged management fees:

Assets:	Rate:
All assets	0.75%

For investments greater than or equal to \$10 million in CITs with externally charged management fees:

Assets:	Rate:
First \$25 million	0.600%
\$25 million to \$50 million	0.500%
\$50 million to \$250 million	0.425%
Over \$250 million	0.375%

Minimum account size:

CITs: \$5 million

B. Unit Class S, with internally charged management fees:

All Assets: 0.62%

Absolute Income Grower Investment Mandates

A. For separate accounts and CITs with externally charged management fees:

Assets:	Rate:
First \$25 million	0.700%
\$25 million to \$50 million	0.550%
\$50 million to \$250 million	0.425%
Over \$250 million	0.375%

Minimum account size:

Separate accounts with fixed income exposure achieved via CITs: \$50 million

CITs: \$5 million

B. Unit Class S, with internally charged management fees:

All assets: 0.75%

SERVICES TO CAPITAL GROUP PRIVATE CLIENT SERVICES ("CGPCS") CLIENTS

The fees below are for the investment management and trust services to high net worth individuals and trusts CGTC offers through the CGPCS division.

Investment Management Relationships

- Separate accounts
- Investments in investment companies for which CGTC or an affiliate serves as investment adviser
- Investments in privately-offered collective investment trusts that are exempt from registration
- Investments in alternative strategy and private equity funds managed by unaffiliated third parties
- Sub-advisory
- Model Investment Portfolios offered by an unaffiliated third party Additionally, CGPCS provides trust services. The amount of time spent on providing trust services is not material compared to the amount of time spent on investment advisory services.

The fees and services discussed below are for separate accounts, mutual funds and collective investment trusts. For more detailed information regarding specific pooled funds or mutual funds, please refer to that fund's prospectus or other offering documents.

Calculation Methodology of Fees

Investment management and trustee fees will be calculated quarterly based on the average daily market value or the appraised value of the assets in the account. Administrative, service and custody fees will be calculated quarterly based on the three-month average market value or appraised value of the assets in the account on the last business day of each month. Valuations will be determined in good faith by CGTC, in accordance with customary methods.

Client fees are determined by applying a fee rate which will vary based on the investment mandate.

Compensation paid to Investment Counselors is based in part on the total fees paid by their clients to CGTC. Fee schedules may be modified by CGTC from time to time upon thirty (30) days' prior written notice.

Minimum Account Size

Please see the fee schedules below for the minimum account size for funds and each separate account. In some instances, the minimum may be waived due to the overall size of the client relationship or other factors.

Fees for Additional Services

CGPCS will charge a 0.25% administrative fee on accounts under \$3 million if a client's related accounts (as determined by CGPCS) do not exceed \$5 million in aggregate.

CGPCS will charge the greater of \$10,000 or 0.15% annually for CGTC to serve as trustee or co-trustee. This fee will not apply to IRA accounts.

CGPCS will charge an additional 0.06% fee to provide custody services through State Street Bank for individual securities invested in accounts holding U.S. Equities; 0.08% for Global Equities, 0.10% for Non-U.S. Equities, and 0.08% for All-World Equity.

Any extraordinary services rendered or expenses incurred by CGTC will be charged separately. Tax return preparation is charged according to the type of return required.

Any unpaid fees due to and unreimbursed expenses incurred by CGTC at the termination of an account may be deducted from the assets in the account.

Fee Discounts

A multiple account discount and/or revenue discount may be available to eligible accounts.

Mutual funds

The fees and services discussed below are for accounts invested in U.S. and non-U.S. investment companies. For detailed information regarding specific investment companies, please refer to that fund's offering documents.

With the exception of short term cash and ETFs, CGPCS, a division of CGTC, will make mutual fund investments only in mutual funds for which CGTC or an affiliate provides investment advisory and other services and receives a separate fee. CGPCS' investment management fee for mutual fund investments will be offset entirely by the investment management fees received by CGTC or its affiliates as adviser to any mutual fund. Certain of these mutual funds are also available for purchase through brokers or agents not affiliated with CGTC.

CGPCS will charge a 0.30% service fee on assets invested in shares of mutual funds advised by CGTC or its affiliates with the exception of mutual fund assets in the All-World Equity service. This fee covers account set up and maintenance, CGPCS statements, CGTC fiduciary services (for IRA accounts), tax filings, tax-lot accounting, and client service (including administrative and operational support).

Minimum account size:
\$1 million in assets

CGPCS Mutual Funds Fees

The Municipal Bond Funds and the Core Bond Fund pay all expenses not assumed by the investment adviser, including, but not limited to: custodian, stock transfer and dividend disbursing fees and expenses; shareholder recordkeeping and administrative expenses; costs of the designing, printing and mailing of reports, prospectuses, proxy statements and notices to shareholders; taxes; expenses of the issuance and redemption of fund shares (registration and qualification fees and expenses); legal, accounting and auditing expenses; compensation, fees and expenses paid to independent trustees (including legal counsel fees); association dues; cost of stationery and forms prepared exclusively for the funds; and costs of assembling and storing shareholder account data. The Equity Funds pay brokerage expenses, taxes, interest, compensation, fees and expenses of the independent trustees (including legal counsel fees) and

extraordinary expenses, such as litigation expenses. All other fees for the Equity Funds are paid by the investment adviser out of its management fee.

CGTC, as the investment adviser to these funds, receives a monthly fee based on the following annualized rates and net asset levels:

Capital Core Municipal Fund	0.35%
Capital Short-Term Municipal Fund	0.35%
Capital California Core Municipal Fund	0.35%
Capital California Short-Term Municipal Fund	0.35%
Capital Core Bond Fund	0.35%
Capital Global Equity Fund	0.85%
Capital Non-U.S. Equity Fund	0.85%
Capital U.S. Equity Fund	0.65%

Capital Group Emerging Markets Total Opportunities Fund

The Capital Group Emerging Markets Total Opportunities Fund pays all expenses not assumed by the investment adviser, including, but not limited to: custodian, stock transfer and dividend disbursing fees and expenses; shareholder recordkeeping and administrative expenses; costs of the designing, printing and mailing of reports, prospectuses, proxy statements and notices to shareholders; taxes; expenses of the issuance and redemption of fund shares (registration and qualification fees and expenses); legal and auditing expenses; compensation, fees and expenses paid to independent trustees (including legal counsel fees); association dues; cost of stationery and forms prepared exclusively for the fund; and costs of assembling and storing shareholder account data.

CGTC, as the investment adviser to the fund, receives a monthly fee based on the annualized rate of 1.00% of average daily net assets of the fund.

Capital Group Alternative Strategies Fund

All investors must have entered into an Investment Management Agreement (“IMA”) with CGPCS prior to investing in this fund. All investments into and withdrawals from the fund will be subject to the IMA. The terms here are summarized and not intended to replace the official Offering Memorandum and Limited Partnership agreement for the fund which is managed by an unaffiliated third party. In the event that the description or terms described herein are inconsistent with or contrary to the descriptions in or terms of the Offering Memorandum or the amended and restated Limited Partnership Agreement, the Offering Memorandum or amended and restated Limited Partnership Agreement shall control. Clients should thoroughly review these governing documents before investing in the fund.

Management and administrative fee of 1.60% on all assets. In addition, asset-based underlying manager fees generally expected to range from 1% to 3% and performance-based allocations or fees generally expected to range from 10% to 30% of net capital appreciation.

Expenses for the Capital Group Alternative Strategies Master Fund will be capped at 0.10%. Expenses in the underlying Capital Group Alternative Strategies Feeder Fund will be capped at the greater of 0.10% of assets or a maximum of \$200,000 for the entire fund. This does not include any organizational or extraordinary expenses.

Capital Group Alternative Strategies Feeder Fund gates may limit withdrawals to no more than 10% each month and no more than 25% each quarter. Withdrawals in excess of 95% of assets will also be subject to a holdback. The balance will be paid following the final audit, which takes place approximately 180 days after calendar year-end.

Minimum account size:
\$500,000 for a new account for existing CGPCS clients.
\$5 million for a stand-alone account only investing in this fund.

HarbourVest Global Annual Private Equity Fund
HarbourVest 2015 Global Annual Private Equity Fund

All investors must have entered into an Investment Management Agreement (“IMA”) with CGPCS prior to investing in this fund which is managed by an unaffiliated third party. All investments into and withdrawals from the fund will be subject to the IMA. The terms here are summarized and not intended to replace the official Offering Memorandum and Limited Partnership agreement for the fund. In the event that the description or terms described herein are inconsistent with or contrary to the descriptions in or terms of the Offering Memorandum or the amended and restated Limited Partnership Agreement, the Offering Memorandum or amended and restated Limited Partnership Agreement shall control. Clients should thoroughly review these governing documents before investing in the fund.

Management and Administrative fees:
HarbourVest 0.85% average annual fee based on committed capital;
Capital Group fee 0.85% based on NAV
The partnerships in which the fund invests through primary or secondary deals also have fees and carried interest

Interest:
0% primary investments
12.5% on secondary investments, after an 8% gross secondary portfolio return
10% on direct co-investments, after an 8% gross direct portfolio return, 20% if above 2.0x

Organizational, investment acquisition, legal, accounting, regulatory, and certain other expenses of the Fund will be paid by the Fund and allocated in accordance with capital commitments to the Fund. Placement fees, if any, will be paid by the Fund but borne by the Manager through a 100% offset against the management fee.

Minimum account size:
\$250,000 for a new account for existing CGPCS clients.
\$5 million for a stand-alone account in this fund.

Sub-advisory Fees

Investment management fees for sub-advisory clients are generally higher than the corresponding rates for each of the investment mandates listed under the annual fee schedules below. Fees may also vary between accounts due to the size, relationship status of accounts and other relevant factors.

Model Investment Portfolios

On occasion, CGPCS may agree to a relationship with a third party involving the provision of model investment portfolios. Fees for such services will vary based on the relationship, services provided and other factors.

ANNUAL FEE SCHEDULES FOR INVESTMENT MANAGEMENT SERVICES FOR CGPCS CLIENTS

(Fees are expressed as a percentage of total assets. All assets are in stated U.S. dollars.)

U.S. Equity Investment Mandate for Separate Accounts

Assets:	Rate:
On the first \$5 million	1.00%
On the next \$5 million	0.80%
On the next \$15 million	0.60%
On the next \$25 million	0.40%
Assets over \$50 million	0.30%

Minimum account size:

U.S. clients: \$1 million in assets

Non-U.S. clients: \$10 million in assets

Custody fee: 0.06%

Non-U.S. Equity Investment Mandate for Separate Accounts

Assets:	Rate:
On the first \$10 million	1.25%
On the next \$15 million	0.85%
On the next \$25 million	0.65%
Assets over \$50 million	0.55%

Minimum account size:

U.S. clients: \$3 million in assets

Non-U.S. clients: \$10 million in assets

Custody fee: 0.10%

Global Equity Investment Mandate for Separate Accounts

Assets:	Rate:
On the first \$10 million	1.25%
On the next \$15 million	0.85%
On the next \$25 million	0.65%
Assets over \$50 million	0.55%

Minimum account size:

U.S. clients: \$3 million in assets

Non-U.S. clients: \$10 million in assets

Custody fee: 0.08%

World Dividend Growers Investment Mandate for Separate Accounts

Assets:	Rate:
On the first \$10 million	1.25%
On the next \$15 million	0.85%
On the next \$25 million	0.65%
Assets over \$50 million	0.55%

Minimum account size:

U.S. clients: \$3 million in assets

Non-U.S. clients: \$10 million in assets

Custody fee: 0.08%

Core Bond Investment Mandate for Separate Accounts

Assets:	Rate:
On the first \$5 million	0.50%
On the first \$10 million	0.40%
On the next \$35 million	0.30%
Assets over \$50 million	0.20%

Minimum account size:

U.S. clients: \$5 million in assets

Non-U.S. clients: \$10 million in assets

Short-Term Bond Investment Mandate for Separate Accounts

Assets:	Rate:
On the first \$10 million	0.30%
On the first \$15 million	0.275%
Assets over \$25 million	0.225%

Minimum account size:

U.S. clients: \$5 million in assets

Non-U.S. clients: \$10 million in assets

Core Municipal Investment Mandate for Separate Accounts (Includes: California Core Municipal and New York Core Municipal)

Assets:	Rate:
On the first \$5 million	0.50%
On the next \$5 million	0.40%
On the next \$15 million	0.30%
On the next \$25 million	0.25%
Assets over \$50 million	0.20%

Minimum account size:

U.S. clients: \$5 million in assets

(Not available to Non-U.S. clients)

Short Term Municipal Investment Mandate for Separate Accounts (Includes: California Short-Term Municipal)

Assets:	Rate:
On the first \$10 million	0.30%
On the next \$15 million	0.25%
On the next \$25 million	0.20%

Minimum account size:

U.S. clients: \$5 million in assets

(Not available to Non-U.S. clients)

**ANNUAL FEE SCHEDULES FOR INVESTMENT MANAGEMENT SERVICES FOR CGPCS
CLIENTS COVERED BY CGPCS PRINCIPAL CONSULTING PARTNERS CLIENTS:**

Principal Consulting Partners Fee Schedule applies for clients represented by consulting firms where total aggregate CG PCS assets exceed \$100 million.

(Fees are expressed as a percentage of total assets. All assets are in stated U.S. dollars.)

U.S. Equity Investment Mandate for Separate Accounts

For separate accounts:

Assets:	Rate:
On the first \$25 million	0.500%
On the next \$25 million	0.350%
Assets over \$50 million	0.225%

Minimum account size:

Separate accounts: \$3 million

Custody Fee: 0.04%

**U.S. Core Bond, U.S. Short-Term Bond, U.S. Core Municipal, and U.S. Short-Term Municipal
Fixed-Income Investment Mandates for Separate Accounts**

For separate accounts:

Assets:	Rate:
On the first \$50 million	0.30%
On the next \$50 million	0.20%
On the next \$200 million	0.18%
Assets over \$300 million	0.15%

Minimum account size:

Separate accounts: \$5 million

Custody Fee: 0.02%

**Global Equity, Non-U.S. Equity, All-World Equity*, and World Dividend Grower Investment
Mandates for Separate Accounts**

For separate accounts:

Assets:	Rate:
On the first \$25 million	0.700%
On the next \$25 million	0.550%
On the next \$200 million	0.425%
Assets over \$250 million	0.375%

Minimum account size

Separate accounts: \$5 million

Custody Fee: 0.06%

*Does not apply to portion of assets invested in the Emerging Markets Growth Fund or Capital International Emerging Markets Fund

Administration Fee:

CGPCS will charge an administration fee in addition to the Separately Managed Fees noted above. This fee covers account set up and maintenance, CGPCS statements, CGTC fiduciary services (for IRA accounts), tax filings, tax-lot accounting, and client service (including administrative and operational support).

Administration Fee Schedule:

Client advisory assets less than \$10 million: 0.10%

Client advisory assets between \$10 million and \$50 million: 0.05%

Client advisory assets equal to or greater than \$50 million: 0.00%

Administration Fee will be assessed only on the separately managed allocation of a client's investment with CG PCS.

ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

In general, CGTC charges asset-based fees for providing investment advisory services to client accounts. However, in limited circumstances, CGTC may also receive fees that are based on the performance of the account. Certain of CGTC's portfolio managers may manage both types of accounts. Managing both types of accounts simultaneously creates a risk that the portfolio manager would (i) allocate more attractive investment opportunities to accounts with performance-based fees, and/or (ii) make investments for those accounts that are more speculative than for accounts that do not have performance-based fees.

To mitigate these risks, CGTC has adopted policies and procedures that address potential conflicts of interest that may arise between a portfolio manager's management of the account and his or her management of other funds and accounts, such as conflicts relating to the allocation of investment opportunities. See Item 12 (Brokerage Practices) of this brochure for CGTC's policy on allocating trades fairly, which is designed to allocate trades to clients in a fair and equitable manner over time, taking into consideration the interests of each client. Non-investment factors, such as fee arrangements, are not considered in selecting clients or allocating trades.

In addition, while CGTC provides individual investment advice and treatment to each client, its portfolio managers focus on particular investment mandates, using similar investment strategies in connection with the management of multiple portfolios, which helps minimize the potential for conflicts of interest. Accordingly, portfolio holdings, position sizes and industry and sector exposures tend to be similar across similar accounts, subject to variations due to client guidelines, account size and cash flows. Additionally, accounts are reviewed by investment professionals, including portfolio managers, as part of a group review of similar accounts. This monitoring and review is conducted to verify that accounts are in compliance with their objectives and investment guidelines and generally includes, among other things, information related to investment results, significant account guidelines, client activity including contributions and withdrawals, and the investment structure of the portfolio.

ITEM 7: TYPES OF CLIENTS

CGTC's clients include large corporate and public pension plans, financial institutions, registered investment companies, endowments and foundations in the U.S., a number of foreign investors, as well as certain affiliated companies. In addition, CGTC serves as the investment adviser to the trustee of certain privately-offered collective investment trusts that are exempt from registration. It also provides investment management and trust services to high net worth individuals and trusts through the CGPCS division. CGTC manages client assets in separate accounts, collective investment trusts, and registered investment companies for which CGTC or an affiliate serves as investment adviser.

Accounts are generally subject to a minimum account size, which may vary based on whether it is a separate account or invested in a fund. Due to the nature of the plans, minimum size requirements are not imposed on unit classes of funds designed for use primarily by defined contribution plans. In some instances, the minimum may be waived due to the overall size of the client relationship or other factors. Please refer to Item 5 (Fees and Compensation) for information on minimum account sizes.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

CGTC maintains an investment philosophy that is distinguished by four key beliefs:

- Solid research is fundamental to sound investment decisions. CGTC and its affiliates employ teams of experienced analysts who regularly gather in-depth, first-hand information on markets and companies around the globe.
- Investment decisions should not be made lightly. In addition to providing extensive research, CGTC's investment professionals go to great lengths to determine the difference between the fundamental value of a company and its price in the marketplace.
- A long-term approach. It's part of the big-picture view CGTC's investment professionals take of the companies in which CGTC invests. This is reflected by the typically low turnover of portfolio holdings in the funds and accounts CGTC manages. In addition, CGTC's investment professionals usually remain with us for many years and are compensated according to their investment results over time.
- The Capital System. CGTC uses a system of multiple portfolio managers in managing most separate account and fund assets. Under this approach, the portfolio of an account or fund is divided into segments managed by individual managers who decide how their respective segments will be invested. In addition, investment analysts may make investment decisions with respect to a portion of the portfolio. Over time, this method has contributed to consistency of results and continuity of management.

Investment decisions are subject to an account's or fund's objective(s), investment guidelines and restrictions. The objective(s), policies and restrictions of each of the accounts or funds managed by CGTC are set forth in the account's guidelines or the governing documents of the fund. Investment strategies offered by CGTC include:

Equity strategies

U.S. Equity — Seeks long-term growth of capital and income. Invests primarily in equity and equity related securities consisting primarily of equity securities of issuers from the U.S. or primarily trade in the U.S.

International Equity — Seeks long-term growth of capital and income. Invests in a portfolio consisting primarily of equity securities of non-U.S. issuers and securities whose principal markets are outside of the U.S.

Global Equity — Seeks long-term growth of capital and income. Invests in a portfolio consisting primarily of equity and equity related securities of U.S. and non-U.S. issuers.

All Country World Equity — Seeks long-term growth of capital and income. Invests in a portfolio consisting primarily of equity and equity related securities of issuers from all countries. Assets will be invested with geographical flexibility across developed and developing countries.

International All Countries Equity — Seeks long-term growth of capital and income. Invests in a portfolio consisting primarily of equity securities of issuers from all countries excluding the United States or that are primarily traded outside the United States. Assets will be invested with geographical flexibility across developed and developing countries.

Emerging Markets Equity — Seeks long-term capital growth. Invests in a portfolio consisting primarily of equity and equity related securities of developing countries that are primarily traded in developing countries, are from issuers in developing countries, or that are from issuers that have or are expected to have significant economic exposure to developing countries.

Fixed-Income strategies

U.S. Core Fixed-Income — Seeks, over the long-term, high total return consistent with the conservation of capital. Investments primarily in fixed income securities that are rated Baa3 or better or BBB- or better by a nationally recognized statistical rating organization, unrated securities which are deemed to be of equivalent investment quality; or issued or guaranteed by the U.S. Government or its agencies and/or instrumentalities; as well as cash and cash equivalents.

Long Duration Government — Seeks to maximize total return over the long-term. Invests in fixed-income securities, denominated in U.S. dollars and generally with a remaining maturity of 8 years or longer. Generally, at least 80% of the portfolio will be invested in securities that are issued, guaranteed or sponsored by the U.S. government, including securities issued by federal agencies and instrumentalities that are not backed by the full faith and credit of the U.S. government. Up to 20% of the fund or account may be invested in securities issued by foreign governments, their agencies and instrumentalities, and multilateral and supranational institutions.

Long Duration Credit — Seeks to maximize total return over the long-term. Invests primarily in corporate fixed-income securities rated Baa3 or better or BBB or better by a nationally recognized statistical rating organization, or unrated securities which are deemed to be of equivalent investment quality. May also invest in other fixed-income securities with the same minimum ratings or investment quality as above, and cash or cash equivalents.

U.S. High-Yield — Seeks, over the long term, a high level of total return, of which a large component is current income. Invests primarily in fixed-income securities denominated in U.S. dollars with at least 75% total assets must be invested in fixed-income securities rated Ba or lower or BB or lower by a nationally recognized statistical rating organization, or unrated securities which are deemed to be of equivalent investment quality, and cash and cash equivalents.

International Fixed-Income — Seeks to provide, over the long term, a high level of total return, measured in U.S. dollars, consistent with the conservation of capital. Invests primarily in securities issued or guaranteed by a national government, its agencies and/or instrumentalities; fixed-income securities rated Baa3 or better or BBB- or better by a nationally recognized statistical rating organization, or unrated securities which are deemed to be of equivalent investment quality, cash and cash equivalents; and forward currency contracts or currency options.

Global Fixed-Income — Seeks, over the long term, a high level of total return, measured in U.S. dollars, consistent with the conservation of capital. Invests primarily in securities issued or guaranteed by a national government, its agencies and/or instrumentalities, corporate issuers, or a supranational organization, and in other fixed income securities including mortgage and asset backed securities, denominated in various currencies.

Global High-Income Opportunities — Seeks over the long-term a high level of total return, of which a large component is current income, by investing primarily in high-yield sovereign and corporate fixed-income securities denominated in currencies from around the world, including the securities of U.S. and developing country issuers.

Emerging Markets Debt — Seeks, over the long-term, high total return, of which a large component is current income, by investing primarily in sovereign and corporate issuers in developing countries, in countries rated Ba or lower or BB or lower by a nationally recognized statistical rating organization; or

(3) in countries that are on an International Monetary Fund (“IMF”) program, have outstanding liabilities to the IMF, or have exited an IMF program no more than 5 years earlier.

Balanced and total opportunity strategies

U.S. Balanced — Seeks a balance of long-term growth of capital and income and high total return consistent with the conservation of capital. Invests primarily in U.S. stocks and bonds

Global Balanced — Seeks a balance of long-term growth of capital and income and high total return consistent with the conservation of capital. Invests primarily in developed and developing country equity and fixed-income securities

Absolute Income Grower — Seeks a level of income that exceeds the average yield on U.S. stocks generally, to grow such income annually, and to distribute an increasing amount of income. In addition, seeks to provide long-term growth of capital. Invests primarily in a broad range of income producing equity and fixed-income securities of U.S. and non-U.S. issuers.

World Dividend Growers — Seeks long-term growth of capital and income. Invests primarily in equity and equity-related securities of companies that may increase the dividends paid to shareholders over a multiyear period.

Emerging Markets Total Opportunities – Seeks long-term capital growth with low volatility of returns and preservation of capital. Invests primarily in equity, equity-related, and fixed-income securities of from issuers in developing countries; are primarily traded in developing countries; are denominated in developing country currencies; or are from issuers with significant economic exposure to developing countries.

Investing in securities involves risk of loss that funds and clients should be prepared to bear. Each account or fund is subject to certain risks associated with the investment strategy employed by CGTC and in accordance with the fund or account’s policies and restrictions. These risks may include, but are not limited to, certain of the risks set forth below.

- ***Management*** — CGTC actively manages client’s investments. Consequently, accounts and funds are subject to the risk that the methods and analyses employed by CGTC in this process may not produce the desired results. This could cause the assets of these accounts or funds to lose value or their investment results to lag relevant benchmarks or other accounts or funds with similar objectives.
- ***Market conditions*** — The prices of, and income generated by, the common stocks and other securities held by the accounts or funds may decline – sometimes rapidly or unpredictably – due to market conditions and other factors, including events or conditions affecting the general economy or particular industries; overall market changes; local, regional or global political, social or economic instability; governmental or governmental agency responses to economic conditions; and currency, interest rate and commodity price fluctuations.
- ***Investing in stocks*** — Investing in stocks may involve larger price swings and greater potential for loss than other types of investments. As a result, the value of the funds may be subject to sharp, short-term declines in value.
- ***Investing in growth-oriented stocks*** — Growth-oriented common stocks and other equity-type securities (such as preferred stocks, convertible preferred stocks and convertible bonds) may involve larger price swings and greater potential for loss than other types of investments. These risks may be heightened in the case of smaller capitalization stocks.

- ***Investing in income-oriented stocks*** — Income may be reduced by changes in the dividend policies of, and the capital resources available at, the companies in which an account or fund invests.
- ***Investing in small companies*** — Investing in smaller companies may pose additional risks. For example, it is often more difficult to value or dispose of small company stocks and more difficult to obtain information about smaller companies than about larger companies. In addition, the prices of these stocks may be more volatile than stocks of larger, more established companies.
- ***Investing outside the United States*** — Securities of issuers domiciled outside the United States, or with significant operations outside the United States, may lose value because of adverse political, social economic or market developments (including social instability, regional conflicts, terrorism and war) in the countries or regions in which the issuer operates. These securities may also lose value due to changes in foreign currency exchange rates against the U.S. dollar and/or currencies of other countries. Securities markets in certain countries may be more volatile and/or less liquid than those in the United States. Investments outside the United States may also be subject to different settlement and accounting practices and different regulatory, legal and reporting standards, and may be more difficult to value, than those in the United States. In addition, the value of investments outside the United States may be reduced by foreign taxes, including foreign withholding taxes on interest and dividends. Further, there may be increased risks of delayed settlement of securities transactions. These risks may be heightened in connection with investments in emerging market and developing countries.
- ***Investing in emerging market countries*** — Investing in emerging markets may involve risks in addition to and greater than those generally associated with investing in developed countries. For instance, emerging market and developing countries may have less developed legal and accounting systems than those in developed countries. The governments of these countries may be more unstable and more likely to impose capital controls, nationalize a company or industry, place restrictions on foreign ownership and on withdrawing sale proceeds of securities from the country, and/or impose punitive taxes that could adversely affect the prices of securities. In addition, the economies of these countries may be dependent on relatively few industries that are more susceptible to local and global changes. Securities markets in these countries can also be relatively small and have substantially lower trading volumes. As a result, securities issued in these countries may be more volatile and less liquid, and may be more difficult to value, than securities issued in countries with more developed economies and/or markets. Less certainty with respect to security valuations may lead to additional challenges and risks in calculating for a fund's net asset value. Additionally, there may be increased settlement risks for transactions in local securities.
- ***Investing in debt instruments*** — The prices of, and the income generated by, bonds and other debt securities held by the fund may be affected by changing interest rates and by changes in the effective maturities and credit ratings of these securities. Rising interest rates will generally cause the prices of bonds and other debt securities to fall. Falling interest rates may cause an issuer to redeem, call or refinance a debt security before its stated maturity, which may result in the fund having to reinvest the proceeds in lower yielding securities. Longer maturity debt securities generally have greater sensitivity to changes in interest rates and may be subject to greater price fluctuations than shorter maturity debt securities. Bonds and other debt securities are also subject to credit risk, which is the possibility that the credit strength of an issuer will weaken and/or an issuer of a debt security will fail to make timely payments of principal or interest and the security will go into default. Lower quality debt securities generally have higher rates of interest and may be subject to greater price fluctuations than higher quality debt securities. Credit risk is gauged, in part, by the credit ratings of the debt securities in which the fund invests. However, ratings are only the opinions of the rating agencies issuing them and are not guarantees as to credit quality or an evaluation of market risk. CGTC and its affiliates rely on their own credit analysts to research issuers and issues in seeking to mitigate various credit and default risks.

- ***Investing in lower rated bonds*** — Lower rated bonds and other lower rated debt securities generally have higher rates of interest and involve greater risk of default or price declines due to changes in the issuer's creditworthiness than those of higher quality debt securities. The market prices of these securities may fluctuate more than the prices of higher quality debt securities and may decline significantly in periods of general economic difficulty. These risks may be increased with respect to investments in lower quality, higher yielding debt securities (generally rated Ba1 or below and BB+ or below or unrated but determined by CGTC to be of equivalent quality ("junk bonds")).
- ***Investing in derivatives*** — Derivatives may expose funds and accounts to certain additional risks relative to traditional securities such as credit risks of the counterparty, imperfect correlation between derivatives prices and prices of related assets, rates or indices, potential for increased volatility and reduced liquidity. CGTC may use derivatives to, among other things, manage foreign currency exposure, provide liquidity, obtain exposure not otherwise available, manage risk, manage duration, provide incremental yield and implement investment strategies in a more efficient manner.
- ***Investing in mortgage-related and other asset backed securities*** — Mortgage-related securities, such as mortgage-backed securities, and other asset-backed securities, include debt obligations that represent interests in pools of mortgages or other income-bearing assets, such as consumer loans or receivables. Such securities often involve risks that are different from or more acute than the risks associated with investing in other types of debt securities. Mortgage-backed and other asset-backed securities are subject to changes in the payment patterns of borrowers of the underlying debt. When interest rates fall, borrowers are more likely to refinance or prepay their debt before its stated maturity. This may result in the fund having to reinvest the proceeds in lower yielding securities, effectively reducing the fund's income. Conversely, if interest rates rise and borrowers repay their debt more slowly than expected, the time in which the mortgage-backed and other asset-backed securities are paid off could be extended, reducing the fund's cash available for reinvestment in higher yielding securities.
- ***Investing in future delivery contracts*** — An account or fund may enter into contracts, such as to-be-announced contracts and mortgage dollar rolls, that involve selling mortgage-related securities and simultaneously contracting to repurchase similar securities for delivery at a future date at a predetermined price. This can increase the account or fund's market exposure and the market price of the securities the fund contracts to repurchase could drop below their purchase price. While the account or fund can preserve and generate capital through the use of such contracts by, for example, realizing the difference between the sale price and the future purchase price, the income generated by the account or fund may be reduced by engaging in such transactions. In addition, these transactions may increase the turnover rate of the account or fund.
- ***Investing in thinly traded securities*** – There may be little trading in the secondary market for particular bonds or other debt securities, which may make them more difficult to value, acquire, or sell.
- ***Currency*** — The prices of, and the income generated by, many securities may also be affected by changes in relative currency values. If the U.S. dollar appreciates against foreign currencies, the value in U.S. dollars of the a fund or account's securities denominated in such currencies would generally fall and vice versa. U.S. dollar denominated securities of foreign issuers may also be affected by changes in relative currency values.
- ***Loss of investment*** — An investor may lose money by investing in an account or fund. The likelihood of loss may be greater if the investor invests for a shorter period of time.

- ***Investments are not guaranteed*** — Investments in accounts and funds are not bank deposits and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency, entity or person.
- ***Past investment results are not predictive of future investment results.***

Clients should also refer to account guidelines as well as to each fund's governing documents or other disclosure documents for further information on methods of analysis, investment strategies and risks specific to their account or fund investment.

ITEM 9: DISCIPLINARY INFORMATION

Neither CGTC nor its management persons have been the subject of legal or regulatory findings, or are the subject of any pending criminal proceedings that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our firm.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

CGTC has arrangements material to its advisory business, and may share supervised persons, with certain affiliated entities as described below.

Broker-dealer

American Funds Distributors, Inc. (“AFD”) is a registered broker-dealer and a member of the Financial Industry Regulatory Authority and Municipal Securities Rulemaking Board. AFD acts as the principal underwriter and distributor of mutual funds, including investment companies advised and administered by CGTC and its affiliates, and provides related services. American Funds Distributors, Inc. is also registered as an insurance agency or producer in certain states. American Funds Distributors, Inc. is also a registered investment adviser which provides investment advisory related services in connection with various wrap-fee programs sponsored by unaffiliated broker-dealers or other financial institutions, where CGTC or its affiliates may be retained as an investment manager.

Registered Investment Companies

CGTC serves as investment adviser and administrator to investment companies registered under the Investment Company Act of 1940. CGTC will receive advisory and other fees and expenses from each fund based upon the value of the fund’s assets; those fees are described in each fund’s prospectus. In addition, CGPCS will make mutual fund investments for its client portfolios only in funds from which CGTC or an affiliate receives compensation for providing investment advisory and other services. As noted in Item 5 (Fees and Compensation), CGPCS’ investment management fee for such investments will be offset entirely by the investment management fees received by CGTC or its affiliates as adviser to any investment company.

Unregistered Collective Investment Funds

CGTC serves as the investment adviser to the trustee for privately-offered collective investment funds that are exempt from registration. CGTC will receive advisory and other fees and expenses from the trustee or directly from investors in the funds. Those fees are described in each fund’s characteristics.

Other Investment Advisers

Because our funds, accounts, and our personnel are located around the world, we conduct business through a number of affiliated entities licensed to offer services in various jurisdictions and to perform particular business functions. Though legally distinct, our affiliates function as a unified, global business. We believe that our globally integrated model helps us to serve our clients’ needs better. We may engage one or more of our affiliates and their personnel to assist in managing client mandates. For example, we may engage affiliated personnel to provide research, portfolio management or trading services to client accounts.

Capital Research and Management Company is an affiliated investment adviser with which CGTC shares supervised persons. Capital Research and Management Company is also registered as a commodity pool operator and a member of the National Futures Association.

Capital Guardian Trust Company is an affiliated investment adviser with which CGTC shares supervised persons. Capital Guardian Trust Company is also a non-depository trust company chartered under California banking laws

Capital Bank and Trust Company is an affiliated registered investment adviser with which CGTC shares supervised persons.

Capital Guardian (Canada), Inc., a wholly owned subsidiary of CGTC provides research information and services to CGTC, as does Capital International K.K., a Japan-based investment adviser.

Capital Research Company is an affiliated registered investment adviser and indirectly provides investment advisory research to CGTC. This may include managing assets, subject to the supervision and review of CGTC.

American Funds Distributors, Inc. is a registered investment adviser and provides marketing and client relations services to CGTC.

Capital International, Inc., a registered investment adviser, and Capital International Limited, an affiliated U.K.-based investment adviser, provide portfolio control, administrative and trading services to CGTC.

In addition, certain portfolio managers employed by affiliated investment advisers may, under the supervision and review of CGTC, determine the securities to be purchased and sold for CGTC clients:

Capital International Limited is based in the U.K. and has been authorized by the U.K. Financial Services Authority to provide investment advisory and asset management services.

Capital International Sarl is based in Switzerland and has been authorized by the Financial Markets Supervisory Authority to provide investment advisory services.

Neither Capital International Limited nor Capital International Sarl is registered as an investment adviser under the Investment Advisers Act of 1940 and each is deemed to be a “Participating Affiliate” of Capital Research and Management Company, as this term has been used by the SEC’s Division of Investment Management in various no-action letters granting relief from the Advisers Act’s registration requirements for certain affiliates of registered investment advisers.

Banks and Trust Companies

CGTC provides investment advisory services to Capital Guardian Trust Company, a state-chartered trust company in Nevada.

Capital Bank & Trust Company, a federal savings bank, and a registered investment adviser, is a wholly-owned subsidiary of The Capital Group Companies. Capital Bank & Trust Company provides directed trustee services and custodial services to employer-sponsored retirement plans and individual retirement accounts invested in the American Funds and other outside assets. Capital Bank and Trust Company also serves as trustee to certain collective investment trusts.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

CGTC and its affiliated companies have adopted a Code of Ethics for its associates (Code of Ethics) that requires all associates: (1) act with integrity, competence and in an ethical manner; (2) comply with applicable U.S. federal securities laws, as well as all other applicable laws, rules and regulations; and (3) promptly report violations of the Code of Ethics. All associates are required to certify at least annually that they have read and understand the Code. A copy of the Code of Ethics is available to clients and prospective clients upon request and on americanfunds.com.

The Code of Ethics includes:

- Protection of Non-Public Information: Policies and procedures designed to prevent and detect the misuse of material non-public information by associates. These procedures require all associates who believe they may be in possession of material non-public information regarding an issuer to notify the Legal Department, which will determine the appropriate actions to be taken.
- Personal Investing: Policies related to personal investing by associates. The policies ban excessive trading of any Capital-managed investment vehicles worldwide, including the American Funds. Associates generally may not participate in the acquisitions of securities in initial public offerings. Additional restrictions apply to associates with access to non-public information relating to current or imminent fund/client transactions, investment recommendations or fund portfolio holdings (covered associates). Covered associates generally may not effect securities transactions for their own account when any investment advisory account is transacting in the issuer in question. All such covered associates must report their securities transactions on a quarterly basis and disclose their holdings annually. Covered associates must pre-clear certain personal security transactions and special review of private placements is required. Additional restrictions and reporting apply to investments professionals, including blackout periods on personal investing and a ban on short-term trading.
- Gifts and Entertainment: Policy prohibiting the acceptance and extension of gifts or entertainment that are excessive, repetitive or extravagant, if such gifts or entertainment are in relation to Capital's business. Procedures include quarterly reporting of gifts or entertainment received or offered a dollar limit on gifts that can be accepted from any one source during a calendar year, and pre-clearance of entertainment beyond a certain dollar limit.
- Political Contributions: Policy governing political contributions and/or other activities that directly support officials, candidates, or organizations that may be in a position to influence decisions to award business to investment management firms. Specific rules exist for political contributions and activities within the U.S. and associates are required to seek preclearance and approval for political contributions to state and local government officials (or candidates for those positions.)

Participation or Interest in Client Transactions

In addition, CGTC or its affiliates may recommend that clients invest in limited partnerships, pooled funds or mutual funds managed by CGTC or its affiliates. Additionally, CGTC, in its fiduciary capacity, may invest CGPCS client assets in certain of these funds. In all cases, the nature and scope of the

financial interest (e.g., investment management fees or economic interest in such partnerships or funds) is disclosed.

CGTC's employees may also purchase shares in certain pooled funds managed by CGTC or an affiliate of CGTC. Such purchases may take place either through their personal account or through retirement plans sponsored by The Capital Group Companies, Inc., the ultimate parent company of CGTC. All such transactions are conducted at net asset value and in accordance with the purchase and redemption provisions as described in either the prospectus or offering memorandum of the fund.

CGTC may manage investments made by CGTC or an affiliate of CGTC, either in a separate account or through investing in a pooled vehicle. In those instances in which CGTC or an affiliate of CGTC makes an investment in a pooled vehicle, they may be the first participants in such vehicle and may be the only participant for one or more years. CGTC treats these separate and pooled vehicle accounts the same as any client account.

ITEM 12: BROKERAGE PRACTICES

Selecting Broker-Dealers

Portfolio Transactions

CGTC places orders with broker-dealers for its clients' portfolio transactions. Purchases and sales of equity securities on a securities exchange or an over-the-counter market are affected through broker-dealers who receive commissions for their services. Purchases and sales of fixed-income securities and currency foreign exchange transactions are generally made with an issuer or a primary market-maker acting as principal with no stated brokerage commission. Prices for fixed-income securities in secondary trades usually include undisclosed compensation to the market-maker reflecting the spread between the bid and ask prices for the securities. The prices for equity and fixed-income securities purchased in primary market transactions, such as initial public offerings, new fixed-income issues, secondary offerings and private placements, may include underwriting fees.

Best Execution

When executing portfolio transactions on behalf of its clients and clients of its affiliates, CGTC strives to obtain "best execution" (the most favorable total price reasonably attainable under the circumstances) for their clients' portfolio transactions, taking into account a variety of factors. These factors include the size and type of transaction, the nature and character of the markets for the security to be purchased or sold, the cost, quality, likely speed and reliability of execution and settlement, the broker-dealer's or execution venue's ability to offer liquidity and anonymity, and the potential for minimizing market impact. CGTC considers these factors, which involve qualitative judgment, when selecting broker-dealers and execution venues for its clients' portfolio transactions. CGTC views best execution as a process that should be evaluated over time as part of an overall relationship with particular broker-dealer firms. In this regard, CGTC does not consider itself as having an obligation to obtain the lowest available commission rate for a portfolio transaction to the exclusion of price, service and qualitative considerations. Brokerage commissions are only a small part of total execution costs and other factors, such as market impact and speed of execution, contribute significantly to overall transaction costs.

Oversight

The Capital Group Companies Equity Trading Best Execution Committee, the Capital Group Companies Equity Trading Steering Committee, and the Capital Group Companies Fixed-Income Best Execution Committee provide oversight to Capital Guardian and Trust Company's policies, procedures and practices relating to best execution.

The Equity Trading Best Execution Committee meets periodically to review current equity trading practices and reviews overall quality of execution and trades. The Equity Trading Steering Committee and other senior managers oversee the brokerage services and receive periodic commission reports produced from an automated system. The Equity Trading Steering Committee also reviews equity trading policies and approves changes as appropriate.

The Fixed-Income Best Execution Committee meets periodically to review current fixed-income trading practices and overall quality of execution for fixed-income and foreign exchange trades.

Commission Rates

CGTC and its affiliates negotiate commission rates with brokers based on what they believe is reasonably necessary to obtain best execution. Capital Guardian Trust Company and its affiliates do not consider the appropriate commission to necessarily be the lowest available commission, but attempt to maximize the overall benefits received by their clients for their commissions. Commission rates vary based on the nature of the transaction, the market in which the security is traded and the venue chosen for trading, among other factors.

CGTC and its affiliates seek, on an ongoing basis, to determine what the reasonable levels of commission rates are in the marketplace in respect of both execution and research, taking various considerations into account when evaluating such reasonableness, including the extent to which a broker-dealer has put its own capital at risk, historical commission rates, commission rates that other institutional investors are paying, and the provision of brokerage and research products and services.

Brokerage and Investment Research Services

CGTC and its affiliates may execute portfolio transactions with broker-dealers who provide certain brokerage and/or investment research services to CGTC and its affiliates, either directly or through a commission sharing arrangement, but only when in CGTC's and its affiliates' judgment the broker-dealer is capable of providing best execution for that transaction. The receipt of these services permits CGTC and each affiliate to supplement its own research and analysis and makes available the views of, and information from, individuals and the research staffs of other firms. These services may include, among other things, reports and other communications with respect to individual companies, industries, countries and regions, economic, political and legal developments, as well as scheduling meetings with corporate executives and seminars and conferences related to relevant subject matters. This information may be provided in the form of written reports, telephone contacts and meetings with securities analysts. CGTC and its affiliates consider these services to be supplemental to their own internal research efforts and therefore the receipt of investment research from broker-dealers does not tend to reduce the expenses involved in CGTC's and its affiliates' research efforts. If broker-dealers were to discontinue providing such services it is unlikely CGTC and its affiliates would attempt to replicate them on their own, in part because such services would no longer provide an independent, supplemental viewpoint. Nonetheless, if it were to attempt to do so, CGTC and its affiliates would incur substantial additional costs. CGTC and its affiliates could be perceived to have an incentive to select a broker-dealer based on their interest in receiving such research services. CGTC and its affiliates have processes in place to minimize the potential for conflicts of interest in this area.

CGTC and its affiliates may pay commissions in excess of what other broker-dealers might have charged for certain portfolio transactions in recognition of brokerage and/or investment research services. In this regard, CGTC and its affiliates have adopted a brokerage allocation procedure consistent with the requirements of Section 28(e) of the U.S. Securities Exchange Act of 1934. Section 28(e) permits CGTC to pay a higher commission to a broker-dealer to compensate the broker-dealer or another service provided for certain brokerage and/or investment research services provided to CGTC and its affiliates, if CGTC and each affiliate makes a good faith determination that such commissions are reasonable in relation to the value of the services provided to CGTC and its affiliates in terms of that particular transaction or CGTC's or its affiliates overall responsibility to their clients.

Certain brokerage and/or investment research services may not necessarily benefit all accounts paying commissions to a broker-dealer, therefore, CGTC and its affiliates assess the reasonableness of commissions in light of the total brokerage and investment research services provided to CGTC and its affiliates. Further, research services may be used by all investment associates of CGTC and its affiliates regardless of whether they advise accounts with trading activity that generates eligible commissions. In accordance with its internal brokerage allocation procedure, CGTC and its affiliates periodically assess

the brokerage and investment research services provided by each broker-dealer and each other service provider from whom they receive such services..

As part of ongoing relationships, CGTC and its affiliates routinely meet with firms to discuss the level and quality of the brokerage and research services provided, as well as the value and cost of such services. In valuing the brokerage and investment research services CGTC and its affiliates receive from broker-dealers and other research providers in connection with its good faith determination of reasonableness, CGTC and its affiliates take various factors into consideration, including the quantity, quality and usefulness of the services to CGTC and its affiliates. Based in this information and applying their judgment, CGTC and its affiliates set an annual research budget.

Research analysts and portfolio managers periodically participate in a research poll to determine the usefulness and value of the research provided by individual broker-dealers and research providers. Based on the results of this research poll, CGTC and its affiliates may, through commission sharing arrangements with certain broker-dealers, direct a portion of commissions paid to a broker-dealer to be used to compensate the broker-dealer for proprietary research or to be paid to a third-party research provider for research it has provided. CGTC and its affiliates believe that by allocating eligible commissions between research and execution they are better able to obtain the highest quality execution and research services. While CGTC and its affiliates may negotiate commission rates and enter into commission sharing arrangements with certain broker-dealers with the expectation that such broker-dealers will be providing brokerage and research services, none of CGTC, any of its affiliates or any of their clients incurs any obligation to any broker-dealer to pay for research by generating trading commissions.

Cross Trades

As part of its authority to invest client assets on a discretionary basis, CGTC may place cross-trades between client accounts managed by CGTC and its affiliates from time to time. CGTC recognizes that a potential conflict of interest may exist when placing trades between client accounts. To address such potential conflicts, CGTC maintains cross-trade policies and procedures and places a cross-trade under those limited circumstances when such a trade: (a) is in the best interest of all participating clients and (b) is not prohibited by the participating clients' investment management agreement or applicable law.

Exchange or alternative trading system ownership

An affiliate of CGTC currently owns an interest in IEX Group and Luminex Trading and Analytics. CGTC may place orders on these or other exchanges or alternative trading systems in which it, or one of its affiliates, has an ownership interest, provided such ownership interest is less than five percent of the total ownership interests in the entity. CGTC is subject to the same best execution obligations when trading on any such exchange or alternative trading system.

Sale of Fund Shares Not Considered

CGTC may place orders for a client's portfolio transactions with broker-dealers who have sold shares in the funds managed by CGTC or its affiliated companies; however, it does not consider whether a broker-dealer has sold shares of the funds managed by CGTC or its affiliated companies when placing any such orders for a client's portfolio transactions.

Client Referrals

CGTC does not consider client referrals from a broker-dealer or third party in selecting or recommending broker-dealers.

Directed Brokerage

In some instances, CGTC will accept a client's instructions to direct a portion of the account's brokerage commissions to a particular broker or group of brokers so long as the direction is consistent with CGTC's policy of seeking best execution. CGTC's ability to meet client direction requests will depend on the broker(s) selected by the client and the securities and markets in which the account invests, among other factors. Furthermore, CGTC accepts requests to direct brokerage from clients who are subject to ERISA only if the client's direction program complies with ERISA.

Occasionally, clients direct CGTC to place all or a portion of their account's annual brokerage costs to one or several broker-dealers and do not require that directed trades be subject to CGTC's policy of seeking best execution. In these cases, CGTC may be limited in negotiating commissions with broker-dealers to whom it directs trades and such accounts may therefore pay higher commissions than those that do not direct brokerage in this way. CGTC believes clients are best served when it has the full authority to determine the broker and negotiate commissions for securities transactions. With directed brokerage arrangements of this type, CGTC cannot assure clients that they will be able to obtain best execution.

If CGTC selects a broker-dealer other than the sponsor or its affiliates to affect a trade for a wrap fee program account, any execution costs charged by that other broker-dealer typically will be charged separately to the wrap fee program account. Investors who enroll in wrap fee programs should satisfy themselves that the sponsor is able to provide best execution of transactions. See below under the heading "Wrap Fee Programs" for more information about the handling of equity security trading with respect to such programs.

Certain managed account program clients direct CGTC to place all trades for equity accounts through the client's custodian or third party platform and/or their affiliates. These directed trades will not be subject to CGTC's policy of seeking best execution and are not aggregated with trades for CGTC's other clients and funds. In these cases, CGTC will not negotiate commissions for such accounts or otherwise monitor the execution of trades. These accounts may therefore pay higher commissions than those that do not direct brokerage in this way. Further, such trades may be executed subsequent to trades for other CGTC accounts. With directed brokerage arrangements of this type, CGTC cannot assure clients that they will be able to obtain best execution and these clients should confirm with their custodian that they are able to provide best execution of transactions.

Wrap Fee Programs

When CGTC serves as investment adviser under wrap fee programs, equity portfolio transactions are typically executed by the sponsor firm. When CGTC serves as investment advisor under a managed account program the client directs CGTC to trade equity securities through the client's custodian, third party platform or one of their affiliates. As a result, equity transactions for wrap fee program and managed account program accounts are generally not aggregated with orders for other accounts for which CGTC or an affiliate serves as investment manager. Wrap fee program and managed account program accounts therefore may not receive the same quality of execution that CGTC and its affiliates are able to obtain for other advisory clients.

CGTC may provide similar investment management services to multiple wrap fee program sponsors or managed account program clients, and this may result in investment recommendations for the same security being provided to multiple program sponsors at a similar time. In such cases, CGTC may rotate the order in which it places equity transactions among the relevant sponsors or other trading entities under managed account programs. CGTC uses a rotation methodology designed to avoid systematically favoring one entity over another and to treat similarly situated groups of accounts equitably over time. CGTC may provide portfolio transaction instructions simultaneously in lieu of using the rotation methodology if, for example, the trade represents a relatively small proportion of the average daily trading volume of the particular security.

CGTC and its affiliates manage investment company, institutional and other accounts with similar or identical investment objectives, as well as accounts with different objectives that may trade in the same securities as the wrap fee program or managed account program accounts managed by CGTC. These other accounts will not be rotated with wrap fee program and managed account program accounts, and will trade prior to wrap fee program and managed account program accounts a high percentage of the time. As a result, the market price of securities may rise or fall before a wrap fee program or managed account program transaction is executed (and, in certain circumstances, as a direct result of other portfolio transactions placed by, or on the advice of, CGTC or its affiliates), causing wrap fee program or managed account program accounts to purchase the same securities at a higher price (or sell the same securities at a lower price) than CGTC and its affiliates. Institutional or other discretionary accounts of CGTC and its affiliates may therefore over time obtain better execution, including more favorable prices for their transactions, than wrap fee program or managed account program accounts purchasing or selling the same securities. See above under the heading “Directed Brokerage” for more information about the handling of equity security trading with respect to such programs.

Aggregation and Allocation of Portfolio Transactions

Frequently, CGTC will place orders to purchase or sell the same security for a number of clients of CGTC and its affiliates. CGTC typically aggregates such orders when they are substantially similar. As an aggregated order is executed, securities are allocated to clients in accordance with this policy. CGTC believes that placing aggregated or “block” trades is consistent with their duty to seek best execution. Further, a client’s trades are aggregated with those of other clients only if it is consistent with the terms of the client’s investment advisory agreement.

This policy is designed to allocate trades of the same security to clients in a fair and equitable manner over time, taking into consideration the interests of each client. Non-investment factors, such as fee arrangements, are not considered in selecting clients or allocating trades.

Equity Securities

When executing portfolio transactions in the same equity security for clients, funds or portions of funds over which CGTC, or any affiliates with which it manages assets, has investment discretion, CGTC and all such affiliates will normally aggregate purchases or sales and execute them as part of the same transaction or series of transactions.

Sometimes trade orders are not aggregated due to significant differences in terms, such as price sensitivity or urgency to complete the trade. For example, some orders may be subject to a price limit that does not permit them to trade with other orders for the same security that do not contain such a restriction. Occasionally when there is a relatively small remaining open order and a very large new order is placed, trading may complete the small order before proceeding with the larger new order, rather than aggregating the orders. In addition, restrictions in client accounts, such as broker selection requirements, may require that a client’s order be traded separately. Client accounts that are traded separately from the aggregate order may receive a less favorable execution price than the accounts that are part of the aggregate order.

Certain clients may have requested CGTC to direct a portion of their trades to a particular broker-dealer, subject to the CGTC’s duty to seek best execution. If the trader believes that best execution would not be harmed by directing the client’s trade to the requested broker-dealer, then the trade for that client may be removed from the block to place the trade with the requested broker-dealer.

As an aggregated order is filled, executed equity trades are generally allocated pro rata to clients based on the authorized order size for each client at the time the trade is executed. All clients receive shares at the

average execution price and pay a pro rata portion of all transaction costs. Allocated amounts will be rounded to take into account CGTC's and market practices for lot sizes.

Special instructions. In certain circumstances, parts of an aggregated order may be subject to special instructions, such as a price limit, that do not apply to the entire aggregated order. This may result in an allocation other than pro rata to all accounts in the aggregated order. For example, trades executed above a price limit (in the case of purchases) or below the limit (in the case of sales), would be allocated on a pro rata basis only to orders that were not subject to the price limit.

Additional equity authorizations. If trading receives additional orders for a particular security after it has begun working existing orders for that security, the additional orders may be added to the initial orders over a reasonable period of time during the trading day. This may occur for example if trading believes that the additional orders are based on the same news event or analyst recommendation that prompted the initial order. If the additional orders are not aggregated in this manner, any trades executed prior to the additional orders are allocated to participating clients on the basis of the existing orders. After any such allocation, the additional authorizations are included with the existing orders and trades are allocated based on the size of the remaining open orders without consideration for the timing of the orders.

Minimum allocation size. Often, a single aggregated order may be executed in a series of smaller transactions over a period of time. In those circumstances, some clients, particularly those that represent a small portion of an aggregated order, may incur significant trade ticket, custody and related fees due to multiple allocations. To reduce the transaction costs that clients may incur as a result of small allocations, CGTC may observe a minimum transaction size per client account. These minimums may vary by client account in an effort to treat all clients fairly and equitably.

Initial Public Offerings

Clients are selected to participate in initial public offerings of equity securities ("IPOs") in the same manner as described above. The trading department aggregates authorized orders it receives for IPOs and places a block trade with the underwriting syndicate.

If the resulting allocation received from the underwriting syndicate is not sufficient to fill all orders, CGTC generally allocates the transaction on a pro rata basis based on each account's authorized order size, unless the relevant investment committee approves another allocation. In certain circumstances orders may be placed based on approximate account asset size; however, no account will be allocated more than its indication. Allocations may be subject to CGTC's and market practices for lot sizes. If the allocation places some client accounts below the minimum lot size, then the trading department will exclude those accounts in the allocation process and allocate the remaining shares to other clients on a pro rata basis.

Fixed-Income Securities

When executing portfolio transactions in the same fixed-income security for the funds and other clients over which CGTC has investment discretion, CGTC will normally aggregate such purchases or sales and execute them as part of the same transaction or series of transactions.

Fixed-income investment professionals select participating client accounts and place trade orders with the fixed-income trading department. Most trades are allocated on the day the trade is executed ("trade date"), but trades may be allocated on the next business day after the trade date. Executed trades are allocated considering portfolio guidelines and a variety of other factors including: (1) other securities held in the portfolios; (2) appropriateness of the security for the portfolios' objectives; (3) industry/sector, issue/issuer holdings, portfolio analytic data; (4) size of the portfolios; (5) the size of the confirmed, executed transaction; (6) invested position of the portfolio; and (7) marketability of the security. Once a

fixed-income trade has been executed and participating client accounts are identified as described above, all accounts receive the same purchase price when participating in a block trade.

Forward Currency Exchange Transactions

CGTC generally executes foreign currency transactions for funds or accounts over which it has investment discretion directly through broker-dealers; however, a fund's or account's custodian may be used to execute certain foreign exchange transactions. These include transactions in markets with legal restrictions or operational risks that make executing directly in those markets impractical.

ITEM 13: REVIEW OF ACCOUNTS

Compliance teams monitor client accounts on an ongoing basis. In addition, accounts are reviewed by investment professionals, including portfolio managers, as part of a group review of similar accounts. This monitoring and review is conducted to verify that accounts are in compliance with their objectives and investment guidelines and generally includes, among other things, information related to investment results, significant account guidelines, client activity including contributions and withdrawals, and the investment structure of the portfolio. Compliance teams may also conduct regular review to verify that overall positions are appropriately aligned relative to the accounts' objectives and relative to other similar accounts.

The board of directors of registered investment company clients organized in the United States are provided audited annual and unaudited semi-annual financial statements and shareholder reports. Additional information concerning portfolio activity and results are provided periodically, and extensive additional information is furnished, generally annually, in connection with investment advisory agreement renewals.

Clients with separate accounts and investors in pooled investment vehicles are provided monthly and quarterly portfolio statements and such other reports as they may specifically request from time to time. CGPCS clients receive monthly or quarterly detailed statements and such other reports as they may from time to time request.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

CGTC compensates affiliates for client relations and marketing services. Additionally, CGTC's affiliates may compensate CGTC for client relations and marketing services.

CGTC or its affiliates may from time to time compensate third parties for client referrals pursuant to a written solicitation agreement. The solicitor must provide CGTC with a copy of the solicitor's separate written disclosure document provided to the client. No solicitation payments may be made prior to CGTC receiving a signed copy of the solicitation agreement and client acknowledgement letter that contains the applicable referral fee disclosures and acknowledgement of the fee arrangement.

Many of CGTC's clients and prospective clients retain investment consultants to evaluate and recommend investment advisers and their services. CGTC may provide investment management services to these consultants or their affiliates. CGTC is not affiliated with an investment consultant business and has never paid to gain favor from consultants in terms of future or continuing new business opportunities. Many consultants offer valuable services to investment managers, and CGTC and the other investment management companies under Capital Group International, Inc. ("CGII") regularly subscribe to various consultant services to gain access to their index and peer data and occasionally participate in their conferences and training programs. In addition, from time to time, the CGII companies may co-sponsor with other managers or consultants, industry events such as conferences. The CGII companies also may purchase other products or services from consultants such as data feed transmission, electronic services and related software.

ITEM 15: CUSTODY

CGTC does not have physical custody of client assets but is deemed to have custody of certain client assets as defined in rule 206(4)-2 of the Investment Advisors act. Clients for which CGTC is deemed to have custody will receive account statements from JPMorgan or State Street Bank quarterly or monthly and should carefully review those statements against the account statements provided by CGTC, if applicable.

If a third party inadvertently delivers client securities or funds to CGTC, such securities or funds generally will be forwarded to the client or the client's custodian. In certain circumstances, however, they may be returned to sender.

ITEM 16: INVESTMENT DISCRETION

CGTC is retained on a discretionary basis pursuant to an investment management agreement and is generally authorized, without client consultation or consent to determine, among other things:

- what securities are to be bought or sold;
- the amount of securities to be bought or sold;
- the prices at which securities are to be bought or sold;
- the broker or dealer to be used; and
- the commissions to be paid.

CGTC normally agrees with clients to investment guidelines for new accounts that set forth the objectives of the account and specific investment restrictions and limitations. The guidelines typically describe the investment mandate and types of securities that are eligible for (or prohibited from) the account. For investments in funds, the terms of the fund's governing documents will apply.

Investment discretion and authorization are described in the investment management agreement signed by CGTC and the client. The agreement, including the investment guidelines, is typically reviewed by administrative and legal personnel before being signed.

ITEM 17: Voting Client Securities

CGTC accepts proxy voting authority from its clients and follows its Proxy Voting Policy and Procedures, which are summarized below. If CGTC has voting authority for a client account, it generally does not provide the client the option to direct a proxy vote with respect to a particular solicitation.

Some clients reserve the right to vote proxies and do not give CGTC the authority to vote on their behalf. In those cases, clients should contact their custodian about receiving proxies. CGTC would not expect to discuss particular solicitations with clients for whom it does not have proxy voting authority.

Summary of Proxy Voting Policy and Procedures

CGTC considers proxy voting an important part of those management services, and as such, CGTC seeks to vote the proxies of securities held by clients in accounts for which it has proxy voting authority in the best interest of those clients. The procedures that govern this activity are reasonably designed to ensure that proxies are voted in the best interest of CGTC's clients. Proxy issues are evaluated on their merits and considered in the context of the analyst's knowledge of a company, its current management, management's past record, and CGTC's general position on the issue.

CGTC has developed proxy voting guidelines that reflect its general position and practice on various issues. To preserve the ability of decision makers to make the best decision in each case, these guidelines are intended only to provide context and are not intended to dictate how the issue must be voted. The guidelines are reviewed and updated as necessary, but at least annually, by the appropriate proxy voting and investment committees.

Associates on the proxy voting team in CGTC's Portfolio Control department are responsible for coordinating the voting of proxies. These associates work with outside proxy voting service providers and custodian banks and are responsible for coordinating and documenting the internal review of proxies. Standard proxy items are typically voted with management unless the research analyst who follows the company or a member of an investment or proxy voting committee requests additional review. Standard items currently include the uncontested election of directors, ratifying auditors, adopting reports and accounts, setting dividends and allocating profits for the prior year, and certain other administrative items. All other items are voted in accordance with the decision of the analyst, portfolio managers, investment specialists, the appropriate proxy voting committee or the full investment committee(s) depending on parameters determined by those investment committee(s) from time to time. Various proxy voting committees specialize in regional mandates and review the proxies of portfolio companies within their mandates.

From time to time CGTC may vote a) on proxies of portfolio companies that are also clients of CGTC or its affiliates, b) on shareholder proposals submitted by clients, or c) on proxies for which clients have publicly supported or actively solicited CGTC or its affiliates to support a particular position. When voting these proxies, CGTC analyzes the issues on their merits and does not consider any client relationship in a way that interferes with its responsibility to vote proxies in the best interest of its clients. The CGTC Special Review Committee reviews certain of these proxy decisions for improper influences on the decision-making process and takes appropriate action, if necessary.

If a research analyst has a personal conflict in making a voting recommendation on a proxy issue, he or she must disclose such conflict, along with his or her recommendation. If a member of the proxy voting committee has a personal conflict in voting the proxy, he or she must disclose such conflict to the appropriate proxy voting committee and must not vote on the issue.

This summary of CGTC's Proxy Voting Policy and Procedures is qualified by the full policy, which is available on request.

Also upon request, CGTC will provide to clients for whom it has proxy voting authority, reports of its proxy voting record related to the securities held in that client's account.

ITEM 18: FINANCIAL INFORMATION

CGTC does not require or solicit pre-payment of fees in advance. However, certain sponsors of wrap fee programs may pay CGTC fees in advance of its provision of services related to such program, but in no case more than six months in advance. Investors who enroll in wrap fee programs should refer to their disclosure documents from the sponsor for details on programs that may require payment in advance and the treatment of fees upon termination of an account.

CGTC is not aware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to clients.

ITEM 19: REQUIREMENTS FOR STATE-REGISTERED ADVISERS
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CGTC is not registered with any state securities authority.