

Research Affiliates, LLC

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May 13, 2015

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This Form ADV Part 2A (Brochure) provides information about the qualifications and business practices of Research Affiliates, LLC. If you have any questions about the contents of this Brochure, please contact us at (949) 325-8700 or info@rallc.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. Research Affiliates, LLC is a registered investment adviser with the SEC. Our registration as an Investment Adviser does not imply a certain level of skill or training.

Additional information about Research Affiliates, LLC is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

This Brochure, dated May 13, 2015, is a document amended at least annually and prepared by Research Affiliates, LLC according to the SEC's requirements and rules relating to Form ADV Part 2A. This item describes the material changes made to the Brochure since it was previously amended. The date of our last annual amendment to this Brochure was March 26, 2015.

- Updated Item 4 (Advisory Business) – Effective April 13, 2015, Research Affiliates, LLC is registered in Ireland with the Central Bank of Ireland. Research Affiliates, LLC acts as investment manager to certain Irish authorized collective investment schemes offered by an unaffiliated third party.

As required by the SEC, we will ensure that clients receive a summary of material changes to this Brochure as applicable and subsequent annual Brochures within 120 days of the close of our fiscal year. We will provide this information to existing clients without charge.

If you would like a copy of our Brochure, please contact our Chief Compliance Officer, Jeffrey A. Smith at (949) 325-8700 or smith@rallc.com. Additional information about Research Affiliates, LLC is also available on the SEC's website at www.adviserinfo.sec.gov.

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Item 4 – Advisory Business

Research Affiliates, LLC was founded in 2002 and is a global leader in innovative investing and asset allocation strategies. Our competitive advantage rests in the strength of our research and development capabilities to respond to the current needs of the global investment community. Leveraging our strong research focus, we provide services directly and in partnership with some of the world's leading financial institutions. These affiliations take the form of direct asset management, sub-advisory services, and licensing agreements.

During 2011, Research Affiliates Global Holdings, LLC was formed as a holding company. Effective January 1, 2012, Research Affiliates Global Holdings, LLC acquired 100% ownership of Research Affiliates, LLC, when the owners of Research Affiliates, LLC exchanged all ownership interests in Research Affiliates, LLC for equivalent interests in Research Affiliates Global Holdings, LLC. Investment advisory activities continue to be provided by Research Affiliates, LLC as the SEC registered investment adviser. Robert D. Arnott, founder and CEO, is the trustee of our principal owner, the Arnott Family Trust, which owns more than 25% of Research Affiliates Global Holdings, LLC. Our office is located in Newport Beach, California.

Effective April 13, 2015, Research Affiliates, LLC is registered in Ireland with the Central Bank of Ireland. Research Affiliates, LLC acts as investment manager to certain Irish authorized collective investment schemes offered by an unaffiliated third party.

Direct Asset Management

We offer direct asset management services and custom solutions to meet a client's investment needs. Our direct clients include institutional investors such as pension and profit sharing plans, foundations, endowments, state or municipal government entities, registered investment companies, affiliated limited partnerships, and high net worth individuals. We offer a broad array of investment strategies for institutional investors through affiliated limited partnerships and separately managed accounts. Separately managed account clients may impose investment restrictions on investing in certain securities or types of securities.

We provide investment management services under a wrap fee arrangement offered by an unaffiliated broker dealer. Similar to other accounts that we manage, wrap fee clients may impose investment restrictions on investing in certain securities or types of securities, in the management of their account. In a wrap fee arrangement, we receive a portion of the wrap fee for providing investment management services.

Sub-Advisory Services

We provide investment sub-advisory services to registered investment companies by creating a model portfolio, and providing updated input data and consulting services regarding the models. We also develop custom solutions to meet client needs. Many services described and offered by the firm are based on our patented and patent-pending intellectual property.

Licensing

We license our intellectual property for use by third parties, including mutual funds, exchange traded funds and index providers for a fee. Licensees may use our intellectual property to develop investment strategies for managing accounts. In addition, services may include the development of model portfolios and indexes for a licensee's use.

Strategies

We offer multiple investment strategies, many based on our patented and patent-pending intellectual property. Our research has shown that an index based on market capitalization has the characteristic of overweighting overvalued stocks and underweighting undervalued stocks, resulting in a performance drag. The RAFITM Fundamental IndexTM methodology is designed to capture the benefits of indexing while avoiding the performance drag associated with cap-weighting. It does this by selecting and weighting stocks in an index using fundamental measures of company size (e.g., cash flow, book value, sales, and dividends). The Research Affiliates EquityTM strategies incorporate additional information (e.g., quality of earnings or financial distress) along with more frequent rebalancing in comparison to the RAFITM Fundamental IndexTM and other index strategies.

The current investment strategies offered include the following:

Research Affiliates EquityTM US Large - The Research Affiliates EquityTM US Large Strategy applies our Fundamental IndexTM concept to large U.S. listed equities.

Research Affiliates EquityTM US Small - The Research Affiliates EquityTM US Small Strategy applies our Fundamental IndexTM concept to small U.S. listed equities.

Research Affiliates EquityTM International - The Research Affiliates EquityTM International Strategy applies our Fundamental IndexTM concept to internationally listed equities.

Research Affiliates EquityTM Small International - The Research Affiliates EquityTM Small International Strategy applies our Fundamental IndexTM concept to internationally listed small equities.

Research Affiliates EquityTM Emerging Markets - The Research Affiliates EquityTM Emerging Markets Strategy applies our Fundamental IndexTM concept to listed equities in the emerging markets.

Research Affiliates EquityTM Global All Country - The Research Affiliates EquityTM Global All Country Strategy applies our Fundamental IndexTM concept to global, including emerging market equities.

Research Affiliates EquityTM Global All Country ex US - The Research Affiliates EquityTM Global All Country ex US Strategy applies our Fundamental IndexTM concept to foreign developed and emerging market equities.

From time to time, we may also develop a customized investment strategy based on specific parameters from a client, including facilitating certain investment restrictions. We may tailor such strategies around a client's investment policy statement, objectives and unique restrictions.

As of December 31, 2014, Research Affiliates, LLC managed approximately \$66.8 billion in regulatory assets under management, \$8.1 billion on a discretionary basis, and \$58.7 billion on a non-discretionary basis. In addition, licensees of Research Affiliates, LLC managed approximately \$103.3 billion.

Education and business background of our senior management:

ROBERT D. ARNOTT

Year of Birth: 1954

(Member of Investment Committee)

Education: B.A. Applied Mathematics, Computer Science and Economics, University of California, Santa Barbara. Business Background: Member, Chairman and CEO, Research Affiliates, LLC, since May 2002; Registered representative, PA Distributors LLC, February 2003 - December 2004; Chairman, First Quadrant, L.P. ("FQ"), May 2002 - April 2004; Chief Executive Officer, FQ, March 1996 - May 2002; President and Board Director, First Quadrant Corp., April 1988 - March 1996; Strategist, Salomon Brothers, March 1987 - April 1988; President, TSA Capital Management, March 1984 - February 1987; Vice President, The Boston Company, June 1977 - March 1984.

JASON C. HSU, PhD

Year of Birth: 1974

(Member of Investment Committee)

Education: B.S., Summa Cum Laude, Physics, California Institute of Technology, 1996; Ph.D., Finance, University of California, Los Angeles, 2004. Business Background: Managing Director, Vice Chairman, Research Affiliates, LLC, since April 2014; Managing Director, Chief Investment Officer, Research Affiliates, LLC, January 2009 – April 2014; Managing Director, Research & Investment Management, Research Affiliates, LLC, May 2002 - January 2009; Assistant VP, Derivatives Research and Trading, Far Eastern Securities 1998 - 1999; Consultant to Farmers Insurance Group, Global Window Partners, the VirtualStockExchange.com, Taiwan National Association of Securities Dealers; Instructor Financial Management, Taiwan National University of Political Science (NCCU) 1997 - 1998; Instructor Financial Economics, Shanghai University, 1998; Research fellow, Center for Business Economics and Computational Finance at NCCU.

KATRINA F. SHERRERD, PhD, CFA

Year of Birth: 1957

(Member of Investment Committee)

Education: B.S. Finance, McIntire School of Commerce, University of Virginia, 1979; M.S. Transportation Studies, Massachusetts Institute of Technology, 1983; Ph.D. Finance, Darden School, University of Virginia 1987. Business Background: Managing Director, President,

Research Affiliates, LLC, since April 2014; Managing Director, Chief Operating Officer, Research Affiliates, LLC, since January 2009; Managing Director, Strategic Planning and Affiliate Relations, Research Affiliates, LLC, November 2006 - January 2009; Managing Director, CFA Institute, 1987 - 2007. Visiting professor, Darden School, University of Virginia, 2004 - 2006. Lecturer, McIntire School of Commerce, University of Virginia, 1983 - 1992.

FEIFEI LI, PhD

Year of Birth: 1978

(Member of Investment Committee)

Education: B.A. Finance, Tsinghua University, 2000; Ph.D. Finance, University of California, Los Angeles, 2005. Business Background: Director, Head of Product Research, Research Affiliates, LLC, since November 2014; Director, Head of Product Management, Research Affiliates, LLC, since August 2014; Director, Research, Research Affiliates, LLC, January 2009 – July 2014; Associate Director, Research, Research Affiliates, LLC, December 2007 - December 2008; Vice President, Manager, Research, Research Affiliates, LLC, May 2007 - December 2007; Vice President, Research, Research Affiliates, LLC, January 2007 - April 2007; Senior Research Associate, Research, Research Affiliates, LLC, July 2005 - December 2006.

JOHN M. WEST, CFA

Year of Birth: 1973

(Member of Investment Committee)

Education: B.S. Finance, University of Arizona, Business Administration, 1996. Business Background: Managing Director, Head of Client Strategies, Research Affiliates, LLC, since March 2014; Managing Director, GTAA Product Management, Research Affiliates, LLC, January 2013 – February 2014; Director, Product Specialist, Research Affiliates, LLC, January 2009 - December 2012; Associate Director and Product Specialist, Research Affiliates, LLC, April 2008 - December 2008; Associate Director, Marketing and Affiliate Relations, Research Affiliates, LLC, December 2007 - March 2008; Vice President and Product Specialist, Research Affiliates, LLC, September 2007 - December 2007; Vice President, Research Affiliates, LLC, June 2006 - August 2007; Senior Consultant and Vice President, Research, Wurts & Associates, 1997 - 2006; Performance Analyst, Wurts & Associates, 1996 - 1997.

CHRISTOPHER BRIGHTMAN, CFA

Year of Birth: 1961

(Member of Investment Committee)

Education: B.A. Finance, Virginia Tech, 1983; MBA, Loyola University Maryland, 1989. Business Background: Managing Director, Chief Investment Officer, Research Affiliates, LLC, since April 2014; Managing Director, Head of Investment Management, Research Affiliates, LLC, January 2013 – April 2014; Director, Strategy, Research Affiliates, LLC, May 2010 – December 2012; Chief Executive Officer, UVIMCO, December 2004 – March 2010; Chief Investment Officer, Strategic Investment Group, March 2001 – December 2004.

MICHAEL LARSEN

Year of Birth: 1962

(Member of Investment Committee)

Education: B.S. Business and Accounting, University of Nebraska, 1985; M.A. Asian Studies, Darden School, University of Virginia 1991. Business Background: Director, Global Head of Strategic Partnerships and Head of EMEA Region, Research Affiliates, LLC, since April 2014; Director, Head of Strategic Relationships and Head of EMEA Region, Research Affiliates, LLC, since March 2014; Director, Global Head of Affiliate Relations, Research Affiliates, LLC, January 2013 – February 2014; Director, Affiliate Relations, Research Affiliates, LLC, January 2011 – December 2012; Associate Director, Affiliate Relations, Research Affiliates, LLC, January 2009 – January 2011; Vice President, Affiliate Relations, Research Affiliates, LLC, September 2007 – January 2009; Independent Consultant, October 2005 – September 2007; Managing Director, Investment Advisory Services and Chief Investment Officer, The Threshold Group, LLP, June 2004 – October 2005; Managing Director, Private Client Services, Trust Company of the West, June 1998 – May 2004.

DANIEL M. HARKINS

Year of Birth: 1949

Education: B.A. History, University of Kansas, 1971; J.D. University of Kansas Law School, 1974. Business Background: Chief Legal Officer, Research Affiliates, LLC, since September 2009; Chief Compliance Officer, Research Affiliates, LLC, September 2009 – September 2013; Associate Director, Investment Operations, Research Affiliates, LLC, May 2009 - February 2012; Chief Compliance Officer and Senior Counsel, Research Affiliates, LLC, March 2008 - May 2009; Compliance Counsel, Research Affiliates, LLC, November 2006 - March 2008; Partner, The Feldhake Law Firm, 2001 - 2006.

JEFFREY S. WILSON

Year of Birth: 1971

Education: B.S. Business Administration, University of Southern California, 1993; MBA, University of Southern California, 1995. Business Background: Head of Institutional Relations, Research Affiliates, LLC, since January 2013; Senior Vice President, Institutional Client Group, Research Affiliates, LLC, June 2010 - December 2012; Senior Associate, Maverick Capital, January 2008 - December 2009; Senior Vice President, The TCW Group, Inc., July 1997 - October 2007.

JOSEPH D. HATTESOHL, CFA

Year of Birth: 1963

Education: B.S. Accounting and Business Administration, University of Kansas, 1986; Business Background: Head of Direct Management, Research Affiliates, LLC, since March 2014; Chief Financial Officer, Research Affiliates, LLC, since January 2012; Managing Director, Trust Company of the West, February 2010 - November 2010; Managing Director, Chief Financial Officer, Metropolitan West Asset Management, LLC, November 2000 - February 2010.

Education: B.S. Accounting, University of Kentucky, 1996; J.D., University of Kentucky College of Law, 1999; LL.M. Securities & Financial Regulation, Georgetown University Law Center, 2011; CRCP, University of Pennsylvania, Wharton School of Business/FINRA Institute, 2008; CRM, IIPER Business School, 2008; IACCP, NRS/IAA, 2010; Business Background: Chief Compliance Officer, Research Affiliates, LLC, since October 2013; Assistant General Counsel, Research Affiliates, LLC, since August 2013; Director of Compliance, Athene Asset Management, LLC, July 2012 – August 2013; Senior Counsel, The Rock Creek Group, LLC, July 2010 – July 2012; Investigative Attorney, Financial Crisis Inquiry Commission, April 2010 – July 2010; LSOP, U.S. Securities and Exchange Commission, Office of Director of Enforcement, January 2010 – April 2010; Legal Officer, Risk Officer, and Compliance Team Leader, Consulting Services Support Corporation, May 2006 – April 2009; Managing Partner, Smith & Associates, November 2001 – May 2006; Manager, Crowe Horwath, July 2000 – November 2001; Associate, Deloitte & Touche, August 1999 – June 2000.

Item 5 – Fees and Compensation

Separately managed account fees are based on the terms of individual investment management agreements. Fees are negotiated on a case-by-case basis. Most separately managed accounts are billed quarterly, in arrears, based on a percentage of assets under management. Accounts may have fees based on a combination of a percentage of assets under management and a performance fee based on returns above a specific market benchmark. Each separately managed account may have its own fee schedule and structure for calculating assets under management for billing purposes. The majority of our separately managed account clients are billed based on the average of the three month-ending custodian market values of the applicable quarter. Clients receive quarterly fee invoices and are responsible for arranging payment to us. Typically, we receive payments by wire for the fees due.

As described in Item 4 Advisory Business, we provide investment management services within a wrap fee program offered by an unaffiliated broker dealer. Wrap fee client accounts are charged a single quarterly fee, for the management and trading of their account assets. We receive a portion of the fee collected by the wrap account sponsor, as compensation for providing investment management services. Wrap fee accounts may have different fee schedules and billing structures that require payment of fees in advance. Clients that terminate their contract prior to the end of a billing period are entitled to a pro-rata refund of any unearned fees, based on the number of days remaining from the date of termination notice to the end of the billing period.

Fees for a limited partnership are calculated at the limited partner level, collected by the limited partnership, and paid to Research Affiliates, LLC monthly in arrears. Investors may select the option to have management fees calculated based on a percentage of assets under management or a combination of a percentage of assets under management and a performance fee based on returns above a specific market benchmark. The applicable Private Placement Memorandum contains a standard fee schedule, but fees may be negotiated on a case-by-case basis.

For investment companies or collective investment trusts that we sub-advise, fees are paid by the fund advisor/manager to Research Affiliates, LLC in arrears based on a percentage of the average daily asset value of assets under management. Each sub-advisory agreement is negotiated on a case-by-case basis with the respective manager.

For licensing arrangements, compensation is received in arrears. In general, fees are based on a percentage of average daily asset value of applicable assets under management of the licensee. In other cases, our fee may be based on a portion of the fee collected by the Licensee from its client. Each licensing arrangement, including fee compensation structure, is negotiated on a case-by-case basis.

For direct management accounts, in addition to the advisory fees payable to us, clients will incur brokerage and other transaction costs in connection with the management of their account. The costs are paid directly to an unaffiliated broker dealer, custodian, or other service provider. We do not receive, directly or indirectly any of these costs charged to the clients. Please refer to Item 12 Brokerage Practices for more information.

None of our employees receive, directly or indirectly, any compensation from the sale of securities or investments that are purchased or sold for client accounts. As a result, we are a “fee only” investment adviser. We do not have any potential conflicts of interest that relate to any additional and undisclosed compensation from our clients or the assets that we manage.

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

Within any given investment strategy that we offer, we may have direct management clients, separately managed accounts and limited partnership investors, with different fee schedules. One client may have an asset-based fee, while another client has an incentive-based fee. While there is a potential conflict of interest due to the possibility we could earn a higher fee on one account versus another, our investment discipline is quantitative and rules based, and where possible, all accounts within a strategy are traded at the same time, which mitigates the conflicts.

Conflicts that may potentially arise between one strategy and another are also mitigated by our quantitative and rules based investment discipline. Changes in portfolio construction and transactions are based on a stated timetable or on client controlled contributions and withdrawals.

Item 7 – Types of Clients

We provide investment advisory services to institutional investors including pension and profit sharing plans, foundations, endowments, state or municipal government entities, registered investment companies, collective investment trusts, affiliated limited partnerships, and high-net-worth individuals.

Minimum investment in our limited partnerships is typically \$10,000,000. Certain of our limited partnerships may have lower minimum investment requirements. Minimum investment for our separately managed accounts is \$100,000,000. We reserve the right to waive the minimum investment on a case-by-case basis. The general partner of each of our limited partnerships is an

affiliate of ours. Limited partnership interests are not offered or sold through any public offerings, and are offered to qualified investors only by Private Placement Memorandum and Limited Partnership Agreement and are not registered securities under the Securities Act of 1933.

Privacy Notice to Clients

We do not disclose nonpublic personal information about our current or former clients except as permitted or required by law. We restrict access to nonpublic personal information about our clients to those employees who need to know the information to perform specific job functions. We maintain physical, electronic and procedural safeguards that comply with federal standards to safeguard nonpublic information. With client permission, clients may be identified on our firm's representative client lists.

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

As discussed in Item 4 Advisory Business, we offer several investment strategies to clients, including many based on a variation of our patented and patent-pending, Fundamental IndexTM methodology. The RAFITM Fundamental IndexTM methodology uses measures of company size to gauge the economic footprint of a company (e.g. cash flow, sales, book value and dividends), rather than market capitalization, to select and weight stocks and create an indicative portfolio or index. The Research Affiliates EquityTM strategies incorporate additional information (e.g., quality of earnings or financial distress) along with frequent rebalancing.

To assist in the model portfolio construction process, we utilize a broad spectrum of information from industry vendors including, financial publications, corporate actions, third-party research materials, annual reports, prospectuses and regulatory filings. Each strategy offered is rules based and offers broad market exposures, investment diversification, and a relatively low cost investment alternative compared to similar investment strategies. Since our model portfolio construction and modification processes require computer programming, an error in related computer coding could result in a loss to an investor in a strategy or vehicle dependent upon the given model portfolio. We mitigate the risks of such coding errors, in part, by testing methodology as set forth in the respective technical document using different programmers, a different programming language and by reconciling differing results. Non-methodology changes to portfolio construction code are generally tested for repeatability of past-delivered portfolios and results are analyzed. Model portfolios also undergo quality assurance reviews before delivery.

Investing in securities involves risk of loss that each client should be prepared and able to bear. Stock and bond markets fluctuate significantly over time, and certain strategies may impose more risk than others. As a result, clients investing in our strategies risk loss of the assets we manage. We do not guarantee any level of performance or that clients will not experience a loss in the value of their assets.

In general, the strategies we offer involve more trading activity and related costs as compared to traditional passive indexing strategies, but involve less trading activity compared to traditional

active management strategies. When comparing investment managers or strategies, trading frequency is one of many factors to consider. Frequent trading of securities can have a negative effect on investment performance due to the increased brokerage commissions and related costs involved.

Investments in our affiliated limited partnerships present risks such as: dependence on key individuals, increased regulatory scrutiny, lack of liquidity, restrictions on resale, heavy reliance on market data and investment selection process, activities of the affiliated general partner and Investment Adviser, changing economic conditions, index calculation errors, misapplication of corporate actions, data errors, and general investment and trading risks.

Item 9 – Disciplinary Information

We are obligated to disclose any disciplinary event that would be material to clients and prospective clients evaluating Research Affiliates, LLC. At this time, we do not have any disciplinary events to report. This statement applies to our firm and every employee.

Item 10 – Other Financial Industry Activities and Affiliations

We license our intellectual property to registered investment advisers, investors and index providers on a customized basis. The terms, fees and services provided under each arrangement are negotiated on a case-by-case basis.

Research Affiliates, LLC is the investment adviser for and provides investment management services to each of the following affiliated limited partnerships: Research Affiliates Capital, L.P., Research Affiliates EquityTM International, L.P., Research Affiliates EquityTM US Large, L.P., Research Affiliates EquityTM US Small, L.P., Research Affiliates EquityTM Emerging Markets, L.P., Research Affiliates EquityTM Small International, L.P., Research Affiliates EquityTM Global All Country Ex-US L.P., and Research Affiliates EquityTM Global All Country, L.P. Each limited partnership is considered a single client.

A related affiliate, Research Affiliates Management, LLC, which is a wholly owned subsidiary of Research Affiliates Global Holdings, LLC is the general partner of Research Affiliates EquityTM International, L.P., Research Affiliates EquityTM US Large, L.P., Research Affiliates EquityTM US Small, L.P., Research Affiliates EquityTM Emerging Markets, L.P., Research Affiliates EquityTM Small International, L.P., Research Affiliates EquityTM Global All Country Ex-US, L.P., and Research Affiliates EquityTM Global All Country, L.P. Arnott Family Trust, a related person of Research Affiliates Global Holdings, LLC, Research Affiliates, LLC, and Research Affiliates Management, LLC, is the general partner of Research Affiliates Capital, L.P. Other investment strategies may be developed and brought to market as necessary.

Research Affiliates Global Advisors Limited is a Hong Kong based company, providing support services to certain, non-advisory licensees of Research Affiliates, LLC in greater Asia. Research Affiliates Global Advisors (Europe) Limited is a Europe based company, providing support services to certain, non-advisory licensees of Research Affiliates, LLC in the United Kingdom. Research Affiliates Global Advisors Limited and Research Affiliates Global Advisors (Europe)

Limited, both wholly owned subsidiaries of Research Affiliates Global Holdings, LLC, do not have any clients other than Research Affiliates, LLC.

A conflict of interest exists when we, as an investment adviser, recommend that a perspective client purchase an interest in one or more of our affiliated limited partnerships. We (or one of our affiliates) will receive, directly or indirectly, fees paid by clients that invest in our affiliated limited partnerships. The fee may be higher or lower than the fee a client may pay elsewhere for similar investment strategies or services. Although not eliminated, the conflict of interest is minimized, so long as a recommendation to purchase our affiliated limited partnership is suitable for the client based on a review of a Qualifying Questionnaire, Limited Partnership Agreement, Subscription Agreement, and the belief that the client may benefit from investing in such offerings.

Item 11 – Code of Ethics

We do not, directly or indirectly, buy from or sell securities to any client. However, our employees may purchase, sell or hold positions in securities recommended to clients. We have developed policies and procedures requiring pre-approval of certain securities transactions by our Compliance Department. Our employees are restricted from any transactions in their own account, or accounts they are related to or control, where such transactions may be detrimental to a client. In general, employees are prohibited from purchasing and selling the same security within any 30-day period. Any exceptions must be approved by our Chief Compliance Officer.

All employees are required to provide authorization for the firm to receive brokerage account activity and/or duplicate copies of brokerage statements. Daily brokerage account trading activity is fed into a web-based personal trading compliance application and monitored for compliance with personal trading policies and restrictions. As applicable, duplicate copies of brokerage account statements are reviewed quarterly by our Compliance Department to monitor compliance with personal trading policies and restrictions. All employees perform periodic personal trading electronic certifications, such as quarterly reporting of transactions, annual holdings reports, and annual brokerage accounts reports.

We have adopted policies and procedures concerning the possession of and use of material non-public information. All employees receive a copy of our Compliance Manual, including the Code of Ethics and any updates, which include written policies and procedures relevant to personal trading and material non-public information.

We believe that our Code of Ethics complies with the Investment Advisers Act of 1940 and the Investment Company Act of 1940 (if applicable). The Code of Ethics establishes standards of business conduct, states that we will conduct our business in accordance with all applicable laws, rules and regulations, and outlines our duties and responsibilities as a fiduciary to our clients. A copy of our Code of Ethics is available upon request.

Item 12 – Brokerage Practices

For certain limited partnerships and all separately managed accounts, we have engaged the services of an unaffiliated third-party, Parametric Portfolio Associates LLC (Parametric), a Seattle, Washington based SEC Registered Investment Adviser, to handle front, middle and back office support functions for our clients. Please refer to Parametric's disclosure document for more information on this Item. Parametric's disclosure document can be found on the SEC's website at www.adviserinfo.sec.gov.

Parametric generally has the authority to make investment decisions without prior consultation with the client. At any time, clients may place limitations or restrictions on our discretionary authority in the management of their account. Clients communicate such limitations or restrictions in writing to us. In the management of client assets, we observe the investment policies, limitations, and restrictions of each client for which we advise.

A client may give us discretion for selecting a broker on their behalf. In such cases, we consider the following factors when selecting a brokerage firm: quality of execution, clearance and settlement capabilities, financial stability, and commission rates and cost. Considering the circumstances, our overall objective in effecting portfolio transactions is to obtain the best combination of price and execution for our clients.

In some cases, we provide investment management services under a wrap-fee arrangement offered by an unaffiliated broker dealer. Within a wrap-fee arrangement, a client pays a single fee that covers the management fee and the broker's execution costs of all portfolio transactions.

For mutual funds or collective investment trusts which we sub-advise, we have no authority to determine the specific securities bought or sold, the amount of such securities, the broker dealer used, or the commission rate to be paid.

We have a policy that we do not engage in "soft dollar" arrangements that are related to securities brokerage transactions. We may receive the use of products, research or services from third parties, but they are not paid for through brokerage activities. We do not receive compensation, benefits, products, research or services from any broker dealer to whom we direct brokerage transactions beyond normal brokerage services.

Item 13 – Review of Accounts

Estimated performance of portfolios delegated to Parametric is reviewed daily. This review includes performance over various time horizons and summary position information such as valuation ratios, weighted average market capitalization, and beta estimates. Evidence of unusual performance or positions prompts a review of detailed portfolio positions. Detailed position reports are sent to us daily by Parametric.

Final performance calculations for all portfolios and composites are reviewed and approved monthly by our Investment Operations and Compliance Departments. Our GIPS Committee meets on a quarterly basis to review the performance of composites and related portfolios. Evidence of unusual individual portfolio performance compared to its composite prompts a

review to explain the performance. The individuals participating in the GIPS Committee may include representatives from Investment Management, Investment Operations, Accounting, Legal and Compliance, Client Services, Affiliate Relations and Strategic Operations.

The nature and frequency of written reports provided to clients are determined primarily by the particular needs of each client and client instructions. Generally, clients (including limited partners), receive monthly reports from us. In addition, clients receive at a minimum, separate quarterly or more frequent, account statements from the broker dealer, bank or other qualified custodian detailing all cash and asset transactions and activity within their account. In general, meetings with clients are held according to the stated desires of each client. Client reports may include a written analysis of all assets under management, portfolio characteristics, and current and historical performance.

For mutual funds and collective investment trusts that we sub-advise, we provide daily, monthly and annual reports relating to portfolio construction, portfolio performance, and/or other reports as required by the respective manager or SEC rules. Actual holdings in a fund's portfolio are under the control of the fund manager.

Item 14 – Client Referrals and Other Compensation

Currently, we do not have any third party referral relationships.

Item 15 – Custody

Under federal securities law, we are deemed to have custody of client assets because an affiliate acts as the general partner to the limited partnerships offered to clients. We do not have, and do not accept, physical care, or custody of any assets of any client. Limited partnership assets are held in the name of each limited partnership. Separately managed account assets are held in the name of each separately managed account client. Each limited partnership and separately managed account select a custodian and may be required to pay custodian fees. In the course of managing each limited partnership and separately managed account, clients incur brokerage and other transaction costs. See Item 12 Brokerage Practices for a discussion of how we make brokerage decisions that affect client accounts.

In all cases, custody shall be maintained with a qualified custodian (brokers/dealers, banks, trust companies, or other qualified institutions). The qualified custodian will maintain client assets and typically send directly to each limited partnership and separately managed account quarterly or more frequent account statements detailing all cash and asset transactions and activity within their accounts. We urge clients to compare the account statements they receive from their qualified custodian to the statements provided by us. Account statement balances may occasionally differ from custodial statements due to accounting practices, reporting dates, or security valuation methodologies of certain securities. For tax and other purposes, the custodial statement is the official record for the account and assets.

Item 16 – Investment Discretion

For the limited partnerships and separately managed accounts, we generally have the authority to make investment decisions without prior consultation with the client. Our contract with each client provides for such authority. Client directed investment guidelines may limit the scope of investment discretion. As a result, clients can impose restrictions on investing in certain securities or types of securities. Clients communicate such restrictions to us in writing.

In one case, we provide investment management services under a wrap-fee arrangement offered by an unaffiliated broker dealer. Within a wrap-fee arrangement, a client pays a single fee that covers the management fee and the broker's execution costs of all portfolio transactions. We receive a portion of this fee as compensation for providing our discretionary investment management services. Our contract with the client provides for such authority. Client investment guidelines may or may not limit the scope of potential investments. As a result, the client can impose restrictions on investing in certain securities or types of securities. The Client communicates such restrictions in writing to us.

A client may give us discretion for selecting a broker on their behalf. In such cases, we consider the following factors when selecting a brokerage firm: quality of execution, clearance and settlement capabilities of the broker, its financial stability, and commissions and cost.

For mutual funds and collective investment trusts to which we are a sub-advisor, we have no authority to determine the specific securities bought or sold, the amount of such securities, the broker dealer used, or the commission rate to be paid.

As of December 31, 2014, we managed approximately \$8.1 billion in regulatory assets under management on a discretionary basis.

Item 17 – Voting Client Securities

For certain limited partnerships and separately managed accounts, we have retained the services of a third party vendor to vote proxies absent any prior client directive. To the extent we vote proxies in-house, we are responsible to act in the best interest of our clients. To the extent that an engaged third party votes proxies on behalf of the firm and our clients, the third party provider shall vote proxies in a manner consistent with our proxy voting policies and procedures. Each client retains the right at all times to withdraw the proxy voting authority by providing us a written notice of withdrawal of authorization. A copy of our proxy voting policies and procedures is available upon request.

The policies provide guidance so that the third party and we act in a manner intended to be prudent, diligent and in the best interest of our clients. In the event that we are required to vote a proxy that could result in a conflict between a client's best interests and the interests of our firm, we may seek the advice of a knowledgeable, independent third party as to how to vote. If a client would like to know how we voted any proxy in their account, a client may contact us and we will provide the information. The third party provider and we are not responsible or liable for failing to vote any proxy where receipt of proxy materials or related shareholder communications is untimely.

Due to the significant cost associated with voting proxies in relation to international equities, such proxies are generally not voted. Domestic proxies for which we, or the third party are authorized to vote will be voted “with management”, unless otherwise directed by the client.

Item 18 – Financial Information

We are required in this Item to provide certain financial information or disclosures about our financial condition that is reasonably likely to impair our ability to meet contractual commitments to our clients. We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to clients, and have not been the subject of any bankruptcy proceeding.