

Brochure

**LANSDOWNE PARTNERS LIMITED
LANSDOWNE PARTNERS LIMITED PARTNERSHIP**

February 20, 2014

This brochure provides information about the qualifications and business practices of Lansdowne Partners Limited and Lansdowne Partners Limited Partnership (the “Adviser”). If you have any questions about the contents of this brochure, please contact us at (44) 20 7290 5500. This information has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about Lansdowne Partners Limited and Lansdowne Partners Limited Partnership is also available on the SEC’s website at www.adviserinfo.sec.gov.

Registration with the SEC does not imply a certain level of skill or training.

Lansdowne Partners Limited
Lansdowne Partners Limited Partnership
15 Davies Street
London
England
W1K 3AG
Tel: (44) 20 7290 5500
Website: <https://www.lansdownepartners.com/>

TABLE OF CONTENTS

Advisory Business	1
Fees and Compensation.....	2
Performance-Based Fees and Side-by-Side Management	3
Types of Clients.....	4
Methods of Analysis, Investment Strategies and Risk of Loss	5
Disciplinary Information	7
Other Financial Industry Activities and Affiliations	8
Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	9
Brokerage Practices	11
Review of Accounts	13
Client Referrals and Other Compensation	14
Custody.....	15
Investment Discretion	16
Voting Client Securities.....	18
Financial Information	19
Appendix: Material Changes	20

Item 4. Advisory Business

Lansdowne Partners Limited ("LPL") is the general partner of Lansdowne Partners Limited Partnership ("LPLP"). Both LPL and LPLP have been registered with the SEC since 2004. LPL and LPLP are individually and collectively referred to herein as the "Adviser". LPL is a 100% subsidiary of Lansdowne Partners International Limited ("LPIL").

Sir Paul Ruddock and Steven Heinz founded the Adviser in 1998 and are the principal owners. On June 30, 2013, Sir Paul Ruddock retired as Chief Executive Officer and a director of LPL. On September 1, 2013 he was succeeded as Chief Executive Officer of LPL by Alex Snow.

The Adviser provides investment advisory services on a discretionary basis to its clients, including commingled investment vehicles intended for institutional investors and other sophisticated investors and investment vehicles formed for particular investors (collectively, the "Funds"), and separately managed accounts for sophisticated financial institutions, including Registered Investment Companies (the "Accounts"). The Adviser also provides investment sub-advisory services to its affiliate, Lansdowne Partners Austria GmbH, which is registered as an investment advisor with the Securities and Exchange Commission and licensed as an investment firm by the Austrian Financial Market Authority.

The Adviser provides advice to client accounts based on specific investment objectives and strategies. Under certain circumstances, certain clients may impose restrictions on the Adviser in relation to investing in certain securities or types of securities.

The Adviser and/or the Funds have entered, and may in the future enter, into agreements with certain significant or strategic investors in the applicable Fund, whereby such investors may be subject to terms and conditions that are different from, or more advantageous than, those set forth in such Fund's offering documents.

As of December 31, 2013, the Adviser managed approximately \$17,039,268,000 of client assets on a discretionary basis, of which \$5,320,670,000 was co-managed by both the Adviser and Lansdowne Partners Austria GmbH.

Item 5. Fees and Compensation

Asset-Based Compensation:

The Adviser charges each client an investment management fee based on the value of the client's assets under management.

Except as set forth below, the Adviser (or a related person of the Adviser) is generally paid a monthly management fee calculated at the annual rate typically ranging from 0.8% to 1.5% of the net assets of each Fund as of the end of each month (adjusted for any subscriptions or redemptions made during the month). The management fee is paid promptly to the Adviser after the end of each month and is prorated for periods less than a full month. With respect to certain Funds formed for particular investors and certain managed accounts, the management fee may differ from the typical range detailed above.

Performance-Based Compensation:

The Adviser typically receives an annual performance-based fee or allocation, which is compensation based on a share of capital gains on or capital appreciation of the assets of a client or the outperformance of a specified benchmark. This compensation may be paid or allocated to the Adviser (or to a related person of the Adviser) and typically ranges from 7.5% to 20%. Under certain circumstances, receipt of annual performance-based compensation may be subject to a hurdle rate which may differ for each client.

The Adviser may offer different management fee and performance-based compensation schedules to clients (including investors in the Funds) based on a variety of factors, including, among other things, the nature of investments and length of relationship with the Adviser or related persons. In addition, the Adviser, its partners and related entities, and their respective partners, directors and employees may invest in the Funds without being subject to any management fees or performance-based compensation.

The Fund administrator calculates and arranges payment of the investment management fees and, if applicable, performance-based fees to the Adviser.

In addition, each client account will also pay its own expenses, including expenses and costs (i) of all transactions carried out by it or on its behalf and (ii) of the administration of the client account, including (a) all of the charges and expenses of any legal and professional advisers, independent auditors, administrators and custodians, (b) all brokers' commissions and any issue or transfer taxes or stamp duties chargeable in connection with its securities transactions, (c) all taxes and corporate fees payable to governments or agencies, (d) all reasonable legal and professional fees and expenses incurred by the Adviser in connection with its services, (e) all directors' fees (if any) and expenses, (f) all interest on borrowings, including borrowings from the prime brokers, (g) all communication expenses with respect to investor services and all expenses of meetings of investors and of preparing, printing and distributing financial and other reports, proxy forms, prospectuses and similar documents, (h) all of the costs of insurance in favor of the directors (or the general partner) of the relevant Fund(s), (i) all litigation and indemnification expenses and extraordinary expenses not incurred in the ordinary course of business, (j) with respect to the applicable Funds, all of the costs of maintaining the listing of the Funds' shares on the Irish Stock Exchange, and (k) all other organizational and operating expenses.

Client assets may also be invested in money market mutual funds, ETFs or other registered investment companies. In these cases, the client will bear its pro rata share of the investment management fee and other fees of the money market mutual fund, ETF or other registered investment company, as appropriate, which would be in addition to the investment management fee paid to the Adviser.

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

The Adviser and its investment personnel provide investment management services to multiple portfolios for multiple clients. The Adviser (or a related person of the Adviser) is generally paid performance-based compensation by its clients. In addition, the Adviser's investment personnel are typically compensated on a basis that includes a performance-based component. Certain client accounts may have higher asset-based fees or more favorable performance-based compensation arrangements than other accounts. When the Adviser and its investment personnel manage more than one client account, a potential conflict exists for one client account to be favored over another client account. The Adviser and its investment personnel may have a greater incentive to favor client accounts that pay the Adviser (or its related person and, indirectly, their respective portfolio manager) performance-based compensation or higher fees.

The Adviser is aware of, and has adopted and implemented policies and procedures intended to address conflicts of interest relating to the management of multiple accounts, including accounts with multiple fee arrangements, and the allocation of investment opportunities. The Adviser's procedures relating to the allocation of investment opportunities require the Adviser to attempt to allocate them in a manner that is in the best interests of all the client accounts involved and the Adviser will, in general, allocate investment opportunities believed to be appropriate for more than one client account between such client accounts on a pro rata basis in proportion to the relative net worth of each. The Adviser evaluates for each client account a variety of factors which may be relevant in determining whether a particular situation or strategy is appropriate and feasible for the client account at a particular time, including the nature of the investment opportunity taken in the context of the other investment or regulatory limitations on the client account and the transaction costs involved. Periodically, the Adviser prepares a schedule comparing allocations between advisory accounts within the same strategy, for review by the directors of the Adviser.

Item 7. Types of Clients

The Adviser's clients consist of the Funds and the Accounts. The Adviser also provides investment sub-advisory services to its affiliate Lansdowne Partners Austria GmbH.

With respect to any Fund, any initial and additional subscription minimums are disclosed in the Fund's offering memorandum although the Funds' directors have the right to accept a lesser amount. With respect to the Accounts, the Adviser does not have any standard requirements for opening or maintaining an account and may, in its discretion, require a different investment minimum for any Account.

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

The Adviser utilizes a variety of methods and strategies to make investment decisions and recommendations. Its investment philosophy aims to deliver absolute annual returns through a rigorous process of fundamental research. There are currently three fundamental strategies; namely,

- i. European Strategy. This investment strategy aims to invest primarily in the equity and equity-related securities of European companies which are identified as being undervalued and where it is believed by the Adviser that there is potential for both significant creation of value in the underlying company and/or significant potential for revaluation of the equity.
- ii. Developed Markets Strategy. This strategy aims to invest primarily in the equity and equity-related securities of companies in developed markets which are identified as being mispriced, either in absolute terms or relative to other equity securities.
- iii. Global Financials Strategy. This strategy aims to invest primarily in the equity and equity-related securities of global financial services companies which are identified as being mispriced, either in absolute terms or relative to other equity securities.

For each strategy, the Adviser identifies investment opportunities through extensive meetings with company managements and its own independent research and analysis. The investment approach is expected to result in relatively concentrated portfolios of positions, but with a focus on maximizing returns relative to risk.

The three strategies outlined above may employ the following techniques:

- Short Selling. In a short sale transaction, the Adviser sells a security it does not own in anticipation that the market price of that security will decline. The Adviser sells short those stocks that have been identified as potentially overvalued or where it is believed that a company has structural problems. The Adviser also makes short sales as a form of hedging to offset potential declines in long positions in similar securities, and in order to maintain flexibility.
- Leverage. The Adviser's investment program utilizes leverage which involves the borrowing of funds from brokerage firms, banks and other institutions in order to be able to increase the amount of capital available for investments.
- Derivatives. The Adviser trades both exchange-traded and over-the counter derivatives, including, but not limited to, futures, forwards, swaps, put and call options and contracts for differences, as part of its investment program and for hedging purposes. The Adviser may also sell covered and uncovered options on securities and other assets.

These methods, strategies and investments involve risk of loss to clients, and clients must be prepared to bear the loss of their entire investments.

Short Selling Risk. The Adviser's investment program may include a significant amount of short selling. Short selling transactions expose its clients to the risk of loss in an amount greater than the initial investment, and such losses can increase rapidly and without effective limit. There is the risk that the securities borrowed in connection with a short sale would need to be returned to the securities lender on short notice. If such request for return of securities occurs at a time when other short sellers of the subject security are receiving similar requests, a "short squeeze" can occur, wherein the Adviser might be compelled, at the most disadvantageous time, to replace the borrowed securities previously sold short with purchases on the open market, possibly at prices significantly in excess of the proceeds received earlier.

Leverage. Performance may be more volatile if a client's account employs leverage.

Lack of Diversification. Client accounts will not be diversified among a wide range of types of securities, countries or industry sectors. Accordingly, client portfolios are subject to more rapid change in value than would be the case if the Adviser were required to maintain a wider diversification among types of securities and other instruments.

Hedging. There can be no assurances that a particular hedge is appropriate, or that certain risk is measured properly. Further, while the Adviser may enter into hedging transactions to seek to reduce risk, such transactions may result in poorer overall performance and increased (rather than reduced) risk for a client's investment portfolios than if the Adviser did not engage in any such hedging transactions on behalf of clients.

Equity Securities. The value of equity securities fluctuates in response to issuer, political, market, and economic developments. Fluctuations can be dramatic over the short as well as long term, and different parts of the market and different types of equity securities can react differently to these developments. For example, large cap stocks can react differently from small cap stocks, and "growth" stocks can react differently from "value" stocks. Issuer, political, or economic developments can affect a single issuer, issuers within an industry or economic sector or geographic region, or the market as a whole. Changes in the financial condition of a single issuer can impact the market as a whole. Terrorism and related geo-political risks have led, and may in the future lead, to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally.

Non-U.S. Securities. Foreign securities, foreign currencies, and securities issued by U.S. entities with substantial foreign operations can involve additional risks relating to political, economic, or regulatory conditions in foreign countries. These risks include fluctuations in foreign currencies; withholding or other taxes; trading, settlement, custodial, and other operational risks; and the less stringent investor protection and disclosure standards of some foreign markets. All of these factors can make foreign investments, especially those in emerging markets, more volatile and potentially less liquid than U.S. investments. In addition, foreign markets can perform differently from the U.S. market.

Undervalued Securities. The identification of investment opportunities in undervalued securities is a difficult task, and there can be no assurance that such opportunities will be successfully recognized. While purchases of undervalued securities offer opportunities for above-average capital appreciation, these investments involve a high degree of financial risk and can result in substantial losses. Returns generated from such investments may not adequately compensate for the business and financial risks assumed. In addition, a client portfolio may be required to maintain positions in such securities for a substantial period of time before realizing their anticipated value.

Derivatives. Swaps, and certain options and other custom derivative or synthetic instruments are subject to the risk of nonperformance by the counterparty to such instrument, including risks relating to the financial soundness and creditworthiness of the counterparty. In addition, investments in derivative instruments may require a high degree of leverage, meaning the overall contract value (and, accordingly, the potential for profits or losses in that value) could be much greater than the deposit used to buy the position in the derivative contract. Derivative instruments can also be highly volatile. The prices of derivative instruments and the investments underlying the derivative instruments may fluctuate rapidly and over wide ranges and may reflect unforeseeable events or changes in conditions, none of which can be controlled by the client or the Adviser. Further, transactions in derivative instruments are not undertaken on recognized exchanges, and will expose the client's account to greater risks than regulated exchange transactions that may provide greater liquidity and in certain circumstances more accurate valuation of securities.

Illiquid Investments. In some circumstances, investments may be relatively illiquid, making it difficult or impossible to acquire or dispose of them at the prices quoted on the various exchanges or at the prices which the Adviser considers reflects their then value. Accordingly, the Adviser's ability to respond to market movements may be impaired and the client accounts may experience adverse price movements upon liquidation of their investments. Settlement of transactions may be subject to delay and administrative uncertainties.

Item 9. Disciplinary Information

This item is not applicable.

Item 10. Other Financial Industry Activities and Affiliations

A Morgan Stanley affiliate (the “MS Affiliate”) holds approximately a 19% partnership interest in LPLP. In such capacity, the MS Affiliate is entitled to a portion of the profits of LPLP, which include fees received by LPLP from its clients. The MS Affiliate is not involved in the day-to-day management of LPLP, but as an interest holder in LPLP, the MS Affiliate has the right to approve certain limited matters in respect of the Adviser. Morgan Stanley & Co. International plc (“MSI”), a Morgan Stanley company (“Morgan Stanley Company”), acts as a prime broker and custodian for certain of the Adviser’s clients. The Adviser, in consultation with the directors or the general partner of the relevant Fund(s), has sole discretion to allocate investment capacity in the Fund(s) to Morgan Stanley or its affiliates, having regard to demand from other investors to invest in the Fund(s) and taking into account other factors such as the diversity of investors seeking investment capacity and the tenure and breadth of the relationship with such investors. It is, therefore, possible that any of the Adviser, the MS Affiliate and their respective partners, shareholders, members, directors, officers, agents or employees may, in the course of business, have potential conflicts of interest with the Adviser’s client accounts. The Adviser will, at all times, have regard in such event to its obligations (if any) to clients and will endeavor to ensure that such conflicts are resolved fairly. In connection with transactions in securities for the Adviser’s clients, other Morgan Stanley companies (including MSI) may provide prime brokerage, custody, securities brokerage, foreign exchange, banking and other services, or may act as principal, on their usual terms and may benefit therefrom, provided that any dealings are carried out as if effected on normal commercial terms negotiated on an arm’s length basis. The Adviser has complete management autonomy and there is no board or management representation by the MS Affiliate. Further, the MS Affiliate is not regarded as a business or advisory affiliate to the Adviser and does not have access to client information nor full transparency of the Adviser’s business.

Subject to the foregoing, and to any restrictions adopted by the directors of a Fund or set forth in a Fund’s organizational documents, the Adviser, the Adviser’s affiliates, the MS Affiliate, MSI and any other Morgan Stanley Company, and any directors, partners, officers and employees of the foregoing, may (a) have an interest in a Fund or in any transaction effected with or for it, or a relationship of any description with any other person, which may involve a potential conflict with their respective duties to a Fund, and (b) deal with or otherwise use the services of any other Morgan Stanley Company in connection with the performance of such duties; and none of them (including any Morgan Stanley Company) will be liable to account for any profit or remuneration derived from so doing.

Each Fund for which the Adviser or its related person serves as general partner or investment manager has and/or may in the future enter into agreements, or “side letters,” with certain prospective or existing Fund investors whereby such investors may be subject to terms and conditions that are more advantageous than those set forth in the offering memorandum for the Fund. For example, such terms and conditions may provide for rights to redeem on shorter notice in specified circumstances, rights to receive notification of specified events and/or rights to receive portfolio and/or NAV information. The modifications are solely at the discretion of the Fund and may, among other things, be based on the size of the investor’s investment in the Fund or affiliated investment entity, an agreement by an investor to maintain such investment in the Fund for a significant period of time, or other similar commitment by an investor to the Fund.

The Adviser also provides investment sub-advisory services to its affiliate, Lansdowne Partners Austria GmbH. The Adviser receives compensation for such sub-advisory services. In addition, certain Funds for which the Adviser acts as investment manager have also appointed Lansdowne Partners Austria GmbH as a co-investment manager, alongside the Adviser.

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

The Adviser recognizes and believes that (i) high ethical standards are essential for its success and to maintain the confidence of its clients; (ii) its long-term business interests are best served by adherence to the principle that the interests of clients come first; and (iii) it has a fiduciary duty to its clients to act solely for their benefit. All personnel of the Adviser must put the interests of the Adviser's clients before their own personal interests and must act honestly and fairly in all respects in dealings with clients. All personnel of the Adviser must also comply with all federal securities laws.

As of February 1, 2005, the Adviser adopted a Code of Ethics governing personal trading by its personnel. Among other requirements, the Code of Ethics requires personnel who have access to client portfolio information or the Adviser's non-public securities recommendations to report their personal securities transactions and holdings to the Adviser, and the Adviser is required to review such reports. Clients or prospective clients may obtain a copy of the Code of Ethics by contacting Mr. Hugh Orange (Chief Compliance Officer) by email at horange@lansdownepartners.com or telephone at +44-20-7290-5500.

The Adviser is a signatory to the Hedge Fund Standards Board best practice standards in the UK.

The Adviser, in the course of its investment management and other activities, may come into possession of confidential or material non-public information about issuers, including issuers in which the Adviser or its related persons have invested or seek to invest on behalf of clients. The Adviser is prohibited from improperly disclosing or using such information for its own benefit or for the benefit of any other person, regardless of whether such other person is a client. The Adviser maintains and enforces written policies and procedures that prohibit the communication of such information to persons who do not have a legitimate need to know such information and to assure that the Adviser is meeting its obligations to clients and remains in compliance with applicable law. In certain circumstances, the Adviser may possess certain confidential or material, non-public information that, if disclosed, might be material to a decision to buy, sell or hold a security, but the Adviser will be prohibited from communicating such information to the client or using such information for the client's benefit. In such circumstances, the Adviser will have no responsibility or liability to the client for not disclosing such information to the client (or the fact that the Adviser possesses such information), or not using such information for the client's benefit, as a result of following the Adviser's policies and procedures designed to provide reasonable assurances that it is complying with applicable law.

The directors and partners of the Adviser generally invest their personal funds in some of the Funds, and therefore, such persons hold the same securities as other investors in the Funds. The Adviser is aware of the potential for a conflict of interest in cases where the Adviser, a related person or any of their employees, buys or sells securities recommended by the Adviser to clients, and has established procedures intended to limit such conflicts.

In addition, the Adviser or its related persons may invest in the same securities (or related securities, e.g., warrants, options or futures) that the Adviser or a related person recommends to clients. Such practices present a conflict where, because of the information the Adviser has, the Adviser or its related person are in a position to trade in a manner that could adversely affect clients (e.g., place their own trades before or after client trades are executed in order to benefit from any price movements due to the clients' trades). In addition to affecting the Adviser's or its related person's objectivity, these practices by the Adviser or its related persons may also harm clients by adversely affecting the price at which the clients' trades are executed.

The Adviser requires its related persons to pre-clear all transactions in their personal accounts with the Chief Compliance Officer, who may deny permission to execute the transaction if such transaction will have any adverse economic impact on one of its clients.

All of the Adviser's related persons are required to disclose their securities transactions and holdings on a quarterly basis. All of the Adviser's related persons are also required to provide broker confirmations of each transaction in which they engage and a quarterly certification of such transactions.

The Adviser or a related person from time to time recommends securities to clients, or buys or sells securities for client accounts, at or about the same time that the Adviser or related person buys or sells the same securities for its own account in accordance with the procedures established by the Code of Ethics in order to minimize the conflicts stemming from situations where the contemporaneous trading results in an economic benefit for the Adviser or its related person to the detriment of the client.

Item 12. Brokerage Practices

Except for the general investment guidelines set forth in the offering memorandum of each respective Fund, there are no limitations on the authority of the Adviser with respect to brokerage practices. A related person of the Adviser acts as a general partner to some of the Funds (the "General Partner"). The Adviser and/or the General Partner are authorized to determine the broker or dealer to be used for each securities transaction for the Funds. In selecting brokers or dealers to execute transactions, the Adviser and/or the General Partner need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. It is not the practice of the Adviser and the General Partner to negotiate "execution only" commission rates, thus the Funds may be deemed to be paying through the use of "soft dollars" for research services provided or paid for by the broker which are included in the commission rate.

Services provided or paid for by brokers will be of a type, and will be received pursuant to arrangements permitted under the rules of the Financial Conduct Authority of the United Kingdom (the "FCA"). Such services may take the form of trade execution on behalf of the Funds and/or the provision of research to the Adviser. Although the services are expected to be of a type that would qualify as brokerage or research services under Section 28(e) of the Securities Exchange Act of 1934, as amended, the arrangements through which the services are received by the Adviser and the General Partner are not expected to satisfy the requirements of such Section 28(e).

Research services obtained by the use of commissions arising from the portfolio transactions of the Funds may be used by the Adviser and/or the General Partner in its other investment activities. All other services obtained by the use of commissions arising from the investment transactions of the Funds will be limited to services that would otherwise be a Fund expense.

In selecting brokers and negotiating commission rates, the Adviser and/or General Partner will take into account the financial stability and reputation of brokerage firms, the brokerage, research and other services provided by such brokers, and referrals of investors (consistent with best execution), although the Funds may not, in any particular instance, be the direct or indirect beneficiary of the research or other services provided.

The Adviser will limit the use of "soft dollars" to obtain research and advisory services to services that constitute research and advice. In the fiscal year, these included; research reports (including market research); corporate governance research and rating services; discussions with independent research analysts; and consultants' advice on portfolio strategy.

The Adviser often purchases or sells the same security for many clients contemporaneously, at or near the same time and using the same executing broker. It is the Adviser's practice, where possible, to aggregate client orders for the purchase or sale of the same security submitted contemporaneously, at or near the same time for execution using the same executing broker. The Adviser will also aggregate in the same transaction, the same securities for accounts where the Adviser has brokerage discretion. Such aggregation may enable the Adviser to obtain for clients a more favorable price or a better commission rate based upon the volume of a particular transaction. However, in cases where the client has negotiated the commission rate directly with the broker, the Adviser will not be able to obtain more favorable commission rates based on an aggregated trade. In such cases, the client will be precluded from receiving the benefit of any possible commission discounts that might otherwise be available as a result of the aggregated trade. In cases where trading or investment restrictions are placed on a client's account, the Adviser may be precluded from aggregating that client's transaction with others. In such a case, the client may pay a higher commission rate and/or receive less favorable prices than clients who are able to participate in an aggregated order. When an aggregated order is completely filled, the Adviser allocates the securities purchased or proceeds of sale pro rata among the participating accounts, based on the purchase or sale order. Adjustments or changes may be made under certain circumstances, such as to avoid odd lots or excessively small allocations. If the order at a particular broker is filled at several different prices, through multiple trades, generally all such participating accounts will receive the average price and pay the average commission, subject to odd lots, rounding, and market practice. If an aggregated order is only partially filled, the Adviser's procedures provide that

the securities or proceeds are to be allocated in a manner deemed fair and equitable to clients. Depending on the investment strategy pursued and the type of security, this may result in a pro rata allocation to all participating clients.

The Adviser or its related persons may also participate in an aggregated order.

From time to time the Adviser may participate in capital introduction programs arranged by broker-dealers, including firms that serve as prime brokers to a private fund managed by the Adviser or recommend these private funds as an investment to clients. The Adviser may place client portfolio transactions with firms who have made such recommendations or provided capital introduction opportunities, if the Adviser determines that it is otherwise consistent with seeking best execution. In no event will the Adviser select a broker-dealer as a means of remuneration for recommending the Adviser or any other product managed by the Adviser (or an affiliate) or affording the Adviser with the opportunity to participate in capital introduction programs.

Item 13. Review of Accounts

The Adviser will typically make reviews on a daily basis of the most significant holdings of client accounts. These holdings are monitored in the light of trading activity, significant corporate developments and other activities which may dictate a change in portfolio positions. The portfolios of the client accounts will be analyzed in connection with certain prudent risk-management measures, including, but not limited to, diversification guidelines. If a decision is made to purchase or sell with respect to a specific security holding, the portfolios will be reviewed in full prior to selling or purchasing such security. In addition, the client accounts will be reviewed periodically from the standpoint of their respective specific investment objectives and as particular situations may dictate.

Item 14. Client Referrals and Other Compensation

As stated above, the Adviser may receive research services used in the investment management process through soft dollar arrangements with brokers.

Certain arrangements have been made with non-employees of the Adviser who introduce potential investors to the Funds. Such individuals are compensated from a portion of the fees received by the Adviser (or a related person of the Adviser) at no additional cost to the Funds or the investors.

Item 15. Custody

The Advisor is not authorized, nor is it required, to provide custody of assets.

Item 16. Investment Discretion

The Adviser provides investment advisory services on a discretionary basis to its clients. Please see Item 4 for more information.

Prior to assuming any discretion in managing a client's assets, the Adviser enters into an investment management agreement or other agreement that sets forth the scope of the Adviser's discretion (an "Investment Management Agreement").

Unless otherwise instructed or directed by a discretionary client, the Adviser has the authority to determine (i) the securities to be purchased and sold for the client account (subject to restrictions on its activities set forth in the applicable investment management agreement and any written investment guidelines) (ii) the amount of securities to be purchased or sold for the client account. Because of the differences in client investment objectives and strategies, risk tolerances, and other criteria, there may be differences among clients in invested positions and securities held. The Adviser may consider the following factors, among others, in allocating securities among clients: (i) client investment objectives and strategies; (ii) client risk profiles; (iii) restrictions placed on a client's portfolio by the client or by applicable law; (iv) size of the client account; (v) nature and liquidity of the security to be allocated; (vi) size of available position; (vii) current market conditions; and (viii) account liquidity, account requirements for liquidity and timing of cash flows. Although it is the Adviser's policy to allocate investment opportunities to eligible client accounts on a pro rata basis (based on the value of the assets of each participating account relative to value of the assets of all participating accounts), these factors may lead the Adviser to allocate securities to client accounts in varying amounts. Even client accounts that are typically managed on a *pari passu* basis may from time to time receive differing allocations of securities based on total assets of each account eligible to invest in the particular investment type (e.g., equities) divided by the total assets of all accounts eligible to invest in the particular investment.

Allocations will be made among client accounts eligible to participate in initial public offerings (IPOs) and secondary offerings on a pro rata basis, except when the Adviser determines in its discretion that a pro rata allocation is not appropriate, which may include a client's investment guidelines explicitly prohibiting participation in IPOs or secondary offerings and a client's status as a "restricted person" under applicable regulations.

The Adviser shall be permitted to enter into cross transactions between their clients, provided that such transactions (i) do not constitute principal transactions within the meaning of Section 206(3) of the Investment Advisers Act of 1940, as amended, and (ii) are in accordance with the Adviser's policies and procedures. Cross transactions enable the Adviser to effect a trade between two clients for the same security at a set price, thereby possibly avoiding an unfavorable price movement that may be created through entrance into the market and saving commission costs for both accounts. Cross transactions include rebalancing transactions that are undertaken so that, after withdrawals or contributions have occurred, the portfolio compositions of similarly managed accounts remain substantially similar. The Adviser has a potentially conflicting division of loyalties and responsibilities regarding both parties to cross transactions.

Trading errors (i.e., when an order is not executed according to the portfolio manager's instructions due to a mistake of fact, processing error or other similar reason) and order errors (i.e., when an order is not suitable and appropriate for the client because of investment restrictions or regulatory limitations, changed circumstances, inadvertent duplication or other similar reason) that are attributable to the Adviser shall be corrected in accordance with the following principles: If trading errors and/or order errors do occur, they will be for the account of the applicable client account(s), unless they are the result of conduct inconsistent with the standard of care set forth in the applicable investment management agreement. The investment management agreement generally provides that, except in the case of negligence, fraud or wilful default, losses (including indirect losses, loss of opportunity and consequential loss) arising from unintended errors in the communication or administration of trading instructions shall be for the account of the client account on the basis that profits arising from such errors will also be for the account of the client account. The Adviser will not be responsible for the errors of other persons, including the client account's prime brokers and custodians. In the event of a

trading error or an order error, it shall be a matter of the Adviser's discretion as a free-standing investment judgment whether or not to retain the relevant position.

Item 17. Voting Client Securities

To the extent that the Adviser has been delegated proxy voting authority on behalf of its clients, the Adviser complies with its Proxy Voting Policy and Procedures (the "Procedures") that are designed to ensure that the Adviser will make a best efforts attempt to vote proxies with respect to client securities in the best interests of its clients. The Procedures also require that the Adviser identify and address conflicts of interest between its related persons and its clients. If a material conflict of interest exists, the Adviser will determine whether voting in accordance with the guidelines set forth in the Procedures is in the best interests of the client or whether taking some other action may be more appropriate.

The Adviser generally votes in favor of routine corporate housekeeping proposals, including election of directors (where no corporate governance issues are implicated). Generally, the Adviser will vote against proposals that make it more difficult to replace members of a board of directors. For all other proposals, the Adviser will make a best efforts attempt to determine whether a proposal is in the best interests of its clients and may take into account the following factors, among others:

- (i) whether the proposal was recommended by management and the Adviser's opinion of management;
- (ii) whether the proposal acts to entrench existing management; and
- (iii) whether the proposal fairly compensates management for past and future performance.

Although information about how the Adviser has exercised its client's proxies is not made available to the general public, clients may obtain (i) a copy of the Adviser's Procedures and (ii) information about how the Adviser voted a client's proxies by contacting Mr. Hugh Orange (Chief Compliance Officer) by email at horange@lansdownepartners.com or telephone at +44-20-7290-5500.

Item 18. Financial Information

This item is not applicable.

Appendix: Material Changes

Changes made to the brochure since the Adviser's last filing, dated May 17, 2013, consist of the appointment of Hugh Orange as Chief Compliance Officer per Item 11 and general updates to the information contained therein. Yok Wah Tai, who had undertaken the role of Chief Compliance Officer since 2007, has become the Adviser's Chief Financial Officer. There have been no other changes made that are considered material.