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**March 30, 2020**

**FORM ADV PART 2  
BROCHURE**

**This brochure provides information about the qualifications and business practices of Southeastern Asset Management International (UK) Ltd. If you have any questions about the contents of this brochure, please contact us at 44(0) 20 7478 9060. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

**Additional information about Southeastern Asset Management International (UK) Ltd. is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Southeastern Asset Management International (UK) Ltd. is 145207.**

**Southeastern Asset Management International (UK) Ltd. is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.**

### ***SUMMARY OF MATERIAL CHANGES***

**Southeastern Asset Management International (UK) Limited 's Brochure has been updated with the following material changes that have occurred since the last annual update of our brochure on March 30, 2017.**

Item 4. Southeastern Asset Management International (UK) Limited 's parent company Southeastern Asset Management, Inc. had discretionary assets under management at December 31, 2019 of \$12,713,508,008.

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## Advisory Business

Form ADV Part 2A, Item 4

**THIS SECTION IS REQUIRED. YOU MAY NOT OMIT THIS HEADING. You must answer each item. If an item is not applicable, you must state that it is not applicable.**

**A. Describe your advisory firm, including how long you have been in business. Identify your principal owner(s).**

**Notes:** (1) For purposes of this item, your principal owners include the persons you list as owning 25% or more of your firm on Schedule A of Part 1A of Form ADV (Ownership Codes C, D or E). (2) If you are a publicly held company without a 25% shareholder, simply disclose that you are publicly held. (3) If an individual or company owns 25% or more of your firm through subsidiaries, you must identify the individual or parent company and intermediate subsidiaries. If you are an SEC-registered adviser, you must identify intermediate subsidiaries that are publicly held, but not other intermediate subsidiaries. If you are a state-registered adviser, you must identify all intermediate subsidiaries.

Southeastern Asset Management International UK Ltd. ("SAMI UK") is a wholly-owned UK subsidiary of Southeastern Asset Management, Inc. ("Southeastern"), a US SEC-registered investment advisor. Southeastern is in the business of providing discretionary investment management services for institutional accounts and funds.

SAMI UK obtained authorization from the UK Financial Services Authority in November 2007 so that it could perform investment research and client services exclusively for its parent Southeastern.

**B. Describe the types of advisory services you offer. If you hold yourself out as specializing in a particular type of advisory service, such as financial planning, quantitative analysis, or market timing, explain the nature of that service in greater detail. If you provide investment advice only with respect to limited types of investments, explain the type of investment advice you offer, and disclose that your advice is limited to those types of investments.**

SAMI UK conducts investment research pursuant to Southeastern's investment criteria and makes recommendations to the investment committee of Southeastern. Together with others on the investment committee, SAMI UK's research analysts also actively review and analyze stock picks of other research analysts, apart from their own investment recommendations. If the investment committee believes a company meets Southeastern's investment/divestment criteria, then a decision is made to buy/sell securities of such company in a pre-determined price range.

In addition, SAMI UK provides client service and support activities for Southeastern's clients located in the UK, and also seeks new clients.

**C. Explain whether (and, if so, how) you tailor your advisory services to the individual needs of clients. Explain whether clients may impose restrictions on investing in certain securities or types of securities.**

Not Applicable. SAMI UK's only client is Southeastern, which retains investment discretion and the responsibility to tailor its services to the individual needs of its clients.

**D. If you participate in wrap fee programs by providing portfolio management services, (1) describe the differences, if any, between how you manage wrap fee accounts and how you manage other accounts, and (2) explain that you receive a portion of the wrap fee for your services.**

Not applicable.

E. If you manage client assets, disclose the amount of client assets you manage on a discretionary basis and the amount of client assets you manage on a non-discretionary basis. Disclose the date “as of” which you calculated the amounts.

**Note:** Your method for computing the amount of “client assets you manage” can be different from the method for computing “assets under management” required for Item 5.F in Part 1A. However, if you choose to use a different method to compute “client assets you manage,” you must keep documentation describing the method you use. The amount you disclose may be rounded to the nearest \$100,000. Your “as of” date must not be more than 90 days before the date you last updated your brochure in response to this [Item 4.E](#).

As of December 31, 2019, Southeastern Asset Management Inc.’s assets under management were \$12,713,508,008 (discretionary) and \$0 (non-discretionary). SAMI UK's research analysts participate in the investment committee of Southeastern, which retains discretion over all such assets.

## **Fees and Compensation**

Form ADV Part 2A, Item 5

**THIS SECTION IS REQUIRED. YOU MAY NOT OMIT THIS HEADING. You must answer each item. If an item is not applicable, you must state that it is not applicable.**

A. Describe how you are compensated for your advisory services. Provide your fee schedule. Disclose whether the fees are negotiable.

**Note:** If you are an SEC-registered adviser, you do not need to include this information in a brochure that is delivered only to qualified purchasers as defined in section [2\(a\)\(51\)\(A\) of the Investment Company Act of 1940](#).

Since SAMI UK's sole client is its parent Southeastern, all fees are paid via intercompany transfers.

B. Describe whether you deduct fees from clients' assets or bill clients for fees incurred. If clients may select either method, disclose this fact. Explain how often you bill clients or deduct your fees.

Since SAMI UK's sole client is its parent Southeastern, all fees are paid via intercompany transfers.

C. Describe any other types of fees or expenses clients may pay in connection with your advisory services, such as custodian fees or mutual fund expenses. Disclose that clients will incur brokerage and other transaction costs, and direct clients to the section(s) of your brochure that discuss brokerage.

Not Applicable

D. If your clients either may or must pay your fees in advance, disclose this fact. Explain how a client may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.

Not Applicable

E. If you or any of your supervised persons accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds, disclose this fact and respond to Items [5.E.1](#), [5.E.2](#), [5.E.3](#) and [5.E.4](#).

[1. Explain that this practice presents a conflict of interest and gives you or your supervised persons an incentive to recommend investment products based on the compensation received, rather than on a client's needs. Describe generally how you address conflicts that arise, including your procedures for disclosing the conflicts to clients. If you primarily recommend mutual funds, disclose whether you will recommend "no-load" funds.](#)

Not Applicable.

[2. Explain that clients have the option to purchase investment products that you recommend through other brokers or agents that are not affiliated with you.](#)

Not Applicable

[3. If more than 50% of your revenue from advisory clients results from commissions and other compensation for the sale of investment products you recommend to your clients, including asset-based distribution fees from the sale of mutual funds, disclose that commissions provide your primary or, if applicable, your exclusive compensation.](#)

Not applicable.

4. If you charge advisory fees in addition to commissions or markups, disclose whether you reduce your advisory fees to offset the commissions or markups.

**Note:** If you receive compensation in connection with the purchase or sale of securities, you should carefully consider the applicability of the broker-dealer registration requirements of the [Securities Exchange Act of 1934](#) and any applicable state securities statutes.

Not applicable.

### ***Performance-Based Fees and Side-By-Side Management***

Form ADV Part 2A, Item 6

**THIS SECTION IS REQUIRED. YOU MAY NOT OMIT THIS HEADING. You must answer each item. If an item is not applicable, you must state that it is not applicable.**

If you or any of your supervised persons accepts performance-based fees – that is, fees based on a share of capital gains on or capital appreciation of the assets of a client (such as a client that is a hedge fund or other pooled investment vehicle) – disclose this fact. If you or any of your supervised persons manage both accounts that are charged a performance-based fee and accounts that are charged another type of fee, such as an hourly or flat fee or an asset-based fee, disclose this fact. Explain the conflicts of interest that you or your supervised persons face by managing these accounts at the same time, including that you or your supervised persons have an incentive to favor accounts for which you or your supervised persons receive a performance-based fee, and describe generally how you address these conflicts.

Not Applicable



### ***Types of Clients***

Form ADV Part 2A, Item 7

**THIS SECTION IS REQUIRED. YOU MAY NOT OMIT THIS HEADING. You must answer each item. If an item is not applicable, you must state that it is not applicable.**

Describe the types of clients to whom you generally provide investment advice, such as individuals, trusts, investment companies, or pension plans. If you have any requirements for opening or maintaining an account, such as a minimum account size, disclose the requirements.

Not applicable, since SAMI UK's sole client is its parent Southeastern.

## Methods of Analysis, Investment Strategies and Risk of Loss

Form ADV Part 2A, Item 8

**THIS SECTION IS REQUIRED. YOU MAY NOT OMIT THIS HEADING. You must answer each item. If an item is not applicable, you must state that it is not applicable.**

- A. Describe the methods of analysis and investment strategies you use in formulating investment advice or managing assets. Explain that investing in securities involves risk of loss that clients should be prepared to bear.

SAMI UK follows the same method of analysis and investment strategy as its parent Southeastern, described further below.

### *Determining Business or Intrinsic Value.*

Our research team appraises businesses by studying financial statements, regulatory information, trade publications, and other industry and corporate data, and by talking with corporate management, competitors, and suppliers.

We use two primary methods of appraisal. The first seeks to assess the company's liquidation value based on the current economic worth of corporate assets and liabilities. The second method seeks to determine the company's ongoing value based on its ability to generate free cash flow after required capital expenditures and working capital needs. We calculate the present value of the projected free cash flows plus a terminal value, using a conservative discount rate. We believe our appraisal represents the price that informed buyers and sellers would negotiate in an arms length sale. We then check our appraisals against our database of comparable historic transactions to verify their reasonableness.

### *Other Investment Criteria.*

In addition to significant estimated undervaluation, we also look for the following when selecting investments:

*Strong Business.* We look for businesses that possess, in our opinion, a number of qualities. First, we must be able to understand both the fundamentals and the economics of a business. Second, a strong balance sheet helps protect a company during slow economic times and enables a business to seize opportunities when they arise. Third, a sustainable competitive advantage in market share, dominant brands, cost structure, or other areas, helps ensure the strength and growth of a company. Fourth, a business must be able to generate and grow free cash flow from operations. Finally, pricing power enables a company to pass cost increases to consumers rather than absorbing them in lower margins.

*Good People.* We look for businesses whose managements possess, in our opinion, four primary qualities. They should be capable operators who can run the business profitably. They should be capable capital allocators who will build shareholder value through wisely reinvesting the free cash flow that the business generates. They should be shareholder oriented in their actions and decisions. They should have the proper incentives with much of their net worth tied to the company's results.

Although a company may not meet all the investment criteria above, we must believe that significant unrealized value is present before making an investment.

Southeastern's portfolios generally contain 15 to 25 securities. We believe limiting the number of holdings lowers the risk of losing capital and improves the long-term return opportunity, because the portfolios contain

our most qualified ideas. We strive to know the companies and their managements extremely well. Owning fewer companies also enables each company to have a meaningful impact on investment results.

Normally, cash reserves and money market instruments do not exceed 15% of net assets. If, however, we have difficulty finding attractive investments, require cash to meet expected liquidity needs or otherwise believe it would benefit a Client, all or any portion of Client assets may be held in cash reserves. Holding cash reserves can penalize short-term performance in rising markets, but during market declines cash may allow us to purchase securities at discounted prices. While we may hold any portion of assets in cash reserves for temporary defensive purposes during adverse market, economic or political conditions, we believe such conditions generally create opportunities for us to put excess cash to work.

#### Risk of Loss.

Investing in securities involves the risk of loss. Securities prices fluctuate and may decline in response to actual or perceived developments at individual companies, within particular industries or sectors, or general economic conditions. If the value of investments in your portfolio goes down, you could lose money.

#### Funds Advised by Southeastern

While funds advised by Southeastern follow generally the same investment approach, please read disclosure documents regarding those funds carefully to understand their unique strategies and risks.

**B. For each significant investment strategy or method of analysis you use, explain the material risks involved. If the method of analysis or strategy involves significant or unusual risks, discuss these risks in detail. If your primary strategy involves frequent trading of securities, explain how frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.**

The risks associated with SAMI UK's investment strategy are the same as those associated with Southeastern's strategy, more fully described below.

**Investment Selection Risk.** Investments might not reach what we believe are their true values either because the market fails to recognize the value or because our appraisal was wrong.

**Geographic Exposure Risks.** Absent client guidelines to the contrary, Southeastern does not limit the percentage of assets invested in any particular geographic region or country. Accordingly, there may be periods when an account has significant exposure to a particular region or country, so that negative events occurring in that area, including but not limited to government shutdowns, war, natural disasters, epidemic/pandemic outbreaks, political uprisings, and the like would have a greater adverse impact on performance than they would on more geographically diversified accounts. For Non-US and Global accounts that invest in the Eurozone, one or more countries may abandon the euro and/or withdraw from the EU. The impact of these actions, especially if they occur in a disorderly fashion, could be significant and far-reaching. In June 2016, the United Kingdom (the "UK") approved a referendum to leave the EU, commonly referred to as "Brexit," which sparked depreciation in the value of the British pound, short-term declines in global stock markets, and heightened risk of continued worldwide economic volatility. As a result of Brexit, there is considerable uncertainty as to the arrangements that will apply to the UK's relationship with the EU and other countries leading up to, and following, its withdrawal. This long-term uncertainty may affect other countries in the EU and elsewhere. Further, the UK's departure from the EU may cause volatility within the EU, triggering prolonged economic downturns in certain European countries or sparking additional member states to contemplate

departing the EU. In addition, Brexit can create actual or perceived additional economic stresses for the UK, including potential for decreased trade, capital outflows, devaluation of the British pound, wider corporate bond spreads due to uncertainty, and possible declines in business and consumer spending, as well as foreign direct investment.

**Non-Diversification Risk.** Because each account generally invests in 15 to 25 companies, each holding will have a greater impact on the account's total return, and its share value could fluctuate more than if a greater number of securities were held.

**Non-U.S. Investment Risks.** Non-U.S. investment risks can include political and economic changes, non-U.S. withholding taxes, exchange controls, confiscation, non-U.S. governmental restrictions, differences in accounting and auditing standards, more limited availability of public information and market illiquidity. In addition, non-U.S. securities are generally denominated and traded in non-U.S. currencies. The exchange rates between currencies can fluctuate daily. As a result, the values of an account's non-U.S. securities may be affected by changes in exchange rates between non-U.S. currencies and the U.S. dollar, as well as between currencies of countries other than the U.S. Southeastern does not intend to hedge to reduce the impact of currency exchange fluctuation. As a result, an account may be more susceptible to currency fluctuations.

Non-U.S. investment risks may be more pronounced in emerging markets.

**Small-Cap Risks.** Smaller companies may have more limited product lines, markets, and financial resources than larger companies, and to the extent recently established, may have limited or no operating history to evaluate. In addition, their securities may trade less frequently and in more limited volume than those of larger companies. Small-cap stocks may be more volatile than those of larger companies and, where trading volume is thin, our ability to dispose of such securities may be more limited.

**Liquidity Risk.** Liquidity risk exists when particular investments are difficult to purchase or sell, possibly preventing an account from selling such illiquid securities at an advantageous time or price, or possibly requiring an account to dispose of other investments at unfavorable times or prices in order to satisfy its obligations. Companies with smaller market capitalizations, non-U.S. securities, restricted and illiquid securities, derivatives or securities with substantial market and/or credit risk tend to have the greatest exposure to liquidity risk. Southeastern may take relatively large ownership positions, and may purchase the same security for a number of Southeastern's clients. Depending on market and trading conditions, disposing of such holdings could be more difficult (*i.e.*, at a lower price or with greater delay than desired) than if Southeastern owned a smaller amount. Additionally, the market for certain investments may become illiquid under adverse market or economic conditions independent of any specific adverse changes in the conditions of a particular issuer.

**Derivatives Risks.** Use of derivative instruments involves risks different from, and possibly greater than, the risks associated with investing directly in securities, currencies and other traditional investments. To the extent it invests in derivatives, an account could lose more than the principal amount invested, and the use of certain derivatives may subject an account to the potential for unlimited loss. A derivative investment may not perform as we expect, may become illiquid and may result in loss if the counterparty is unable or unwilling to meet its obligations. Derivatives also involve the risk of mispricing or improper valuation, the risk of ambiguous documentation, and the risk that changes in the value of the derivative may not correlate perfectly with the underlying asset, rate or index.

**C. If you recommend primarily a particular type of security, explain the material risks involved. If the type of security involves significant or unusual risks, discuss these risks in detail.**

In addition to the risks outlined in Item 8 B., as owners of common stocks, we face a number of risks inherent in owning a business, such as operational, financial and regulatory risk. If businesses Southeastern selects are not successful in addressing these risks, their business values and stock prices may decline, which would have a negative impact on the value of your portfolio.

## Disciplinary Information

Form ADV Part 2A, Item 9

**THIS SECTION IS REQUIRED. YOU MAY NOT OMIT THIS HEADING. You must answer each item. If an item is not applicable, you must state that it is not applicable.**

If there are legal or disciplinary events that are material to a client's or prospective client's evaluation of your advisory business or the integrity of your management, disclose all material facts regarding those events.

Items 9.A, 9.B, and 9.C list specific legal and disciplinary events presumed to be material for this Item. If your advisory firm or a management person has been involved in one of these events, you must disclose it under this Item for ten years following the date of the event, unless (1) the event was resolved in your or the management person's favor, or was reversed, suspended or vacated, or (2) you have rebutted the presumption of materiality to determine that the event is not material (see Note below). For purposes of calculating this ten-year period, the "date" of an event is the date that the final order, judgment, or decree was entered, or the date that any rights of appeal from preliminary orders, judgments or decrees lapsed.

Items 9.A, 9.B, and 9.C do not contain an exclusive list of material disciplinary events. If your advisory firm or a management person has been involved in a legal or disciplinary event that is not listed in Items 9.A, 9.B, or 9.C, but nonetheless is material to a client's or prospective client's evaluation of your advisory business or the integrity of its management, you must disclose the event. Similarly, even if more than ten years have passed since the date of the event, you must disclose the event if it is so serious that it remains material to a client's or prospective client's evaluation.

A. A criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which your firm or a management person

1. was convicted of, or pled guilty or nolo contendere ("no contest") to (a) any felony; (b) a misdemeanor that involved investments or an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses;

Not Applicable.

2. is the named subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;

Not Applicable

3. was found to have been involved in a violation of an investment-related statute or regulation; or

Not Applicable

4. was the subject of any order, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, your firm or a management person from engaging in any investment-related activity, or from violating any investment-related statute, rule, or order.

Not applicable.

B. An administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which your firm or a management person

1. was found to have caused an investment-related business to lose its authorization to do business; or

Not Applicable.

2. was found to have been involved in a violation of an investment-related statute or regulation and was the subject of an order by the agency or authority

(a) denying, suspending, or revoking the authorization of your firm or a management person to act in an investment-related business;

Not Applicable.

(b) barring or suspending your firm's or a management person's association with an investment-related business;

Not Applicable.

(c) otherwise significantly limiting your firm's or a management person's investment-related activities; or

Not Applicable.

(d) imposing a civil money penalty of more than \$2,500 on your firm or a management person.

Not Applicable.

- C. A self-regulatory organization (SRO) proceeding in which your firm or a management person

Not Applicable.

1. was found to have caused an investment-related business to lose its authorization to do business; or

Not Applicable.

2. was found to have been involved in a violation of the SRO's rules and was: (i) barred or suspended from membership or from association with other members, or was expelled from membership; (ii) otherwise significantly limited from investment-related activities; or (iii) fined more than \$2,500.

**Note:** You may, under certain circumstances, rebut the presumption that a disciplinary event is material. If an event is immaterial, you are not required to disclose it. When you review a legal or disciplinary event involving your firm or a management person to determine whether it is appropriate to rebut the presumption of materiality, you should consider all of the following factors: (1) the proximity of the person involved in the disciplinary event to the advisory function; (2) the nature of the infraction that led to the disciplinary event; (3) the severity of the disciplinary sanction; and (4) the time elapsed since the date of the disciplinary event. If you conclude that the materiality presumption has been overcome, you must prepare and maintain a file memorandum of your determination in your records. See [SEC rule 204-2\(a\)\(14\)\(iii\)](#).

Not Applicable.

## Other Financial Industry Activities and Affiliations

Form ADV Part 2A, Item 10

**THIS SECTION IS REQUIRED. YOU MAY NOT OMIT THIS HEADING. You must answer each item. If an item is not applicable, you must state that it is not applicable.**

A. If you or any of your management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, disclose this fact.

Not Applicable.

B. If you or any of your management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities, disclose this fact.

Not Applicable.

C. Describe any relationship or arrangement that is material to your advisory business or to your clients that you or any of your management persons have with any related person listed below. Identify the related person and if the relationship or arrangement creates a material conflict of interest with clients, describe the nature of the conflict and how you address it.

1. broker-dealer, municipal securities dealer, or government securities dealer or broker
2. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund)
3. other investment adviser or financial planner
4. futures commission merchant, commodity pool operator, or commodity trading advisor
5. banking or thrift institution
6. accountant or accounting firm
7. lawyer or law firm
8. insurance company or agency
9. pension consultant
10. real estate broker or dealer
11. sponsor or syndicator of limited partnerships.

Southeastern serves as investment manager for the 4 U.S. based SEC registered Longleaf Partners Funds, including Longleaf Partners Fund (primarily US mid and large cap companies), Longleaf Partners Small-Cap Fund (primarily US small-cap companies), Longleaf Partners International Fund (primarily non-US companies of various capitalizations), and Longleaf Partners Global Fund (a combination of US and non-US companies of various capitalizations), as well as Longleaf Partners Global and Asia Pacific UCITS Funds, Irish based UCITS fund available to non-US investors, and may offer other pooled investment vehicles in the future.

Southeastern and SAMI UK's Code of Ethics requires employees to limit public equity investments to funds managed by Southeastern unless granted prior clearance. Accordingly, Southeastern and SAMI UK employees are significant owners of funds managed by Southeastern. This ownership creates a potential conflict of interest when Southeastern allocates investment opportunities among Southeastern's clients. In addition, certain clients of Southeastern are entities related to Southeastern employees. Southeastern has developed allocation principles designed to ensure that no accounts, including but not limited to funds managed by Southeastern, are systematically given preferential treatment over time. Southeastern's compliance personnel, including the CCO, routinely monitor allocations for consistency with these principles, as well as any evidence of conflict of interest. While Southeastern and SAMI UK employees' significant ownership of funds managed by Southeastern presents a conflict, it also ensures that Southeastern and SAMI UK employees' interests are aligned with those of shareholders and other Southeastern clients, since funds managed by Southeastern and private accounts own similar securities.

D. If you recommend or select other investment advisers for your clients and you receive compensation directly or indirectly from those advisers that creates a material conflict of interest, or if you have other business relationships with those advisers that create a material conflict of interest, describe these practices and discuss the material conflicts of interest these practices create and how you address them.

Not Applicable.



## **Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

Form ADV Part 2A, Item 11

**THIS SECTION IS REQUIRED. YOU MAY NOT OMIT THIS HEADING. You must answer each item. If an item is not applicable, you must state that it is not applicable.**

A. If you are an SEC-registered adviser, briefly describe your code of ethics adopted pursuant to [SEC rule 204A-1](#) or similar state rules. Explain that you will provide a copy of your code of ethics to any client or prospective client upon request.

SAMI UK has adopted its parent Southeastern's Code of Ethics, a summary of which is provided below:

### Summary of Code of Ethics

#### A. Persons Covered

All directors, officers and administrative employees of Southeastern Asset Management, Inc., ("Southeastern") are deemed to be "access persons" and all are subject to the Code. In addition, the independent or non "interested" Trustees of the 4 U.S. based SEC registered Lingleaf Partners Funds (the "Funds") are covered. Charitable foundations controlled by Southeastern employees are deemed "access persons" and must comply with the Code for investments in accounts not advised by Southeastern.

#### B. Transactions Subject to the Code

1. Southeastern Personnel. Southeastern personnel are required to limit their investments in publicly traded equity securities to investment in funds managed by Southeastern. Certain exceptions which apply are:

- (i). The security is an exempt security under SEC definitions such as a money market fund or is a security which is not deemed to be an equity security such as commodities and commodities futures contracts, including short futures or puts on an index to hedge market exposure.
- (ii). A blanket exemption has been granted by the Code Compliance Committee. Examples are companies which employ spouses of Southeastern personnel, and the spouses invest as a natural part of their employment relationship; investments in a Section 529 Plan, and private placements of a type which would not be an appropriate investment for Southeastern's accounts, such as sports franchises or local restaurants.
- (iii). Pre-Clearance of the specific security or situation has been granted by the Code Compliance Committee. In this circumstance, pre-clearance before sale would also be required.
- (iv). Securities owned by Southeastern personnel before the Code in its present form was applicable, including reinvestment of dividends with respect to such previously held securities.

2. Independent Trustees of the Funds. Independent Trustees of the Funds must obtain pre-clearance to purchase or sell securities of the types purchased by the Funds. Certain exceptions apply which are:

- (i) Securities issued by the Trustee's employer or affiliates thereof.
- (ii) Initial public offerings in which the Funds do not participate.
- (iii) Municipal securities.
- (iv) Money market securities exempted by SEC definition.
- (v) Securities in any other category which the Fund do not purchase.

C. Reporting

Southeastern personnel report all transactions involving covered securities quarterly, and must obtain pre-clearance during the quarter to buy or sell covered securities. Southeastern personnel also make an annual report on their covered securities holdings.

The Funds' independent Trustees obtain pre-clearance during the quarter if the security is of a type that the Funds might purchase, and report quarterly if there were any purchases of securities in which the Funds invested.

Southeastern and the Funds' CCO report to the Board of Trustees of the Funds annually on the operation of the Code of Ethics.

D. Other Conflicts of Interest

Southeastern personnel may not purchase private placements of the types which other accounts may purchase; may not purchase initial public offerings; may not engage in short-term trading; may not receive gifts from suppliers which exceed \$100 in value per annum; and may not serve as a director of a public company in the absence of specific approval. In addition, Southeastern's Trading Department must adhere to certain restrictions on business entertainment designed to reduce conflicts.

E. Political Contributions

Southeastern personnel are prohibited from making or soliciting political contributions for candidates in state, county, and municipal elections unless granted prior clearance by a member of Southeastern's Board of Directors. Otherwise, there are no limits, except as dictated by federal, state or local law.

F. Inside Information

Southeastern personnel may not trade on behalf of any of the firm's accounts or personally while in the possession of any material inside information, nor may any such inside information be communicated to others.

G. Market Timing

Southeastern personnel are expressly prohibited from market timing in mutual funds managed by Southeastern.

H. Portfolio Holdings

Southeastern personnel are expressly prohibited from selectively disclosing portfolio holdings, subject to certain exceptions such as to professionals subject to a duty of confidentiality and a duty not to trade on the information or to service providers as needed to effect, administer or enforce transactions.

I. Penalties

A set of penalties has been adopted, ranging from sale of any securities improperly acquired with forfeiture of any profits for a first violation to termination of employment for a third violation.

J. Availability of Code of Ethics

SAMI UK will provide a copy of its Code of Ethics to any client or prospective client upon request. Please contact SAMI UK at 44(0) 20 7478 9060 to request a copy.

B. If you or a related person recommends to clients, or buys or sells for client accounts, securities in which you or a related person has a material financial interest, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.

Examples: (1) You or a related person, as principal, buys securities from (or sells securities to) your clients; (2) you or a related person acts as general partner in a partnership in which you solicit client investments; or (3) you or a related person acts as an investment adviser to an investment company that you recommend to clients.

Southeastern, SAMI UK and their employees, acting as principal, do not buy securities from or sell securities to clients. Southeastern does act as investment adviser to the Longleaf Partners Funds and certain private funds, which are funds it recommends to clients, and may offer additional investment products in which it or related persons have a financial interest. While Southeastern and its employees (and indirectly SAMI UK) have an interest in increasing sales of funds Southeastern manages because it increases revenues to the adviser, prospective clients should understand that Southeastern is not a broker in the business of selling a variety of securities to its clients. It is an asset manager selling investment advisory services, and it does so to large institutions through private accounts/private funds and to smaller investors through the Longleaf Funds. Southeastern and SAMI UK receive no direct compensation for selling these funds to clients, and while there is a theoretical conflict, clients and prospects receive clear disclosure regarding Southeastern's relationship with these funds.

C. If you or a related person invests in the same securities (or related securities, e.g., warrants, options or futures) that you or a related person recommends to clients, describe your practice and discuss the conflicts of interest this presents and generally how you address the conflicts that arise in connection with personal trading.

Although Southeastern and SAMI UK personnel are required to limit publicly traded equity investments to funds managed by Southeastern, certain exceptions may be applicable. For example, some employees have not been required to dispose of investments held prior to employment. Therefore Southeastern or SAMI UK may occasionally recommend securities to clients that are held by Southeastern or SAMI UK personnel. Please see D. below.

D. If you or a related person recommends securities to clients, or buys or sells securities for client accounts, at or about the same time that you or a related person buys or sells the same securities for your own (or the related person's own) account, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.

**Note:** The description required by Item 11.A may include information responsive to Item 11.B, C or D. If so, it is not necessary to make repeated disclosures of the same information. You do not have to provide disclosure in response to Item 11.B, 11.C, or 11.D with respect to securities that are not "reportable securities" under [SEC rule 204A-1\(e\)\(10\)](#) and similar state rules.

To the extent an employee wanted to sell a security also owned by Southeastern client accounts, the

transaction would require pre-clearance and would generally be allowed after 15 days had passed since the last client transaction.

## Brokerage Practices

Form ADV Part 2A, Item 12

**THIS SECTION IS REQUIRED. YOU MAY NOT OMIT THIS HEADING. You must answer each item. If an item is not applicable, you must state that it is not applicable.**

A. Describe the factors that you consider in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

1. **Research and Other Soft Dollar Benefits.** If you receive research or other products or services other than execution from a broker-dealer or a third party in connection with client securities transactions ("soft dollar benefits"), disclose your practices and discuss the conflicts of interest they create.

**Note:** Your disclosure and discussion must include all soft dollar benefits you receive, including, in the case of research, both proprietary research (created or developed by the broker-dealer) and research created or developed by a third party.

Not Applicable

a. Explain that when you use client brokerage commissions (or markups or markdowns) to obtain research or other products or services, you receive a benefit because you do not have to produce or pay for the research, products or services.

Not Applicable

b. Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving the research or other products or services, rather than on your clients' interest in receiving most favorable execution.

Not Applicable

c. If you may cause clients to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits (known as paying-up), disclose this fact.

Not Applicable

d. Disclose whether you use soft dollar benefits to service all of your clients' accounts or only those that paid for the benefits. Disclose whether you seek to allocate soft dollar benefits to client accounts proportionately to the soft dollar credits the accounts generate.

Not Applicable

e. Describe the types of products and services you or any of your related persons acquired with client brokerage commissions (or markups or markdowns) within your last fiscal year.

**Note:** This description must be specific enough for your clients to understand the types of products or services that you are acquiring and to permit them to evaluate possible conflicts of interest. Your description must be more detailed for products or services that do not qualify for the safe harbor in [section 28\(e\) of the Securities Exchange Act of 1934](#), such as those services that do not aid in investment decision-making or trade execution. Merely disclosing that you obtain various research reports and products is not specific enough.

Because SAMI UK's only client is Southeastern and SAMI UK does not execute any trades on behalf of

Southeastern, it has not obtained products or services with client brokerage commissions. Because SAMI UK's analysts participate on Southeastern's investment committee, however, they may be given access to research obtained by Southeastern. Please see Southeastern's Form ADV Part 2, Item 12, for further discussion.

f. Explain the procedures you used during your last fiscal year to direct client transactions to a particular broker-dealer in return for soft dollar benefits you received.

Not Applicable

2. Brokerage for Client Referrals. If you consider, in selecting or recommending broker-dealers, whether you or a related person receives client referrals from a broker-dealer or third party, disclose this practice and discuss the conflicts of interest it creates.

a. Disclose that you may have an incentive to select or recommend a broker-dealer based on your interest in receiving client referrals, rather than on your clients' interest in receiving most favorable execution.

Not Applicable

b. Explain the procedures you used during your last fiscal year to direct client transactions to a particular broker-dealer in return for client referrals.

Not Applicable

3. Directed Brokerage.

a. If you routinely recommend, request or require that a client direct you to execute transactions through a specified broker-dealer, describe your practice or policy. Explain that not all advisers require their clients to direct brokerage. If you and the broker-dealer are affiliates or have another economic relationship that creates a material conflict of interest, describe the relationship and discuss the conflicts of interest it presents. Explain that by directing brokerage you may be unable to achieve most favorable execution of client transactions, and that this practice may cost clients more money.

Not Applicable.

b. If you permit a client to direct brokerage, describe your practice. If applicable, explain that you may be unable to achieve most favorable execution of client transactions. Explain that directing brokerage may cost clients more money. For example, in a directed brokerage account, the client may pay higher brokerage commissions because you may not be able to aggregate orders to reduce transaction costs, or the client may receive less favorable prices.

**Note:** If your clients only have directed brokerage arrangements subject to most favorable execution of client transactions, you do not need to respond to the last sentence of Item 12.A.3.a. or to the second or third sentences of Item 12.A.3.b.

Not Applicable

B. Discuss whether and under what conditions you aggregate the purchase or sale of securities for various client accounts. If you do not aggregate orders when you have the opportunity to do so, explain your practice and describe the costs to clients of not aggregating.

Not Applicable

### ***Review of Accounts***

Form ADV Part 2A, Item 13

**THIS SECTION IS REQUIRED. YOU MAY NOT OMIT THIS HEADING. You must answer each item. If an item is not applicable, you must state that it is not applicable.**

A. Indicate whether you periodically review client accounts or financial plans. If you do, describe the frequency and nature of the review, and the titles of the supervised persons who conduct the review.

SAMI UK personnel may assist in review of Southeastern client portfolios, but Southeastern retains full investment discretion and authority.

B. If you review client accounts on other than a periodic basis, describe the factors that trigger a review.

Not Applicable

C. Describe the content and indicate the frequency of regular reports you provide to clients regarding their accounts. State whether these reports are written.

Not Applicable

## ***Client Referrals and Other Compensation***

Form ADV Part 2A, Item 14

**THIS SECTION IS REQUIRED. YOU MAY NOT OMIT THIS HEADING. You must answer each item. If an item is not applicable, you must state that it is not applicable.**

A. If someone who is not a client provides an economic benefit to you for providing investment advice or other advisory services to your clients, generally describe the arrangement, explain the conflicts of interest, and describe how you address the conflicts of interest. For purposes of this Item, economic benefits include any sales awards or other prizes.

Not Applicable

B. If you or a related person directly or indirectly compensates any person who is not your supervised person for client referrals, describe the arrangement and the compensation.

**Note:** If you compensate any person for client referrals, you should consider whether [SEC rule 206\(4\)-3](#) or similar state rules regarding solicitation arrangements and/or state rules requiring registration of investment adviser representatives apply.

Southeastern formerly contracted with entities in non-US jurisdictions to solicit clients and/or shareholders for certain private funds and the Longleaf UCITS Funds, and to provide customer support services. No compensation has been paid by Southeastern for direct client referrals, but compensation continues to be paid regarding shareholders invested in certain private funds and the Longleaf UCITS Funds, consistent with local regulations.



## ***Custody***

Form ADV Part 2A, Item 15

**THIS SECTION IS REQUIRED. YOU MAY NOT OMIT THIS HEADING. You must answer each item. If an item is not applicable, you must state that it is not applicable.**

If you have custody of client funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to your clients, explain that clients will receive account statements from the broker-dealer, bank or other qualified custodian and that clients should carefully review those statements. If your clients also receive account statements from you, your explanation must include a statement urging clients to compare the account statements they receive from the qualified custodian with those they receive from you.

Not Applicable

### ***Investment Discretion***

Form ADV Part 2A, Item 16

**THIS SECTION IS REQUIRED. YOU MAY NOT OMIT THIS HEADING. You must answer each item. If an item is not applicable, you must state that it is not applicable.**

If you accept discretionary authority to manage securities accounts on behalf of clients, disclose this fact and describe any limitations clients may (or customarily do) place on this authority. Describe the procedures you follow before you assume this authority (e.g., execution of a power of attorney).

Not Applicable

## ***Voting Client Securities***

Form ADV Part 2A, Item 17

**THIS SECTION IS REQUIRED. YOU MAY NOT OMIT THIS HEADING. You must answer each item. If an item is not applicable, you must state that it is not applicable.**

A. If you have, or will accept, authority to vote client securities, briefly describe your voting policies and procedures, including those adopted pursuant to [SEC rule 206\(4\)-6](#). Describe whether (and, if so, how) your clients can direct your vote in a particular solicitation. Describe how you address conflicts of interest between you and your clients with respect to voting their securities. Describe how clients may obtain information from you about how you voted their securities. Explain to clients that they may obtain a copy of your proxy voting policies and procedures upon request.

Not Applicable

B. If you do not have authority to vote client securities, disclose this fact. Explain whether clients will receive their proxies or other solicitations directly from their custodian or a transfer agent or from you, and discuss whether (and, if so, how) clients can contact you with questions about a particular solicitation.

Not Applicable

## Financial Information

Form ADV Part 2A, Item 18

**THIS SECTION IS REQUIRED. YOU MAY NOT OMIT THIS HEADING. You must answer each item. If an item is not applicable, you must state that it is not applicable.**

A. If you require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, include a balance sheet for your most recent fiscal year.

1. The balance sheet must be prepared in accordance with generally accepted accounting principles, audited by an independent public accountant, and accompanied by a note stating the principles used to prepare it, the basis of securities included, and any other explanations required for clarity.

Not Applicable

2. Show parenthetically the market or fair value of securities included at cost.

Not Applicable

3. Qualifications of the independent public accountant and any accompanying independent public accountant's report must conform to [Article 2 of SEC Regulation S-X](#).

Not Applicable

**Note:** If you are a sole proprietor, show investment advisory business assets and liabilities separate from other business and personal assets and liabilities. You may aggregate other business and personal assets unless advisory business liabilities exceed advisory business assets.

**Note:** If you have not completed your first fiscal year, include a balance sheet dated not more than 90 days prior to the date of your brochure.

**Exception:** You are not required to respond to Item 18.A of Part 2A if you also are: (i) a qualified custodian as defined in [SEC rule 206\(4\)-2](#) or similar state rules; or (ii) an insurance company.

Not Applicable

B. If you have discretionary authority or custody of client funds or securities, or you require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, disclose any financial condition that is reasonably likely to impair your ability to meet contractual commitments to clients.

**Note:** With respect to [Items 18.A](#) and [18.B](#), if you are registered or are registering with one or more of the state securities authorities, the dollar amount reporting threshold for including the required balance sheet and for making the required financial condition disclosures is more than \$500 in fees per client, six months or more in advance.

Not Applicable

C. If you have been the subject of a bankruptcy petition at any time during the past ten years, disclose this fact, the date the petition was first brought, and the current status.

If you are registering or are registered with one or more state securities authorities, you must respond to the following additional Item.

Not Applicable

### ***Additional Information***

Use this section for any additional disclosures needed. Otherwise, delete this section.

Senior management and directors of companies in Southeastern's portfolios may be significant investors with the firm, either through private accounts or in one of our funds. Southeastern intends to follow its established investment disciplines with respect to such holdings and will disregard any potential biases these investment relationships with the firm might create.

In rare circumstances, Southeastern personnel may serve on the Board of Directors of companies in Southeastern's portfolios. Such service could impact Southeastern's ability to trade in the securities of such companies.