

ASHFIELD CAPITAL PARTNERS

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Form ADV, Part 2A
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This Brochure provides information about the qualifications and business practices of Ashfield Capital Partners, LLC (“Ashfield”). 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. Ashfield is an SEC-registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. If you have any questions about the contents of this Brochure, please contact us at (415) 391-4747.

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

Item 2 Material Changes

Ashfield Capital Partners, LLC (“Ashfield” or “the Firm”) is pleased to provide its clients and prospective clients with this Brochure, which is the Firm’s Form ADV Part 2A. The Brochure contains important information about the Firm’s business practices as well as a description of potential conflicts of interest relating to the Firm’s advisory business that could affect a client’s account.

Please note that this section of the Brochure discusses only material changes since the last annual update of our Brochure. For any future material changes to this and subsequent Brochures, we will provide you with the updated Brochure or a summary of material changes within 120 days of the close of our fiscal year, or more often if necessary.

No material changes have been made to this Brochure since the last annual filing dated March 26, 2020. This Brochure, however, was updated to reflect Ashfield’s regulatory assets under management, and certain other non-material changes.

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Item 4 Advisory Business

Ashfield Capital Partners, LLC (“Ashfield” or “the Firm”) is an employee-owned, independent boutique investment advisory firm based in San Francisco, California. For additional information regarding the ownership structure of Ashfield see “Other Financial Industry Activities and Affiliations” and Schedules A and B of the Firm’s ADV Part 1A. Since the Firm’s founding as Ashfield & Co. in 1973, Ashfield has focused on helping investors build wealth over time, through a focused, consistent and understandable process.

Ashfield provides clients access to carefully vetted, institutional-quality investments and third-party managers, as well as to professionals who are qualified to answer questions and solve problems in the areas of cash flow management, liquidity needs, taxation, and estate and succession planning. Ashfield designs, implements and manages investment portfolios according to highly personalized, custom strategies. Portfolios are typically designed to include both liquid securities (stocks and bonds) and alternative investments (hedge funds, private equity and debt investments, commodities and real estate) to help minimize volatility and enhance returns.

Ashfield has a particular depth of experience in researching and managing portfolios of large cap equities, having managed institutional equity portfolios directly and as a subadvisor for institutions including corporate retirement plans, public funds, endowments, foundations and mutual funds. Ashfield’s large cap and dividend growth strategies, as well as a balanced large cap growth strategy, are available directly to clients, and indirectly through select financial institutions in wrap account and non-wrap account formats.

Ashfield also provides personalized financial planning and other financial consulting services including custom-tailored family office services on an ongoing or periodic basis, family foundation oversight, trustee selection advisory, family continuity/education, wealth transfer planning, transition consulting for family businesses, integrated personal budgeting and cash flow forecasting.

Our clients generally include individuals and families, family offices, trusts and estates, and partnerships, and to institutional clients including corporate pension and profit-sharing plans, charitable institutions, and foundations. Among other advisory services offered by Ashfield, Ashfield may provide investment research and consultative services, including model account recommendations, to UMA programs. Ashfield generally does not have discretion to execute trades in UMA accounts. In addition, Ashfield provides portfolio management services for clients of wrap or other financial intermediary programs sponsored by non-affiliated companies in the financial services industry (“Wrap Programs” or “SMA” or “Separately Managed Accounts”). A list of the names and sponsors of the Wrap Programs in which Ashfield participates is referenced in Ashfield’s Form ADV Part 1, which is available on the SEC’s Investment Adviser Public Disclosure Web site or from Ashfield upon request. Please see “Fees and Compensation” and “Types of Clients” sections of this Brochure for further information.

Ashfield manages the client accounts according to the client objectives and guidelines in the client contract. Clients may impose restrictions on investing in certain securities or types of securities.

As of December 31, 2020, Ashfield managed approximately \$1,483,644,160 in regulatory assets under management on a discretionary basis.

Item 5 Fees and Compensation

Ashfield generally bases its wealth and investment advisory, and financial planning services, fees on assets under management or advisement. Normally our private wealth management fees start at 100 basis points (1%) per annum on assets under management. Fees may be reduced for larger portfolios at the Firm's discretion.

The specific fees charged by Ashfield are established in a written agreement with Ashfield. Fees are generally billed quarterly in advance. Clients may elect to be billed for fees or to authorize Ashfield to directly debit fees from specified accounts. Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Generally, either the client or Ashfield may terminate an account upon written notice to the other party as detailed in the client contract. For any quarterly period in which investment management services are terminated other than on the last day of a quarter, the client is charged a prorated portion of the fee for that calendar quarter based on the number of days elapsed in that calendar quarter. Any unearned portion of prepaid fees will be refunded to the client.

The Firm may waive all or part of its fees, in its discretion, and may make lower fee arrangements or otherwise negotiate different arrangements in certain circumstances. Advisory accounts of employees and their families are generally charged a lower fee or no fee.

Ashfield's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which maybe incurred by clients. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds, ETFs and private funds charge management fees, which are disclosed in a fund's prospectus or offering memorandum. Such charges, fees and commissions are exclusive of and in addition to Ashfield's fee, and Ashfield does not receive any portion of such fees, and costs.

As the investment adviser to Wrap Programs and SMAs, we do not determine the program fees. Sponsors of these programs determine the program fee paid by a participant to the wrap sponsor and the Wrap Program sponsor pays a portion of the program fee directly to Ashfield for each participant utilizing Ashfield's advisory services. The amount paid to Ashfield depends on various factors, such as the arrangement with a particular sponsor and the aggregate assets.

Ashfield also provides services to sponsors of Model Account Programs such as Unified Managed Account, or UMA programs. The sponsors of these programs determine the fee paid by participants and the UMA program pays a portion of the program fee directly to Ashfield for each participant utilizing Ashfield's advisory services. The amount paid to Ashfield depends on various factors, such as the arrangement with a particular program and the aggregate assets Ashfield has under management with each program.

Management fees offered to those with individually managed accounts may be higher or lower

than the management fee Ashfield receives from Wrap Programs, UMA programs or as a sub-adviser for managing similar assets.

Neither Ashfield nor any supervised person of Ashfield accepts compensation for the sale of securities or other investments products.

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

Ashfield does not charge performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client). Please refer to the Brokerage Practices section of this Brochure for information regarding side-by-side management.

Item 7 Types of Clients

Ashfield provides investment advisory services to individuals and families, family offices, trusts and estates, and partnerships, and to institutional clients including corporate pension and profit-sharing plans, charitable institutions, and foundations. Ashfield generally requires a minimum separate account size of \$5 million for individually managed accounts.

Ashfield also provides a range of equity and balanced growth equity strategies through third party financial institutions in the form of Wrap, SMA, and UMA accounts. Typically, the minimum for SMA/Wrap Accounts is \$100,000. Ashfield may waive or reduce client account minimums at its sole discretion.

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

Methods of Analysis and Investment Strategies

Ashfield has extensive experience in working with high net worth individuals and families to devise and implement fully customized wealth management strategies. In our experience, a deep understanding of a client's broad financial picture is the foundation upon which to build an effective, customized approach to investment management and all the other aspects of a comprehensive wealth management plan.

Our wealth management process begins with a thorough review of all assets and income streams, financial and life goals, risk tolerance, time horizon, and various other pertinent financial details that feed both the planning and investment elements. We then partner with existing legal and accounting professionals to ensure that the administrative complexities of managing wealth are being met, including employing appropriate tax strategies and sound financial and estate planning. If a client does not have existing legal or accounting relationships, we are happy to offer referrals from our network of quality professionals. This component of our wealth management service can include, but is not limited to:

- Determining Financial Goals and Objectives
- Detailed Review of Financial Assets and Current Investment Portfolio
- Estate Plan Review or Development
- Employee Stock Options/Restricted Stock Analysis

- Charitable Planning
- Cash Flow Management Audit
- Review of Insurance Needs

We use the information collected to construct and manage the client's custom investment portfolio. Our investment philosophy and process emphasize favorable risk-adjusted, tax-efficient long-term growth and income (total return). Our independent research identifies what we believe to be the preferred asset classes, individual securities, funds, and private investments available to our clients, and it is the role of the portfolio management team to fulfill the specific goals and objectives of each client. An experienced team of portfolio managers meet regularly with each client to review investment results and discuss whether changes to their financial needs and goals dictate a change to the investment portfolio.

Ashfield employs a highly disciplined and goals-based approach to investing and portfolio construction that is driven by client goals and objectives and supported by extensive experience and in-depth research. Our approach is to build thoughtful portfolios in a way that provides downside protection and excellent risk-adjusted returns.

We believe that there is more to investing than constructing balanced portfolios from publicly traded stocks and bonds. Investment risks have increased over time, requiring that investment portfolios tactically manage risks and adopt intelligent diversification strategies. Asset allocation and careful selection of sub-assets and managers for each asset class is a critical element in mitigating investment risk. We customize each portfolio around a core of investments that offer market participation, and seek to enhance performance and reduce risk by selectively adding additional categories of actively managed assets. Such investments can include, but are not limited to, private equity and lending, absolute return strategies, listed and private real estate, and commodities. The goal is to create portfolios that can participate in broad market gains while limiting downside risk in periods of volatility and correction by having a moderate to low overall correlation with the broad equity and fixed income markets.

Not all client portfolios include all types of assets, nor do the asset allocations remain fixed over time, as each portfolio is custom-tailored to the unique needs of each client and is adjusted for the prevailing economic climate. Portfolios are monitored constantly and adjustments to asset allocations and asset managers are made as client and market circumstances warrant.

The investments in each investment category are determined by our research process. Our approach to equity selection begins with the identification of long-term secular investment themes and the identification of the major players within those themes. These companies are then screened and ranked using a proprietary combination of quantitative factors including measurements of value, forecast of performance, and management efficiency. The highest-ranking selections are then subjected to qualitative and fundamental due diligence which results in a score being assigned to each, Price targets are set for the highest ranked, and performance and portfolio size are constantly monitored.

In evaluating third party investment managers, we look at multiple factors including historical performance in varying market conditions, correlation with markets, stability of staff, risk adjusted returns and other factors. Our research team periodically meets with managers and

updates manager data to assess quantitative and qualitative factors over time. We employ outside investment research and also use research supplied by custodian firms to assist and augment our own research, analysis and due diligence.

Our investment management clients receive investment advisory services generally on a discretionary basis. This means that, after agreeing on goals, a strategy to achieve them, and the underlying asset allocation, clients grant Ashfield limited authority to supervise, invest and trade assets in a manner consistent with the pre-established objectives spelled out in the Investment Policy Statement. Clients may also impose restrictions on investing in certain securities or types of securities, or provide guidance on investing to achieve social or environmental goals. Private investments, including hedge funds, private equity and other alternative investments, are non-discretionary and must be individually approved by the client.

Large Cap Equity Strategies

Ashfield has a particular depth of experience in managing portfolios of large cap equities, particularly growth and dividend growth equities as a manager for institutional equity portfolios, as a subadvisor, and directly for institutions including corporate retirement plans, public funds, endowments, foundations and mutual funds. The large cap growth and dividend growth strategies invest in 45-60 mid-large capitalization growth companies listed on domestic exchanges. Unique to this strategy is the top-down thematic overlay, which focuses on secular drivers that can serve as a tailwind to the quality growth companies identified through our bottom-up fundamental process. Risk management for this strategy emphasizes diversification by systemic factors, and sector exposures are typically modest relative to the Russell 1000 Growth Index. The strategy exhibits modest active risk characteristics and seeks to add value predominantly through security selection. The balanced large cap growth strategy combines the large cap growth strategy with an allocation to fixed income investments, often in the form of fixed-income ETFs.

Risk of Loss

Investing in securities involves risk of loss that clients should be prepared to bear.

Material Risks for All Strategies:

Stock Market Risk. The values of stocks and other securities will fluctuate depending on the performance of the companies that issued them, general market and economic conditions, and investor confidence. The market may also fail to recognize Ashfield's determination of an investment's value or Ashfield may misgauge that value.

Management Techniques Risk. The investment strategies, techniques and risk analyses employed by Ashfield, while designed to enhance potential returns, may not produce the desired results. Ashfield may be incorrect in its assessments of the values of securities or its assessment of market trends, which can result in losses to client accounts. There is no guarantee that the investment techniques and risk analyses used by the portfolio managers will produce the desired results.

Investment Style Risk. Market performance tends to be cyclical, and during various cycles, certain investment styles may fall in and out of favor. The market may not favor Ashfield's growth style of investing, and returns may vary considerably from other equity strategies using different investment styles.

Equity Securities Risk. Ashfield's investment strategies invest primarily in equity securities. As with any investment in equity securities, the value of a client account invested in an Ashfield investment strategy and the related investment performance are subject to the possibility that the client account will experience sudden, unpredictable drops in value or long periods of decline in value. This may occur because of factors that affect the securities markets generally, such as adverse changes in economic conditions, the general outlook for corporate earnings, interest rates or investor sentiment. A client account may also lose value because of factors affecting an entire industry or sector, such as increases in production costs, or factors directly related to a specific company, such as decisions made by its management.

Capitalization Risk. Ashfield's investment strategies invest in a range of small to large capitalization stocks, depending on the strategy. The securities of companies with small to medium capitalizations may involve greater investment risks than securities of companies with large capitalizations and may result in losses to client accounts. Small to medium capitalization companies may have an unproven or narrow technological base and limited product lines, distribution channels and market and financial resources, and may be dependent on entrepreneurial management, making the companies more susceptible to certain setbacks and reversals. As a result, the securities of small to medium capitalization companies may be subject to more abrupt or erratic price movements than securities of larger companies, may have limited marketability, and may be less liquid than securities of companies with larger capitalizations. Foreign companies with large capitalizations may be relatively small by U.S. standards and may be subject to risks that are similar to the risks that may affect small or medium capitalization U.S. companies.

Default Risk. Cash balances typically are managed by a client's custodian bank. Ashfield may invest client cash balances in certain situations. Ashfield may hold cash, invest in short-term debt securities or in other money market instruments for defensive purposes or in order to earn a return on available cash balances pending investment or reinvestment or in anticipation of redemptions.

Non-Diversification Risk. Ashfield may construct client portfolios using a limited number of securities with varying weights depending on the desired investment strategy or solution. These portfolios may be subject to non-diversification risk. The price of any security held in a client account may decrease and Ashfield may be unable to liquidate its position quickly or at a relatively advantageous price. As a result, losses incurred in any one security could adversely affect a client's performance to a greater degree than if a client had been invested in a more diversified portfolio.

Portfolio Turnover Risk. Ashfield's primary strategies typically do not involve frequent trading of securities; however, security trading will occur to continually manage a client account. Depending on market and other conditions, the investment strategy may experience high portfolio turnover, which may result in higher brokerage commissions and transaction costs,

which could reduce client investment returns, and capital gains.

Non-U.S. Securities Risk. Ashfield's customized portfolios may invest in non-U.S. securities. Investments may include: local shares, depositary receipts, participation notes, warrants, and other derivative instruments. Foreign securities markets generally are not as developed or efficient as those in the U.S. Securities of some foreign issuers are less liquid and more volatile than securities of comparable U.S. issuers. For local share portfolios, securities usually are held outside the U.S., which presents additional risks including: possible adverse political and economic developments, seizure or nationalization of foreign deposits, and adoption of governmental restrictions which might adversely affect the payment of principal and interest on the foreign securities or restrict the payment of principal and interest to investors located outside the country of the issuer, whether from currency blockage or otherwise. Less information may be available regarding securities of such issuers, and such issuers may not be subject to accounting, auditing and financial reporting standards and requirements comparable to, or as uniform as, those of issuers from the U.S.

Emerging Markets Investments Risk. Emerging markets securities are subject to the same risks as non-U.S. securities, as described above. Generally, these risks are more severe for issuers in countries with emerging capital markets. The economies of individual emerging countries may differ favorably or unfavorably from the U.S. and other developed markets in such respects as growth of gross domestic product, rate of inflation, currency depreciation, capital reinvestment, resource self-sufficiency and balance of payments position. Furthermore, the economies of developing countries generally are heavily dependent upon international trade, and accordingly, have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. These economies also have been and may continue to be adversely affected by economic conditions in the countries with which they trade. With respect to any emerging country, there is the possibility of nationalization, expropriation or confiscatory taxation, political changes, government regulation, social instability or diplomatic developments (including war) which could affect adversely the economies of such countries and/or the value of investments in those countries. In addition, it may be difficult to obtain and enforce a judgment in a court outside of the U.S.

Transaction costs of investing in emerging market securities markets generally are higher than those in developed markets. Emerging markets also have different clearance and settlement procedures which in some markets have at times failed to keep pace with the volume of transactions, thereby creating substantial delays and settlement failures that could adversely affect investment performance. Prior governmental approval for foreign investment may be required under certain circumstances in some emerging countries, and the extent of foreign investment in domestic companies may be subject to limitation in other emerging countries. As a result, a client may be prevented from reaching targeted weights in certain emerging markets securities.

Currency Risk. Client accounts typically are managed in U.S. dollars. However, client accounts may be domiciled in countries other than the U.S. and will incur costs in connection with conversions between the client's local currency and the U.S. dollar. Ashfield invests client assets in instruments denominated in currencies other than the U.S. dollar. The price of these instruments is determined with reference to currencies other than the U.S. dollar. If a client

portfolio is un-hedged (Hedging Risk is separately described below), the value of a client's assets will fluctuate with U.S. dollar exchange rates as well as the price changes of a client's investments in the various local markets and currencies. Thus, a client portfolio may experience fluctuation in value due to increases and decreases in the value of the U.S. dollar. Furthermore, clients will incur costs in connection with conversions between various currencies. Ashfield may conduct foreign currency exchange transactions for its clients on a spot (i.e., cash) basis at the spot rate prevailing in the foreign currency exchange market.

Market and Economic Conditions Risk. Ashfield invests in global markets outside of the U.S. Markets in which the investment strategy may invest are subject to fluctuations. The market value of any particular investment may be subject to substantial variation. Securities may be thinly traded or may cease to be traded after an investment is made in them. In addition to being relatively illiquid, such instruments may be issued by unstable or unseasoned issuers or may be highly speculative. No assurance can be given that the investment strategy's investment objective will be successful or that the investment strategy's investments will appreciate in value. The investment strategy will be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, change in laws, trade barriers, currency exchange controls, and national and international political circumstances (including wars, terrorist acts or security operations). These factors may affect the level and volatility of securities prices and the liquidity of a client's investments. Volatility or illiquidity could impair a client's profitability or result in losses. In addition, volatile markets and credit risk may give rise to the risk of default by one or more large financial institutions that are dependent upon one another for liquidity and operational needs. A default by one such institution may cause a series of defaults by others, including counterparties, the brokers and other institutions to which an investment strategy has exposure, which could in turn adversely affect client accounts.

Political and Economic Risk. The political, legal, economic and social structures of certain foreign countries may be less stable and more volatile than those in the U.S. Investments in these countries may be subject to the risks of internal and external conflicts and currency devaluations. This could impair a client's profitability or result in losses.

Illiquidity Risk. Ashfield may invest a portion of its client assets in non-publicly traded securities. Ashfield may not be able to readily dispose of such non-publicly traded securities. Where appropriate, positions in client accounts that are not publicly traded will be marked-to-market by Ashfield, taking into account actual market prices, market prices of comparable investments and/or such other factors as Ashfield deems appropriate. An investment may be carried at fair value, as reasonably determined by Ashfield. There is no guarantee that fair value will represent the value that will be realized by a client account on the eventual disposition of the investment. As a result, an investor withdrawing from the investment strategy prior to realization of such an investment may not fully participate in gains or losses.

Hedging Risk. Ashfield historically has not undertaken currency hedging, however, Ashfield may utilize a variety of financial hedging instruments for investment or risk management purposes. Hedging instruments may be used to accomplish the following (not intended to be an all-inclusive list):

- Protect against possible changes in the market value of a client's investment portfolio

- resulting from fluctuations in the securities markets and changes in interest rates;
- Protect unrealized gains in the value of a client portfolio;
- Establish a position as a temporary substitute for other securities;
- Hedge the interest rate or currency exchange rate on any of a client's liabilities or assets; or
- Protect against any increase in the price of any securities Ashfield anticipates purchasing at a later date.

Credit Risk. The values of the debt securities held in the strategy fluctuate with the credit quality of the issuers of those securities. Credit risk relates to the ability of the issuer to make payments of principal and interest when due. U.S. government securities are obligations of, or guaranteed by, the U.S. government, its agencies or government sponsored enterprises. U.S. government securities are subject to market and interest rate risk, and may be subject to varying degrees of credit risk. Some U.S. government securities are issued or guaranteed by the U.S. Treasury and are supported by the full faith and credit of the U.S. government. Other types of U.S. government securities are supported by the full faith and credit of the U.S. (but not issued by the U.S. Treasury). These securities have the lowest credit risk. Still other types of U.S. government securities are: (1) supported by the ability of the issuer to borrow from the U.S. Treasury; (2) supported only by the credit of the issuing agency, instrumentality or government-sponsored corporation; or (3) supported by the U.S. in some other way. These securities may be subject to greater credit risk. U.S. government securities include zero coupon securities, which tend to be subject to greater market risk than interest-paying securities of similar maturities.

Interest Rate Risk. When interest rates change, the value of the strategy's holdings will be affected. An increase in interest rates tends to reduce the market value of debt securities, while a decline in interest rates tends to increase their values. Securities with longer durations tend to be more sensitive to interest rate changes than securities with shorter durations.

Changes in Debt Ratings. If a rating agency gives a debt security a lower rating, the value of the security may decline because investors may demand a higher rate of return.

Cybersecurity. Investing involved various operational and "cybersecurity" risks. These risks include both intentional and unintentional events at our Firm or one of its third-party counterparties or service providers, that may result in a loss or corruption of data, result in the unauthorized release or other misuse of confidential information, and generally compromise our Firm's ability to conduct its business. A cybersecurity breach may also result in a third-party obtaining unauthorized access, accounts numbers, account balances, and account holdings. Our Firm has established business continuity plans and risk management systems designed to reduce the risks associated with cybersecurity breaches. However, there are inherent limitations in these plans and systems, including that certain risks may not have been identified, in a large part because different or unknown threats may emerge in the future. As such, there is no guarantee that such efforts will succeed, especially because our Firm does not directly control the cybersecurity systems of our third-party service providers. There is also a risk cybersecurity breaches may not be detected.

Force Majeure. A client may be adversely affected by unforeseen events involving such matters as political crises, military actions, terrorist attacks, natural disasters, public health issues (including viral outbreaks such as the COVID-19 coronavirus), changes in currency exchange rates or interest rates, forced redemptions of securities or acquisition proposals, regulatory intervention or general market conditions creating illiquidity or pricing anomalies or value impairment.

Additional Risks for Alternative Asset Classes. Many alternative investments are illiquid, which means that the investments can be difficult to trade. Consequently, such holdings may limit a client's ability to dispose of such investments in a timely manner and at an advantageous price.

Item 9 Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Ashfield or the integrity of Ashfield's management.

Ashfield and its personnel do not have any reportable legal, financial or disciplinary history and are not currently involved in any litigation, investigation, administrative or legal proceedings.

Item 10 Other Financial Industry Activities and Affiliations

Neither Ashfield nor any of its management persons are registered, or have an application pending to register (i) as a broker-dealer or a registered representative of a broker-dealer, or (ii) futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated persons of the foregoing entities.

Ashfield does not receive compensation directly or indirectly from any adviser that the Firm recommends or selects for advisory clients.

Item 11 Code of Ethics

We value the trust that our clients place in us, and we place our fiduciary responsibilities to our clients first and foremost in all aspects of our business. Ashfield has adopted a Code of Ethics for all Ashfield employees based on the fundamental business principles of integrity, honesty and trust, and our fiduciary duty to our clients. The Code of Ethics includes provisions relating to the confidentiality of client information, prohibitions on insider trading, restrictions on the acceptance of significant gifts and restrictions on personal securities trading, among other things. All Ashfield employees must acknowledge and agree to the terms of the Code of Ethics at inception of employment, annually thereafter, and as the Code of Ethics is amended.

The Code of Ethics establishes personal trading policies, restrictions and reporting requirements to help ensure that personal trading is not contrary to the best interests of our clients. The Code of Ethics generally requires employees to pre-clear all trades and to have custodians send duplicate trade and account information to Ashfield. Ashfield's proprietary accounts are treated in the same manner as other client accounts and are traded alongside client accounts within the

same strategies. Otherwise, Ashfield does not buy securities from, or sell securities to, any client or otherwise engage in principal trading practices unless it has received prior consent from its clients and the transactions are in compliance with all regulatory requirements.

Ashfield anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which Ashfield has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which Ashfield and/or clients, directly or indirectly, have a position of interest. Subject to satisfying this policy and applicable laws, officers, managers and employees of Ashfield may trade for their own accounts in securities which are recommended to and/or purchased for Ashfield's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Ashfield will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Certain classes of securities such as mutual funds and ETFs have been designated as exempt transactions, based upon a determination that personal trading in these would materially not interfere with the best interest of Ashfield's clients. In addition, the Code restricts trading in close proximity to client trading activity. Because the Code of Ethics in some circumstances permits employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics to reasonably prevent conflicts of interest between Ashfield and its clients.

Ashfield may select for client accounts investment vehicles which are sponsored by firms that, from time to time, provide Ashfield with access to various forms of research. Ashfield may therefore have an incentive to select the investments sponsored by such firms. Consistent with Ashfield's fiduciary obligation to clients, selection of any investment for client accounts shall be made in accordance with the respective client's investment objectives and guidelines.

A copy of Ashfield's Code of Ethics is available to any client or prospective client upon request by contacting our Chief Compliance Officer at (415) 391-4747 or by email at compliance@ashfield.com.

Item 12 Brokerage Practices

Trade Allocation Policy

Ashfield is a fiduciary to its clients. As a fiduciary, Ashfield owes each client the duty of loyalty and to act in the client's best interests. No client is owed a greater or lesser degree of fiduciary duty and no client or group of clients will be given preferential treatment. Ashfield's duty of loyalty and the equitable treatment of client accounts are the basic principles underlying Ashfield's trade allocation policies.

Ashfield's primary goal is to obtain best execution for all clients. The Firm's trade allocation policies and procedures are intended to ensure that buy and sell opportunities are allocated fairly among clients and that all clients are treated equitably. These policies also seek to ensure reasonable efficiency in executing client transactions and to provide portfolio managers with

flexibility to use allocation methodologies appropriate to their investment discipline and client base.

Order Entry

In general, investment decisions for each client (or group of clients with similar investment objectives) are made independently from those of other client accounts and are made with specific reference to the individual needs and objectives of each account (or group of accounts). Buy and sell orders are entered into Ashfield's automated order management system by the portfolio manager.

Trade Allocation

Under the terms of the investment management agreements with its clients, Ashfield places and executes orders for the purchase and sale of portfolio securities. Ashfield also provides security recommendations to certain UMA programs that execute trades based upon these recommendations. In order to ensure the equitable treatment of different types of accounts over time, Ashfield has implemented a trade rotation policy that utilizes random order assignments. Institutional/non-directed, wrap/directed and some UMA accounts are randomly assigned a position in the trade rotation for each trade which ensures no accounts are systematically favored or disadvantaged. For certain UMA programs, Ashfield cannot control the timing of the execution of UMA trades nor receive information from the UMA sponsor regarding the timing of their executions. For these UMA programs, the UMA accounts will be provided security recommendations after the trading of the other accounts has been completed. Despite the independent nature of the decision-making process, investment decisions frequently result in multiple accounts trading in the same security at the same time. To the extent that more than one client account seeks to acquire the same security at the same time, it may not be possible to acquire a sufficiently large number of shares of the security, or Ashfield may have to pay a higher price for such security. Similarly, clients may not be able to obtain as high a price for, or as large an execution of, an order to sell a particular security when Ashfield is acting for more than one account at the same time.

Ashfield manages several different types of accounts; for example, sub-advisory accounts, institutional accounts, ERISA accounts, proprietary accounts and various Wrap and Model Account Programs. Because of the different fee structures and the existence of proprietary accounts, Ashfield or a portfolio manager may be viewed as having a reason to favor the performance of one account over another. In order to avoid any conflict of interest in the allocation of trades, transactions generally will be aggregated with average pricing applied, provided that no client or proprietary account is favored over any other participating account.

Under certain circumstances, Ashfield may allocate partially executed transactions in a manner different than that described above (e.g. if there is only one portfolio manager on an order, the portfolio manager may elect to rebalance the order based on the original allocation methodology selected). However, in all cases, allocations will be made in an equitable manner based on pre-determined specifications.

Best Execution

Ashfield, as a fiduciary to its advisory clients, endeavors to obtain best execution for client transactions, meaning not necessarily the lowest transaction cost, but the best overall qualitative execution. Broker-dealers are selected for trades based upon their ability to provide best execution including, but not limited to, the broker-dealer's ability to effectively and efficiently execute the transaction and provide a commission rate competitive with those available from other brokers. Commissions paid to broker-dealers and overall execution costs for aggregated trades will generally be equivalent to or lower than those that would prevail had the trades not been executed in an aggregated fashion. Ashfield may effect a step-out trade to a different broker-dealer for one of several reasons, including directing a trade to a broker that Ashfield believes can provide best net price and execution on a transaction.

When determining best execution, the Firm's considerations include, but are not limited to, price/yield competitiveness, execution capability and quality, reasonableness of commission rates, market impact, financial responsibility, operational efficiency, responsiveness, knowledge of the relevant asset class/sector/specific security in which the firm is transacting business, availability of institutional share classes, and other factors deemed appropriate in providing the best overall service and value to our clients.

Ashfield has established a Best Execution/Soft Dollar Committee (the "Committee"). The Committee is comprised of Ashfield's Chief Compliance Officer/Portfolio Manager, Head Trader, and Senior Trader/Portfolio Administrator. The Committee is responsible for overseeing the investment and trade management process at Ashfield in an effort to ensure that the process places orders in a way that, given all relevant circumstances, will maximize the value of the investment decisions made for clients or will minimize the costs to clients of implementing these investment decisions. The Committee meets periodically, on at least a semi-annual basis, to review policies, procedures, reports, and controls as deemed necessary to achieve its objective. Broker-dealers are selected for trades based upon their ability to provide best execution including, but not limited to, the broker-dealer's abilities to effectively and efficiently execute the transaction and provide a commission rate competitive with those available from other brokers. Commissions paid to broker-dealers and overall execution costs for aggregated trades will generally be equivalent to or lower than those that would prevail had the trades not been executed in an aggregated fashion. Ashfield has a potential conflict of interest in obtaining best execution and Ashfield receiving soft dollar or other benefits from a particular broker.

Directed Brokerage

Clients may direct their brokerage to a specific broker-dealer. By directing a portion of a portfolio's generated brokerage commissions, Ashfield may not be in a position to negotiate brokerage commissions on the client's behalf with respect to transactions effected by the directed broker-dealer, to freely negotiate commission rates on the basis of the list price and execution, or to aggregate or "bunch" orders for purposes of execution with orders for the same securities for other accounts managed by Ashfield. This may cause the client to pay a higher rate of commission than might otherwise have been available. In some instances, the services provided by the broker-dealer may help offset expenses that the account would otherwise pay directly. In cases where an account has instructed Ashfield to direct brokerage to a particular broker-dealer, orders for that account may be placed after brokerage orders for accounts that do

not impose such restrictions.

Wrap Programs

Under most Wrap Programs, customers are not charged separate commissions or other transaction costs on each trade, so long as the wrap sponsor (or its broker-dealer affiliate) executes the trade. Consequently, Ashfield will generally direct trades to the Wrap Program sponsor so as to avoid incurring additional brokerage costs that would otherwise be charged to the client.

In some instances, Ashfield's ability to select broker-dealers for wrap fee accounts may be limited by directions from the wrap fee client to have transactions effected through designated brokers. While it has generally been the experience of Ashfield that the broker-dealer to which Ashfield is required to direct transactions under a Wrap Program generally can offer best execution, no assurance can be given that this will be the case in the future.

Soft Dollar Policy

There are two categories of soft dollar arrangements. In the first, the broker provides the adviser with services that the broker or an affiliate has produced (sometimes called "in-house" or "proprietary" research). In the second, the adviser receives research services provided by a third-party whom the broker pays (the brokers here are sometimes referred to as "soft dollar brokers").

Ashfield may pay brokerage commissions on behalf of clients higher than those obtainable from other broker-dealers who do not provide the brokerage execution and research products and services necessary to meet this standard. Where more than one broker-dealer is believed to be capable of providing the best execution with respect to a particular portfolio transaction, Ashfield may select a broker-dealer which furnishes research products and services, including, but not limited to: research reports; economic and financial data; databases of research data; stock screening tools; and research orientated computer software and services.

SEC regulations provide a "safe harbor" for an adviser to pay for brokerage execution and research products and services with commission dollars. The brokerage execution and research products and services obtained through the use of commissions are of value to Ashfield in advising clients, although not each of the services obtained in connection with particular portfolio transactions is equally useful and of value in managing the account of a given client. Except for apportioning the cost of brokerage according to an account's participation in a portfolio transaction (or related series of portfolio transactions), Ashfield does not allocate the costs or benefits of brokerage execution and research products and services obtained through use of commissions. From time to time, Ashfield may accumulate or receive soft dollar credits with a broker-dealer which are derived from the brokerage commissions of one client or a group of clients and may be used by another client or group of clients.

The management fees paid by Ashfield clients are not reduced because Ashfield receives these services, even though Ashfield might otherwise be required to purchase some of these services for cash. While Ashfield has an incentive to continue to use a broker-dealer that provides

research, Ashfield evaluates a broker-dealer's ability to achieve best execution on a regular basis and the reasonableness of each brokerage arrangement is evaluated on an ongoing basis under the direction of the trader. It is Ashfield's policy that all soft dollar services must be approved by the Committee. Ashfield will only enter soft dollar arrangements that it views to include the types of services that principally benefit clients rather than Ashfield.

Conflicts of Interest

Ashfield may select and use broker-dealers that also have business or distribution arrangements with, or may refer business to Ashfield. When exercising discretion to select broker-dealers and negotiate brokerage commissions or other transaction costs, and in evaluating and reviewing best execution, Ashfield does not take into account a broker-dealer's business, distribution or referral arrangements with Ashfield.

Item 13 Review of Accounts

Individually Managed Accounts

Individually managed accounts are reviewed for investment performance, consistency of investment objectives and appropriateness to the current economic outlook on a regular basis by the primary portfolio manager responsible for each account. Most of our custodians send updates nightly so that account positions and cash balances can be reconciled daily. We also have portfolio compliance software to monitor accounts on an ongoing basis to assure compliance with the investment mandate, written investment objectives and restrictions.

Each month clients receive a current statement of their accounts and, if desired, a personal meeting is arranged to discuss the performance of the portfolio and any change in the client's investment goals or objectives. Periodic letters and emails are also sent to clients reporting on the status of their accounts and how the current investment posture of the accounts reflect Ashfield's outlook on the economy and the financial markets.

SMA/Wrap Accounts

All Wrap Program accounts are reviewed regularly by our SMA/Trading team for adherence to the model. In most instances Wrap Accounts are managed and traded against a semi-dynamic model. The SMA/Trading team generally performs a review of new accounts for any client-imposed restrictions. Before sending a request that an account be opened for a new client, the Wrap Program sponsors are responsible for screening client accounts for suitability, compliance and anti-money laundering ("AML") restrictions.

Wrap Program clients should refer to the Wrap Brochure provided by the program sponsor to determine the type and frequency of reporting which is provided to the client. As the portfolio manager for Wrap Accounts, Ashfield will provide certain information to the program sponsor for reporting purposes only.

Item 14 Client Referrals and Other Compensation

As noted above, Ashfield may receive certain products and services through soft dollar arrangements with brokers and/or dealers that execute client trades. The Firm does not otherwise sell, purchase or receive any other products or services as a result of any client referrals.

Ashfield has referral arrangements with third party solicitors. Ashfield complies with Rule 206(4)-3 under the Investment Advisers Act of 1940 in connection with these arrangements. Although specific terms may differ among agreements, generally a solicitor's compensation is based on new client referrals and retention of those clients through a percentage of the fees paid to Ashfield by such clients. Such arrangements do not result in clients paying a higher fee to Ashfield if they referred by a solicitor. Additionally, on occasion Ashfield will co-sponsor events for clients and prospects with third-party financial intermediaries.

Item 15 Custody

Ashfield has limited custody of some of our clients' funds or securities when the clients authorize Ashfield to deduct its management fees directly from the client's account. Ashfield is also deemed to have custody of clients' funds or securities when clients have standing letters of authorizations with their custodian to move money from a client's account to a third-party ("SLOA") and under that SLOA authorize the Firm to designate the amount or timing of transfers with the custodian. Ashfield follows the SEC staff guidance on use of SLOAs.

Clients receive at least quarterly statements from the broker/dealer, bank or other qualified custodian that holds and maintains client's investment assets. Ashfield urges you to carefully review such statements and compare custodial records to the account statements that we provide. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16 Investment Discretion

Ashfield usually receives discretionary authority from a client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold, which is exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, Ashfield observes the investment policies, limitations and restrictions of our clients. For registered investment companies, Ashfield's authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Item 17 Voting Client Securities

Overview

Most of Ashfield's clients retain the right to vote their own proxies. Unless client accounts which

are subject to the Employee Retirement Income Security Act of 1974 ("ERISA") require Ashfield to vote proxies on their behalf, the ERISA plan administrator will retain proxy voting responsibilities. Ashfield votes proxies for discretionary advisory accounts under its management for which the client has instructed Ashfield to vote proxies on their behalf.

In voting proxies, Ashfield seeks to maximize the economic value of our clients' assets by casting votes in a manner that we believe to be in the best interest of the client. Proxies are considered client assets and are managed with the same care, skill and diligence as are all other client assets. When voting proxies, Ashfield adheres to internal policies and procedures and in the event a client's written guidelines or instructions conflict with Ashfield's policies, the client's written guidelines or instructions will prevail. Clients for whom Ashfield votes proxies may obtain a report of how their proxies were voted by contacting Client Services at (415) 391-4747 or by email at clientservice@ashfield.com.

Lawsuits/Class Action Suits

Ashfield has engaged a third-party service provider, Chicago Clearing Corporation (CCC) to monitor and file securities claims class action litigation paperwork with claims administrators on behalf of Ashfield clients who won securities which are the subject of a class action. When a claim is settled and payments are awarded it may be necessary to share client information, such as name and account number, with CCC in connection with this service. Ashfield does not receive any fees or remuneration in connection with this service nor does it receive any fees from the third-party provider. CCC earns a contingency fee based on a percentage of all claims it collects. This fee is collected and retained by CCC out of the claims paid by the claim administrator. Clients may opt out of this service at any time. If a client opts out, Ashfield does not have an obligation to advise or take any action on behalf of a client with regard to class action litigation involving investments held in or formerly held in a client's account.

Item 18 Financial Information

Ashfield does not require or solicit pre-payment of more than \$1,200 in fees per client, six months or more in advance. As a registered investment adviser, Ashfield is required to provide you with certain financial information or disclosures about Ashfield's financial condition. Ashfield has no financial commitment that would impair its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

Privacy Policy Notice

In connection with the advisory services Ashfield provides to its clients, Ashfield collects certain nonpublic personal information about its clients who are individuals. In order to comply with the Securities and Exchange Commission's Privacy of Consumer Financial Information rule (commonly known as "Regulation S-P"), Ashfield is required to provide this Notice of Privacy Policy to Ashfield's clients who are individuals.

More specifically, Ashfield wants you to know what type of information Ashfield collects about you and how that information is used. Ashfield collects the following types of nonpublic personal information about you:

- Information received from you in order to set up and maintain your account in connection with providing advisory services, such as your name, address, social security number, date of birth, and account holdings.
- Information received from you during meetings, telephone conversations, or electronically via email.
- Information about your account, brokerage transactions for the account, and other information from unaffiliated third parties whose services are necessary to provide the advisory services you have authorized us to provide you, such as purchases, sales and account balances.

Ashfield will not disclose any nonpublic personal information except as permitted by law. So we may continue to offer our clients products and services that best meet their needs and effect transactions they may authorize, we may disclose information we collect to the following persons:

- The companies used to carry out the services you have authorized us to provide, such as, the custodian for your account, the broker-dealer to whom you have directed account brokerage and other necessary service providers.
- Other third parties that perform administrative services on our behalf, such as printers, mailers that help distribute materials to you.
- As required by law. Ashfield restricts access to nonpublic personal information about you to those employees, and service providers who need to know that information in order for us to carry out the advisory services that we provide you. Ashfield maintains physical, electronic, and procedural measures to safeguard and secure your nonpublic personal information. Personal information is maintained on secure systems and/or locked file cabinets. If a client decides to close their account(s) or to become an inactive customer, we will continue to adhere to the privacy policies and practices described in this notice and our policies and procedures.

Questions about Ashfield's Privacy Policy should be directed to the Chief Compliance Officer at (415) 391-4747.