Systematic Financial Management, L.P.

Form ADV Part 2A

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This Form ADV Part 2A (the "Brochure") provides information about the qualifications and business practices of Systematic Financial Management, L.P. ("Systematic" or the "Firm"). If you have questions about the contents of this Brochure, please contact us at (201) 928-1982 or via email at sfmcompliance@sfmlp.com. The information in this Brochure has not been approved or verified by the U.S. Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about Systematic is also available on the SEC's website at www.adviserinfo.sec.gov. The SEC's web site also provides information about any persons affiliated with Systematic who are registered, or are required to be registered, as investment adviser representatives of Systematic.

Although Systematic is registered as an investment adviser under the Investment Advisers Act of 1940, such registration does not imply that Systematic or our personnel have a certain level of skill or training.

March 31, 2014

Item 2 – Material Changes

This Item requires Systematic to summarize any material changes to our Form ADV Part 2A since the Firm's last annual update on April 1, 2013. While we do not deem our changes to the current Form ADV Part 2A material, please note that we made certain non-material changes, which include the following:

- Item 4: We updated our assets under management to approximately $14. 3 billion as of December 31, 2013.
- Item 8: We updated the description of our Disciplined Value investment disciplines and the disclosure related to Foreign Securities Risk.
- Item 10: We updated our Financial Industry Affiliations relating to certain relationships with Affiliated Managers Group, Inc.'s ("AMG's") affiliates.
- Item 12: We updated our brokerage practices relating to Cross Trades and Foreign Currency Transactions.

Item 3 – Table of Contents

Item 4 – Advisory Business

Systematic's sole business is investment management and we expect to remain exclusively focused on this one important function. We foster a team approach to portfolio management and promote an environment that embraces our mission which is to provide our clients with superior long-term investment results that consistently outperform their benchmark objectives and expectations. In addition to our goal of achieving superior long-term investment results, we strive to deliver the highest quality client service by providing our clients with a team of dedicated and experienced service professionals as well as through timely and thorough client communications and reporting. We believe our success has been driven by our team-oriented approach to investing and our strict adherence in consistently applying our investing principles.

The Firm has provided value-oriented investment management services to institutional investors and private clients since 1982, on both a discretionary and non-discretionary basis. Systematic has selectively expanded its investment capabilities to meet the changing needs of our clients and today offers a broad array of equity investment offerings throughout the market capitalization spectrum.

Systematic currently has a total of approximately 45 employees, including clerical employees, working in Systematic's headquarters office in Teaneck, New Jersey, as well as its offices in Jacksonville Beach, Florida and Newport Beach, California.

As of December 31, 2013, the Firm had approximately $ 14,250,100,000 in assets under management ("AUM").

Systematic serves as an investment adviser or sub-adviser to various clients, including, but not limited to, corporations and business entities, pension and profit sharing plans, mutual funds, single and multi-employer Taft-Hartley (union) plans, governmental entities, banks, collective investment funds, endowments and foundations, charitable organizations, individuals, trusts, and estates. Please see "Item 7 – Types of Clients" of this Brochure for more information with respect to Systematic's clients.

Principal Ownership

Systematic's senior management shares ownership of the Firm with our institutional partner, Affiliated Managers Group, Inc. ("AMG"), a publicly-traded global asset management company (NYSE: AMG) with equity investments in boutique investment management firms. AMG indirectly holds a majority interest in Systematic. Members of Systematic's senior management own the remaining interest as limited partners. Certain of these limited partners comprise Systematic's Management Committee, which maintains autonomous control of the Firm's investment process as well as the overall management of the business. Management Committee Members include:

- **Kevin McCreesh**, Chief Investment Officer and Lead Portfolio Manager for the Firm's Large Cap Value and Small Cap Value Equity portfolios;
- **Greg Wood**, Head Trader;
- **Kenneth Burgess**, Lead Portfolio Manager for the Firm's Free Cash Flow Equity portfolios;
- **Ron Mushock**, Lead Portfolio Manager for the Firm's Mid Cap Value and SMID Cap Value Equity portfolios;
- **Karen E. Kohler**, Chief Operating Officer & Chief Compliance Officer; and
- **Eoin Middaugh**, Lead Portfolio Manager for the Firm's International Equity and Disciplined Value portfolios.

AMG also holds equity interests in other investment management firms ("AMG Affiliates") and has resources dedicated to the investment management business and the growth of its Affiliate partners, which are available to Systematic in its sole discretion. Further information on both AMG and AMG's Affiliates is provided in "Item 10 – Other Financial Industry Activities and Affiliations" of this Brochure.

Advisory Services

Systematic is an investment management firm specializing in value-oriented equity investment management services. Systematic offers a broad array of value equity investment strategies throughout the market capitalization spectrum. The Firm manages three distinct investment disciplines to help investors pursue specific value opportunities. Our Catalyst Value, Free Cash Flow Value and Disciplined Value disciplines each follow unique, well-defined investment methodologies that leverage Systematic's proprietary research to achieve the strategy's particular investment objectives.

The Firm's research process, which employs both fundamental and quantitative research, has been built and continually refined over three decades of practical Firm experience. Our fundamental investment research team is organized by economic sectors, rather than market capitalization, thus enabling our investment analysts to draw detailed insights and patterns within their sectors. Furthermore, this approach offers portfolio managers a depth of knowledge into relative and absolute valuation potential when attempting to identify compelling investment opportunities.

We describe our investment strategies and our fundamental bottom-up (qualitative) and quantitative research processes in more detail in "Item 8 – Methods of Analysis, Investment Strategies, and Risk of Loss" of this Brochure.

Systematic recognizes that all of our clients are unique and, as such, their investment needs may be different. Consequently, while we will not alter our philosophies or approaches to value equity investing, we may tailor our investment strategies to meet the specific goals our clients. For example, we may accept investment restrictions related to socially responsible investing, politically-sensitive regions or certain types of securities, such as limitations on securities that Systematic considers foreign and REITs. At the commencement of the client relationship, each of our clients executes an investment management agreement, which typically sets forth the client's investment objectives, investment strategy and any investment restrictions applicable to our management of the assets in the client's account. Prior to the execution of the agreement, we review requested investment objectives and restrictions where applicable and may work with the client as needed to refine these objectives and restrictions to both meet the client's needs and provide us with sufficient discretion to properly invest the client's assets according to Systematic's investment strategies.

Wrap Fee Programs

"Wrap arrangements," "wrap fee programs," and/or "wrap fee accounts" involve individually-managed accounts for individual or institutional clients. The wrap fee accounts are offered as part of a larger program by a "sponsor," usually a brokerage, banking or investment advisory firm, and managed by one or more investment advisers. Systematic has agreements with several sponsors where Systematic acts as adviser or sub-adviser to the wrap program and provides investment management services to those clients who select Systematic as part of the program. As described in "Item 5 – Fees and Compensation" of this Brochure, the sponsor may pay a portion of its program fee to Systematic for its services.

Generally, Systematic's management of wrap fee accounts and other accounts under the same investment strategy is similar. Although we cannot necessarily offer the same level of portfolio customization to wrap fee accounts that is offered to other accounts within an investment strategy, we allow our wrap fee clients the opportunity to customize their portfolios by requesting reasonable investment restrictions on their accounts.

In addition, when trading for our wrap fee program accounts, Systematic may trade with different broker/dealers than for our other accounts even when trading in the same security pursuant to the same strategy. While Systematic continues to seek best execution when selecting brokers for transactions on behalf of wrap fee accounts, trades for these accounts are typically directed to the wrap fee program sponsor (or its designated broker/dealer) because brokerage

commissions are included in the wrap fee. In such situations, Systematic may be required to trade a wrap fee program's accounts separately from other accounts being managed within the same strategy.

As described in "Item 12- Brokerage Practices," while brokerage directed to a wrap program sponsor is designed to benefit the wrap fee program account through lower trading costs, there may be some circumstances where directed trades do not receive the best price, or where dividing the trade into separate components may inhibit Systematic's ability to obtain the same level of, or as timely, an execution as we may otherwise have been able to obtain if we had been able to execute the entire trade with one broker/dealer. Wrap program accounts also generally do not participate in new issues, such as initial public offerings ("IPOs"). (An IPO is the first sale of a private company's stock to the public and the shares available are typically limited in number.) Operational limitations with wrap program accounts may also make trading away from the sponsor difficult. To the extent that Systematic trades away from the sponsor by placing trades with a different brokerage firm, the client will typically incur the costs associated with this trading, in addition to the wrap fees normally payable. Subject to these limitations, Systematic continues to employ methods, such as trade rotation, in an effort to reduce the impact of these issues. Clients who enroll in these programs should satisfy themselves that the sponsor is able to provide best price and execution of transactions.

Systematic engages in wrap programs involving both single-contract and dual-contract accounts. In a single contract, the sponsor typically provides a level of research and due diligence on Systematic and often stands as a co-fiduciary with Systematic. Customers execute one contract with the sponsor. Dual contract programs require a customer to execute two separate contracts: one covering services provided by the sponsor; and the other covering separate investment management services provided by Systematic.

Please see additional information regarding wrap fee programs in "Item 5 – Fees and Compensation."

Non-discretionary Services

While the majority of Systematic's investment advisory accounts are discretionary, the Firm also manages advisory accounts not involving discretionary management services, such as multi-manager, multi-discipline investment products and diversified manager allocation products. In these instances, Systematic provides model portfolios to other investment managers that have investment discretion over the accounts and are responsible for monitoring the individual needs of their clients. Systematic provides these investment models based upon the information and guidelines provided by the investment managers and not the investment managers' clients.

On occasion, a client may request, and we may allow, that a security be brought into the client's account that will not be subject to our discretionary management services. In such instances, Systematic does not exert any discretion over the holding and generally does not include the holding when determining the client's fees.

Assets under Management

As noted above, Systematic's total AUM is approximately $14,250,100,000 as of December 31, 2013. Of this amount, approximately $14,004,200,000 was managed by Systematic on a discretionary basis, and approximately $245,900,000 was managed by Systematic on a non-discretionary basis. Systematic's Regulatory AUM in the Firm's Form ADV Part 1A Item 5.F is current as of the date of filing the Form ADV, but includes only those accounts that were active as of December 31, 2013. The Firm's Regulatory AUM in Form ADV Part 1A further excludes any non-discretionary assets because Systematic did not include those accounts for which Systematic provides a model portfolio to another manager but does not place trades for the underlying accounts, as described

in the "Advisory Services" section of this Item. Additionally, whereas the discretionary portion of Systematic's Regulatory AUM in Form ADV Part 1A does not deduct the short equity positions from the long equity positions in valuing Systematic's Large Cap Value 130/30 portfolio, the Firm's AUM as set forth in this Item 4 of Form ADV Part 2A includes the portfolio's value net of the short equity positions. Please see additional information regarding the Large Cap Value 130/30 portfolio strategy in "Item 8 – Methods of Analysis, Investment Strategies, and Risk of Loss."

Item 5 – Fees and Compensation

Standard Fee Schedules

Systematic is compensated for its investment advisory services through payments of fees made by our clients.

Fees for advisory services are generally billed to clients either monthly or quarterly, in advance or in arrears, and are prorated to the date of termination if the client terminates the client's relationship with Systematic. Upon account termination, any unearned fees paid in advance will be refunded promptly. Fees are also prorated at the inception of the investment advisory agreement to cover only the period of time the account assets were under management.

The fees charged to clients generally are computed as a percentage of the value of the assets under management.

Systematic's standard fee schedule for fully discretionary separately managed portfolios is set forth below. This standard fee schedule may be modified from time to time.

Large Cap Value
0.65% of the first $25 million;
0.45% of the next $50 million; and
0.35% over $75 million

Small Cap Value
Small Cap Free Cash Flow
Small Cap Equity
1.00% of the first $25 million;
0.75% of the next $50 million; and
0.60% over $75 million

SMID Cap Value
SMID Cap Free Cash Flow
0.85% of the first $25 million;
0.75% of the next $50 million; and
0.60% over $75 million

Mid Cap Value
0.75% of the first $25 million;
0.50% of the next $50 million; and
0.40% over $75 million

Select Equity (All Cap) Value
0.70% of the first $25 million;
0.50% of the next $50 million; and
0.40% over $75 million

International Equity
0.80% on the first $25 million;
0.65% on the next $50 million; and
0.50% on balance

Notwithstanding the fee schedules noted above, and subject to applicable laws and regulations, Systematic retains discretion over the fees that it charges to its clients, as well as any changes in its fee schedules. Fees may be negotiated in Systematic's sole discretion in light of a client's special circumstances, such as asset levels, service requirements, or other factors. In some cases, Systematic may agree to offer clients a fee schedule that is lower than that of other comparable clients in the same investment style. In addition, there may be historical fee schedules with longstanding clients that differ from those applicable to new client relationships. For comparable services, other investment advisers may charge higher or lower fees than those charged by Systematic. Advisory fees may be subject to a specified annual minimum fee or maintenance of a certain minimum amount of contributed capital; however, Systematic reserves the right to waive all or a portion of its management fee and negotiate minimum annual fees or asset levels.

In calculating advisory fees, Systematic generally relies on prices provided by third-party

pricing services, custodians, and/or broker/dealers or platform sponsors for purposes of valuing portfolio securities held in client accounts. Although, under normal circumstances, Systematic generally does not invest in securities requiring fair valuation, Systematic may, on occasion, be required to "fair value price" a security when a market price for that security is not readily available or when Systematic has reason to believe that the market price is unreliable. When "fair value pricing" a security, Systematic will use various sources of information at our disposal to determine a fair price that the security would obtain in the marketplace if, in fact, a market for the security existed. For any fair value securities, Systematic maintains written policies and procedures relating to the pricing process in an effort to mitigate any conflicts of interest with respect to valuation. In the event that market quotations are not readily available for a portfolio security, Systematic will employ the last traded price for valuation purposes. Systematic's policies and procedures also set forth a series of factors that should be considered during the fair valuation process. In no event will a member of the portfolio management team make the final decision on the value of a portfolio security.

Systematic generally does not offer performance-based fee arrangements. From time to time, however, the Firm may negotiate and agree to these fee structures in light of various client requests and circumstances. In all instances, fees based in whole or in part on the performance of an account are structured in compliance with applicable laws and regulations. See "Item 6 – Performance-Based Fees and Side-by-Side Management" for further information.

Fees for Specialized Accounts and Advisory Services

Sub-advisory Arrangements

Systematic has been engaged by certain investment advisers (including advisers to registered investment companies) to manage certain accounts of such advisers. In its capacity as "sub-adviser" to such accounts, Systematic's fees and services are determined by contract with the adviser. Information concerning these sub-advised funds, including descriptions of the services provided and advisory fees, is typically contained in each fund's prospectus or other offering documents, which are generally available on the relevant fund's website. Other fees payable as an investor in a sub-advised fund or other sub-advised account are described below, as well as in the fund's prospectus or client investment management agreement.

Wrap Fee Programs

For additional information with respect to wrap fee programs, please see the sub-section entitled "Wrap Fee Programs" under "Item 4 - Advisory Business" of this Brochure.

With regard to wrap fee program accounts, the all-inclusive fee charged by the sponsor may exceed the aggregate cost of the services provided if such services were negotiated and purchased separately, depending on:

- the level of the all-inclusive fee;
- the amount of trading activity in a client's account;
- the cost of brokerage commissions (which costs are typically negotiated between the client and the broker/dealer, rather than by Systematic, with transactions being effected either by the broker/dealer or a third party);
- the value of any other services rendered to the client; and
- other miscellaneous factors.

Clients in these programs generally pay the wrap fee program sponsor a single fee (called a "wrap fee") for consulting, brokerage, custodial, portfolio monitoring, and investment management services, typically up to 3% of the assets under management. The fees paid by clients for investing in a wrap fee account are set by the sponsor, and are generally disclosed in the sponsor's contract established with each client. Typically, the sponsoring firm then pays Systematic a portion of this wrap fee quarterly, generally in advance. In all cases, the wrap fee program sponsor deducts the client's all-inclusive fee from the client's account and then remits to Systematic a portion of the sponsor's fee for Systematic's investment management

services. Any prepaid unearned fees previously paid to Systematic by the sponsor are refunded on a pro rata basis upon termination of Systematic as the wrap fee manager under the agreement with the client.

Systematic provides investment management services to wrap clients based upon the information and guidelines provided by the sponsor. Wrap fee program clients should review all materials available from the sponsor concerning the program sponsor and the wrap program's terms, conditions, and fees. Systematic does not dictate the overall fee schedule for wrap fee programs (including non-discretionary programs). Participants or clients in such programs should be aware that wrap account fees may at times be higher than the fees that accounts might pay to retain Systematic directly outside of a wrap fee product if such accounts meet minimum thresholds for single client accounts. Systematic does not undertake to determine or assess the extent or value of services provided to wrap account program clients by their respective sponsors, nor does Systematic generally have access to the information necessary to make such an assessment.

For detailed information concerning the wrap fees charged by each wrap fee program sponsor, please refer to the specific sponsor's Form ADV Part 2A, Appendix 1.

For additional information regarding transaction charges for wrap fee accounts, please see "Item 4 – Advisory Business" and the "Directed Brokerage" sub-section of "Item 12 – Brokerage Practices" of this Brochure.

Retail (Non-Wrap Fee) Clients

In some instances, retail clients who are not in wrap fee programs may request that all transactions for their accounts be directed to specified brokers. These clients are charged brokerage commissions by these specified brokers as negotiated between the client and the broker, as well as a management fee by Systematic. For additional information about such directed brokerage arrangements, please see the "Directed Brokerage" sub-section of "Item 12 – Brokerage Practices" of this Brochure.

Non-Discretionary Programs

Systematic also provides non-discretionary investment management services, such as multi-manager, multi-discipline investment products and diversified manager allocation products. In these instances, Systematic provides a model portfolio to a program sponsor and the program sponsor retains investment discretion over the accounts. Please see "Item 4 – Advisory Business" of this Brochure for additional information regarding these arrangements. In such programs, the client typically pays the program sponsor an all-inclusive fee, a portion of which is paid to Systematic as compensation for the investment advisory services that it renders to the sponsor.

Other Non-Discretionary Assets

On occasion, a client may request that a security be brought into the client's account which will not be subject to our discretionary management services. Please see a description of such arrangements in "Item 4 – Advisory Business." As previously noted, Systematic generally does not include such holdings when calculating client fees.

Additional Fees and Expenses Payable by Clients

Systematic's fees are exclusive of brokerage commissions, transaction fees, other service provider fees, and other related costs and expenses which will be incurred by the client. Execution of client transactions typically requires payment of brokerage commissions by clients. "Item 12 – Brokerage Practices" further describes the factors that Systematic considers in selecting or recommending broker/dealers for the execution of transactions and determining the reasonableness of their compensation (*e.g.*, commissions). Investment activity may also involve other transaction fees payable by clients, such as sales charges, regulatory fees, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. In addition, clients may incur certain charges

imposed by custodians, broker/dealers, third-party investment consultants, and other third parties, such as custodial fees, consulting fees, administrative fees, fund administration and transfer agency fees.

Fees for Investment of Client Assets in Third-Party Exchange-Traded Funds, Custodian Short-Term Investment Funds, and Other Short Term Pooled Vehicles (including Money Market Mutual Funds)

At times, Systematic may invest clients' assets in third-party exchange-traded funds ("ETFs"), or excess cash held in client accounts may be temporarily invested by the accounts' custodians in the custodians' short-term investment funds ("STIFs") or other short-term pooled investment vehicles, including money market mutual funds. To the extent that a client's assets are invested in such other securities, funds or short-term pooled investment vehicles, the client will also typically pay management and/or other fees to each such fund or vehicle, or certain fees may be included in the share price. Any such fees are in addition to the fees paid by the client to Systematic and are described in the prospectus or other offering documents of each fund or vehicle. Such charges, fees, and commissions are exclusive of, and in addition to, Systematic's investment management fee.

Specifically, fees for investments in ETFs, STIFs, or short-term pooled investment vehicles (including money market mutual funds) generally include two types: shareholder fees and annual fund operating expenses. Shareholder fees may include:

- Redemption fees (fees paid to the fund or vehicle upon the sale of shares, which generally do not apply to ETFs);
- Exchange fees (fees charged for transferring to another fund within the same fund group); and
- Account fees (account maintenance fees).

Annual fund operating fees may include:

- Management fees (fees paid to an adviser or its affiliates for managing the fund or vehicle);
- Distribution and/or service fees (fees for distribution expenses, and sometimes shareholder service expenses); and
- Other expenses (miscellaneous expenses, such as custodial expenses, legal expenses, accounting expenses, transfer agent expenses, and other administrative expenses).

Clients whose assets are invested in ETFs, STIFs, or other short-term pooled investment vehicles may pay some or all of the above fees. Clients should review the prospectus or offering documents of any fund or short-term pooled investment vehicle in which their assets are invested to understand the fees that may be applicable.

Fees for the Sale of Securities

Systematic is compensated through the stated management fee agreed upon in the investment advisory agreement. The Firm does not receive compensation related to the sale of securities or other investments products that are purchased or sold for our clients' accounts. Although Systematic's employees do not receive compensation directly related to the sale of securities or other investments of clients, Systematic may consider the sale of interests in mutual funds sub-advised by Systematic when determining certain employees' compensation. This compensation, however, is payable by Systematic to its employees and not borne by the Firm's clients or the funds' investors. Accordingly, Systematic believes that it does not have any conflicts of interest regarding the receipt of additional compensation relating to the client assets that we manage, except as specifically disclosed from time to time. Please see additional information regarding Systematic's management of mutual funds in which its employees may have an interest in "Item 11 – Participation or Interest in Client Transactions."

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

Side-by-Side Management

Our investment professionals simultaneously manage multiple types of portfolios (including institutional separate accounts, sub-advised mutual funds, and retail wrap accounts) according to the same or a similar investment strategy (i.e., side-by-side management). The simultaneous management of these different investment products may be deemed to create certain conflicts of interest, as, for example, the fees for the management of certain types of products may be higher than others. Additionally, as described in "Item 11– Code of Ethics, Participation or Interest in Client Transactions and Personal Trading," the Firm's executive officers and partners, or employees may have an investment in certain accounts or funds managed by Systematic (e.g., sub-advised mutual funds) that follow a similar investment strategy of other portfolios. When managing the assets of such accounts, Systematic has an affirmative duty to treat all such accounts fairly and equitably over time and maintains a series of controls in furtherance of this goal.

Nonetheless, each account within a strategy will not necessarily be managed the same at all times. Specifically, there is no requirement that Systematic use the same investment practices consistently across all accounts. In general, investment decisions for each separately managed client account will be made with specific reference to the individual needs and objectives of each client account. Different client guidelines and/or differences within particular investment strategies may lead to the use of different investment practices for portfolios within an investment strategy. Systematic may not necessarily purchase or sell the same securities at the same time or in the same proportionate amounts for all eligible portfolios, particularly if different portfolios have materially different amounts of capital under management by Systematic or different amounts of investable cash available. As a result, although Systematic manages numerous portfolios with similar or identical investment objectives, or may manage accounts with different objectives that trade in the same securities, the portfolio decisions relating to these accounts, and the performance resulting from such decisions, may differ from portfolio to portfolio.

Systematic may manage client accounts that employ leverage and establish short positions. The investment strategies and techniques that Systematic employs for a long-short portfolio may differ significantly from long-only portfolios and typically have different investment objectives, time horizons and risk profiles. Portfolio managers who manage the long-short strategy also manage more traditional long-only portfolios. Systematic recognizes that conflicts exist when a firm manages both long and short strategies. Systematic manages these conflicts through additional investment restrictions (for example, generally Systematic will not maintain opposing positions (short/long) in the same issuer), internal review processes, and oversight, all of which are designed to manage side-by-side management issues.

Since side-by-side management of various types of portfolios also raises the possibility of favorable or preferential treatment of a portfolio or a group of portfolios, Systematic has implemented a series of controls to further its efforts to treat all accounts fairly and equitably. For example, Systematic has implemented a trade allocation policy. Under this policy, all accounts within a trade order will typically receive a portion of the executed order on a pro rata basis. Generally, orders will be processed on a first in, first out basis. Pursuant to the policy, the Trading Department will typically place all incoming orders on an equal time basis in calculating pro rata allocations and average price, provided that the time between contact and order receipt are reasonable in relation to the decision-making process on the part of the portfolio managers involved. A delay could occur between the placing of orders for various accounts as Systematic may be required to direct brokerage pursuant to a client's request or await confirmation of order placement from a client's trading desk should an account desire to place its

own trades. As more fully described in "Item 12 – Brokerage Practices," the timing of order placement may impact Systematic's ability to fill an entire order with a particular directed broker, which may result in Systematic not executing the order for a client that has directed brokerage because price movements or liquidity constraints have caused Systematic to determine that the transaction is no longer advantageous.

The Firm also uses an automated trade order management system, which generally implements a pro rata allocation across all accounts within a given strategy (subject to any restrictions on individual accounts). Within a particular investment strategy, client accounts are typically managed based on a model, which reduces performance dispersion across accounts. In addition, performance across accounts within a particular investment strategy is checked regularly by portfolio managers to identify outliers, if any, and the Operations Department reviews performance dispersion as well. The Firm also performs periodic strategy level reviews to measure attribution and style drift.

For a discussion of allocation practices involving investments in which the firm has an interest, please see "Item 11 – Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading." For a discussion of the Firm's policy and practices with respect to pro rata allocation and allocation of limited investment opportunities, please see the "Trade Aggregation" sub-section of "Item 12 – Brokerage Practices."

Performance-Based Fees

While Systematic generally does not offer performance-based fee arrangements, from time to time the Firm may agree to such a structure in light of various client requests and in accordance with applicable regulations regarding performance-based fees. A performance-based fee is a fee representing an asset manager's compensation for managing an account which is based upon a percentage of the net profits of the account being managed. When calculating net profits, performance-based fees may be based on absolute or benchmark relative returns. We may have both performance-based fee accounts and asset-based fee accounts within a particular investment strategy.

Performance-based fees create certain inherent conflicts of interest with respect to Systematic's management of assets. Specifically, our entitlement to a performance-based fee in managing one or more accounts may create an incentive for us to take risks in managing assets that we would not otherwise take in the absence of such arrangements. Additionally, since performance-based fees reward us for strong performance in accounts which are subject to such fees, we may have an incentive to favor these accounts over those that have asset-based fees (i.e., fees based simply on the amount of assets under management in an account) with respect to areas such as trading opportunities, trade allocation, and allocation of new investment opportunities. For comparable services, other investment advisers may charge higher or lower fees than those charged by Systematic.

To maintain fair and equitable treatment of all of accounts over time, Systematic has implemented a series of controls to further its efforts to treat all accounts fairly, regardless of their corresponding fee-structure. Those controls are discussed above in the "Side-by-Side Management" sub-section of this Item 6.

Item 7 – Types of Clients

Types of Clients

As noted in "Item 4 – Advisory Business" of this Brochure, Systematic serves as an investment adviser or sub-adviser to various clients, including, but not limited to corporations and business entities, pension and profit sharing plans, mutual funds, single and multi-employer Taft-Hartley (union) plans, governmental entities, banks, collective investment funds, endowments and foundations, charitable organizations, individuals, trusts, and estates.

Conditions for Managing Accounts

For discretionary, separate account mandates, Systematic may require that accounts have a

minimum value. These minimum account values generally range from $1,000,000 to $25,000,000 based upon a variety of factors, including investment strategy. As noted in "Item 4 – Advisory Business" of this Brochure, Systematic participates as an investment adviser or sub-adviser in investment management programs, sponsored by investment management divisions of several brokerages, banks, and other investment advisory firms, including Wrap Fee programs. In these scenarios, the relevant wrap fee program sponsor or fund generally determines account minimums. Where the program sponsor or fund does not establish a minimum account value, Systematic may do so.

Under certain circumstances, Systematic may waive its minimum account size requirements in its sole discretion on a case-by-case basis. Generally, Systematic requires each client to execute an investment management agreement that details the nature of the discretionary investment advisory authority given to Systematic.

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

Current Investment Disciplines

As described in "Item 4 – Advisory Business" of this Brochure, Systematic is an investment management firm specializing in value equity investing. Systematic offers an array of strategies across three distinct investment disciplines to assist investors in pursuing value equity opportunities. These investment disciplines are our Catalyst Value, Free Cash Flow Value and Disciplined Value disciplines.

Catalyst Value Discipline

Systematic's Catalyst Value discipline is predicated on our belief that:

- A stock's price will ultimately follow the course of its earnings
- Investors routinely under-react to changes in company fundamentals
- Identifying companies at inflection points in their business cycle rewards investors
- Portfolio management is best executed through a disciplined, repeatable process based on fundamental, bottom-up investing.

Our Catalyst Value portfolios are built based upon the two drivers of stock price appreciation, rising earnings expectations and increased valuation. To that end, we seek to identify high-quality undervalued companies that we believe are exhibiting improving fundamentals as evidenced through tangible and confirmed catalysts.

The Catalyst Value discipline assumes that stock prices follow changes in earnings expectations and investors consistently under-react to significant changes in fundamental trends. Accordingly, in this discipline, we employ a multi-step fundamental, bottom-up research process that seeks to identify stocks that we believe exhibit a catalyst for stock price appreciation, but are undervalued. These stocks are typically in the early stages of their earnings life cycles' fundamental turnarounds and, as a result, current valuation and earnings estimates may fail to fully reflect the ongoing improvement. We believe this under-reaction tends to lead to future positive earnings surprises, upward estimate revisions, valuation expansion, and, thus, stock price outperformance. Importantly, we seek to avoid "value trap'' stocks, which are stocks that appear to be statistically cheap but underperform because of ongoing fundamental deterioration that causes earnings to fall short of "Wall Street" estimates, resulting in share prices depreciation. Earnings lifecycle is the concept that every public company, throughout its existence, will experience periods of more favorable to less favorable earnings.

Systematic's Catalyst Value discipline includes the following portfolio strategy offerings:

Large Cap Value
Large Cap Value 130/30
Mid Cap Value
Mid Cap Value Focus
SMID Cap Value

Small Cap Value
Select (All Cap) Equity

The strategies managed pursuant to Systematic's Catalyst Value discipline seek to invest in companies (through U.S. Equity, American Depository Receipts ("ADRs"), and foreign securities traded on U.S. markets) generally consistent with the market capitalization range of the relevant core index at the time of purchase Systematic's Large Cap Value 130/30 strategy is an extension of our Large Cap Value discipline. As the name implies, this portfolio is generally long, approximately 130% of the equity in the account, and short, approximately 30% of the equity. Selling short equities involves selling equities which we do not actually own, but which we hope to cover by buying back the sold items at a lower price, and thus earning a profit. The securities comprising the short portion of our Large Cap Value 130/30 strategy are generally determined using the quantitative research methods of our proprietary stock selection quantitative model, focusing on those companies with poor rankings.

Free Cash Flow Value Discipline

Systematic's Free Cash Flow discipline is based on our belief that:

- The value of any asset is the present value of its future expected cash flows
- The strongest small to medium companies are self-funding and have limited levels of debt
- Investing in undervalued companies generating positive cash flows can provide an additional margin of safety
- Portfolio management is best executed through a disciplined, repeatable process based on fundamental, bottom-up investing

Our Free Cash Flow Value portfolios are managed based upon our belief that investors can seek the higher returns typically associated with small cap value investing without sacrificing portfolio quality. We strive to identify high-quality, undervalued companies with strong balance sheets and solid business models that generate positive, recurring free cash flows, particularly relative to debt. Although not all companies evidencing stock price declines are buying opportunities, some purchases are well justified. By focusing on a company's financial health and cash flows, we seek to identify undervalued opportunities while avoiding potential value traps.

We believe a company's long-term value is equal to its discounted future cash flows. Earnings are important, but we believe cash flows provide the truest measure of a firm's viability and operation. Providing an additional margin of safety is the requirement that companies possess the ability to retire all outstanding debt within a reasonable amount of time based on expected free cash flow levels. These types of companies, in our opinion, significantly reduce financial risk and solvency concerns and exhibit the financial flexibility to navigate market changes more effectively.

Systematic's Free Cash Flow Value discipline includes the following portfolio offerings:

Small Cap
Small Cap Focus
SMID Cap

The strategies managed pursuant to Systematic's Free Cash Flow Value discipline seek to invest in companies (through U.S. Equity, ADRs, and foreign securities traded on U.S. markets) generally consistent with the market capitalization range of the Russell 2000 Index in the case of Small Cap Free Cash Flow strategy and the Russell 2500 Index for SMID Cap Free Cash Flow strategy.

Disciplined Value Discipline

Systematic's Disciplined Value approach is based on our belief that:

- Behavioral biases and the challenges of effectively analyzing large amounts of stock data create opportunities for disciplined investors

- In-depth research can identify distinct security characteristics that are predictive of future outperformance
- Methodically applying this research allows us to profitably exploit market inefficiencies
- Portfolio management is best executed through a disciplined, repeatable process

Our Disciplined Value philosophy is based upon research that demonstrates that certain market anomalies or inefficiencies challenge the notion of market efficiency. By exploiting these anomalies, the research suggests, active investment management can yield profits relative to a passive benchmark. Systematic's Disciplined Value approach seeks to exploit these inefficiencies through a disciplined approach to security selection and portfolio management.

Systematic's Disciplined Value discipline includes the following portfolio offerings:

Small Cap Equity
International Equity Our process for both strategies begins with a quantitative screen of all stocks generally consistent with strategy-specific geographic and market capitalization ranges that meet our liquidity requirements to ensure they can be traded efficiently. The Small Cap Equity screen seeks to identify securities of companies trading on U.S. exchanges (U.S. equities, ADRs and/or foreign securities trading on U.S. exchanges) with market capitalizations generally within the range of the Russell 2000 Index. The International Equity screen seeks to identify securities of companies domiciled and/or traded within EAFE (Europe, Australasia and Far East) countries and ADRs traded on U.S. markets generally consistent with the geographic and market capitalization ranges of the MSCI (Morgan Stanley Capital International) EAFE® Index.

Companies passing the Small Cap Equity and International Equity screens, respectively, comprise our investable universe and are ranked by each strategy's specific proprietary security selection models. The security selection models contain a broad array of individual factors that measure company and security characteristics that our research has shown have an impact on future stock price performance. These factors are generally grouped into six broad categories: valuation, earnings quality, capital deployment, financial position, operating efficiency and investor expectations. Individual factor rankings are combined to derive a single master ranking for each company within the Small Cap Equity or International Equity portfolio.

Portfolio construction and management for the Disciplined Value portfolios are predominately rules-based. The exception to these rules is in cases where, generally based upon qualitative analysis, we have substantive reasons to doubt the validity of the data relied upon by the model to produce a company's ranking. The extent to which we exercise our qualitative judgment may vary based upon the strategy. Securities are generally purchased or sold around regular rebalancing dates when they meet defined ranking levels. Companies in each portfolio may also be sold if they fall outside the relevant market capitalization range. This process typically yields broadly diversified Small Cap Equity and International Equity portfolios with objective and economically meaningful exposures to the factors that our research has shown to be indicative of prospective outperformance.

Methods of Analysis

Systematic's investment disciplines strategically combine both qualitative and quantitative analysis. Across strategies, investment analysis begins with a rigorous proprietary quantitative screening process. While specific valuation metrics vary within each portfolio strategy, the consistent application of this strict front-end evaluation is designed to help mitigate behavioral bias and focus our fundamental research on individual stock ideas, as identified by our screens, with, we believe, the strongest risk/reward characteristics.

Each prospective investment for our Catalyst Value and Free Cash Flow Value strategies is then rigorously researched through fundamental

bottom-up analysis to offer a comprehensive, detailed assessment of the security's long-term investment potential.

Our Disciplined Value strategy uses a proprietary quantitative analysis and a qualitative review to construct a broadly diversified factor-based portfolio.

Our fundamental and quantitative research is conducted out of our Teaneck, New Jersey and Newport Beach, California offices.

Information Sources

In evaluating securities for potential investment, the majority of our research is generated through in-house efforts, with additional research coming from external sources.

Systematic's research can generally be categorized into three main areas of focus:

- Internal Research – Our portfolio managers and analysts perform their own fundamental analysis, which entails reviewing annual reports and SEC filings (e.g. 10Ks), evaluating company accounting practices, reviewing balance sheet and off-balance sheet items, interviewing company management, attending company and/or analyst presentations, and developing valuation models.
- Financial Databases – The research team has access to third-party systems (such as Baseline, Bloomberg, FactSet, Clarifi, and Compustat) from their desktop computers. In addition, we utilize proprietary free cash flow analysis models.
- External Research – We utilize many "Wall Street" (Sell-Side) analysts to aid us in confirming the information and data uncovered by the first two areas of research.

While Systematic utilizes publicly available third-party databases and "Wall Street" research as inputs to it investment process, with the exception of Systematic's Disciplined Value strategies, portfolio decisions are primarily driven by in-house fundamental, "bottom-up" company specific research efforts. Our portfolio managers and analysts perform their own independent fundamental research, which involves financial statement analysis, management interaction, gathering and interpreting information from industry sources, including competitors, suppliers and customers, and performing comprehensive valuation assessment.

Our investment team also spends a portion of their time on company visits. Systematic investment professionals meet with company management at analyst meetings, industry conferences, and secondary offering/IPO road shows in New York City. Systematic may also host meetings with senior company management (e.g., CEO, CFO, and Investor Relations) in our offices. Analysts participate in company quarterly earnings conference calls, and regularly view web casts of company presentations made outside of New York City. While it is not a requirement that we visit with each company before any investment is made, meeting with management at analyst meetings, conference and/or secondary offering/IPO road shows, is generally an important element to our investment process.

Risks

The investment strategies utilized by Systematic carry different levels of risk. In each strategy, all securities include a risk of loss of principal and any profits that have not been realized. The stock markets, bond markets, and derivatives markets fluctuate substantially over time and, as recent global and domestic economic events have indicated, performance of any investment is not guaranteed. As a result, there is a risk of loss of the assets the Firm manages on our clients' behalf, and such a loss may be out of our control. We cannot guarantee any level of performance and cannot guarantee that our clients will not experience a loss of their account assets. Each of Systematic's strategies has the potential for the clients' assets to decline in value.

The risks inherent in our investment strategies and styles are primarily the risks of equity

investing. These risks include, but are not limited to:

- General equity market risk: The market prices of the client's portfolio securities may go up or down, sometime rapidly or unpredictably. If the market prices of the securities owned by the fund fall, the value of your investment portfolio will decline. The value of a security may fall due to general market conditions, such as real or perceived adverse economic or political conditions, inflation, changes in interest rates or currency rates, lack of liquidity in the markets or adverse investor sentiment. Market prices of securities also may go down due to events or conditions that affect particular sectors or issuers. Clients' portfolios may experience a substantial or complete loss of any individual security.
- Stock/Company specific risks: Stocks may be volatile – their prices may go up and down dramatically over the shorter term. These price movements may result from factors affecting individual companies (e.g., quality of management risk, reputational risk, price per share risk, and product development risk), industries, the securities market as a whole or the overall economy. Because the stocks a portfolio holds fluctuate in price, the value of the client's portfolio will go up and down.
- Portfolio Selection Risk: The value of your portfolio may decrease if the investment manager's judgment about the attractiveness, quality, value or market trends affecting a particular security, industry or sector is incorrect.
- Portfolio concentration risk: risk of an uneven distribution of one type of industry sector in the portfolio.
- Volatility of returns (standard deviation): the variation of stock prices related to the return of the overall portfolio. Standard deviation is a statistical measure of the range of a portfolio's performance. A high standard deviation suggests a wider range of returns and indicates that there is a greater potential for volatility.
- Sector risk: Companies that are in similar industry sectors may be similarly affected by particular economic or market events. To the extent an account has substantial holdings within a particular sector, the risks associated with that sector increase.

In addition, some of the specific risks to which client assets may be susceptible, depending on account strategy, are as follows:

- Value stock risk: Value stocks can react differently to issuer, political, market, and economic developments than the market as a whole and other types of stocks. Value stocks tend to be inexpensive relative to their earnings or assets compared to other types of stocks. However, value stocks can continue to be inexpensive for long periods of time and may not ever realize their full value.
- Small- or Medium-Sized Companies: Investing in small- and medium-sized companies involves greater risk than is customarily associated with more established companies. Stocks of such companies, particularly developing companies, generally are subject to more volatility in price than larger company securities. Among the reasons for the greater price volatility are the less certain growth prospects of smaller companies, the lower degree of liquidity in the markets for such securities, and the great sensitivity of smaller companies to changing economic conditions. Smaller companies often have limited product lines, markets, or financial resources and their management may lack depth and experience. Such companies usually do not pay significant dividends that could cushion returns in a falling market.
- Liquidity Risk: Liquidity risk exists when particular investments are difficult to sell. Although most of a portfolio's securities are generally liquid at the time of investment, securities may become illiquid after purchase by the portfolio, such as during periods of market turmoil. When a portfolio holds illiquid investments, the portfolio may be harder to value, especially in changing markets, and if a portfolio is forced to sell these investments to meet redemptions or for other cash needs, the portfolio may suffer a

loss. In addition, when illiquidity in the market exists for certain securities, a portfolio, due to limitations on the investments in illiquid securities, may be unable to achieve its desired level of exposure to a certain sector.

- Focused Investing Risk: Focusing investments in a small number of issuers increases risk. A focused portfolio may be more susceptible to risks associated with a single economic, political or regulatory occurrence than a more diversified portfolio might be. A focused portfolio's performance may be more volatile than a portfolio that holds a greater variety of securities.
- Active Trading Risk: Portfolios that are actively managed and, under appropriate circumstances, may purchase and sell securities without regard to the length of time held. A high portfolio turnover rate may have a negative impact on performance by increasing transaction costs and may generate greater tax liabilities for clients with taxable accounts.
- Real Estate Investment Trusts (REITs) Risk: Equity REITs can be affected by any changes in the value of the properties owned. A REIT's performance depends on the types and locations of the properties it owns and on how well it manages those properties or loan financings. A decline in rental income could occur because of extended vacancies, increased competition from other properties, tenants' failure to pay rent or poor management. A REIT's performance also depends on the company's ability to finance property purchases and renovations and manage its cash flows. Because REITs are typically invested in a number of projects or in a particular market segment, they are more susceptible to adverse developments affecting a single project or market segment than more broadly diversified investments. Loss of status as a qualified REIT or changes in the treatment of REITs under the federal tax law, could adversely affect the value of a particular ERIT or the market for REITs as a whole.
- Foreign Securities Risk: Investments in foreign securities, including foreign securities represented by American Depositary Receipts ("ADRs"), Global Depositary Receipts ("GDRs") and foreign securities trading on US stock exchanges involve risks relating to political, social and economic developments abroad, as well as risk resulting from the differences between the regulations to which U.S. and foreign issuer markets are subject. These risks include, without limitation: different accounting and reporting practices, less information available to the public, less (or different) regulations of securities markets, more complex business negotiations, less liquidity, more fluctuations in prices, delays in settling foreign securities transactions, higher costs for holding shares (custodial fees), higher transactions costs, vulnerability to seizure and taxes, political or financial stability and smaller markets, and different market trading days.
- Currency Risk: A portfolio which invests in securities denominated in foreign currencies is subject to the risk that those currencies will decline in value relative to the U.S. dollar, or, in the case of hedging positions, that the U.S. dollar will decline in value relative to the currency being hedged. Currency rates in foreign countries may fluctuate significantly over short periods of time for reasons such as changes in interest rates, government intervention or political developments. As a result, a portfolio's investment in foreign currency denominated securities may reduce the returns of the portfolio.
- Short Sales Risk: A short sale may be affected by selling a security that the portfolio does not own. In order to deliver the security to the purchaser, a portfolio borrows the security, typically from a broker-dealer or an institutional investor. The portfolio later closes out the position by returning the security to the lender. If the price of the security sold short increases, the portfolio would incur a loss; conversely, if the price declines, the portfolio will realize a gain. Although the gain is limited by the price at which the security was sold short,

the loss is potentially unlimited. A portfolio's use of short sales in an attempt to improve performance or to reduce overall portfolio risk may not be successful and may result in greater losses or lower positive returns than if a portfolio held only long positions. A portfolio may be unable to close out a short position at an acceptable price, and may have to sell related long positions at disadvantageous times to produce cash to unwind a short position. Short selling involves higher transaction costs than typical long-only investing.

- Counterparty Risk: Systematic may enter into transactions with counterparties (including prime brokers) on the behalf of client accounts. A client account is subject to the risk that counterparty may be unable to fulfill its contractual obligations, whether due to insolvency, bankruptcy or other causes.
- Quantitative Modeling Risk: For our discipline value strategies, Systematic employs quantitative analyses and models as one component of the overall portfolio management process, to assist the portfolio management team in its identification of potential investment purchase and sale opportunities. These models rely on data and other inputs from various sources, including third-party data, any of which may be inaccurate or flawed. There can be no guarantee that the models will identify investment opportunities that will be profitable, or that the models will generate investment recommendations that are ultimately beneficial to the firm's management of client accounts. Since models are primarily based on assumptions developed from the analysis of historical market data, models that appear to explain historical data can fail to predict future market events and may, as a result, not facilitate Systematic's efforts to achieve the firm's investment objectives. Furthermore, investment models, as automated functions, may not operate as intended, and accordingly may produce unintended results which may adversely impact Systematic's ability to implement its investment strategies.

Risk Mitigation

We generally monitor portfolio risk through performance attribution software, as well as portfolio risk management software. These systems assist our review of the risks embedded in our accounts as they relate to position size, sector/industry weightings (both absolute and benchmark relative), market capitalization, and fundamental (e.g., valuation, momentum) and technical factors (e.g., beta, relative strength). We monitor such risk on a regular basis in order to understand how our accounts are positioned, as well as explain relative performance differences versus the benchmark.

The portfolio managers and Systematic's Compliance department review account activity to determine that internal and client guidelines are followed. Client guidelines are typically received before an account is traded and are reviewed by the portfolio manager and Compliance for any inconsistencies with our strategy and for any clarification that may be needed. If a client wishes to establish reasonable restrictions for its account, Systematic typically employs a process to facilitate compliance whereby these restrictions are entered into a third-party pre- and post-trade portfolio compliance monitoring software solution. This system interfaces with the portfolio accounting and trade order management systems, thus supporting client guideline adherence and notification of potential breaches. This system combines pre-trade compliance with post-trade monitoring capabilities to facilitate pre-trade compliance with both static guidelines (restrictions that apply directly to specific stocks) and dynamic guidelines such as those that restrict investments relative to an industry, sector or benchmark weighting. Additionally, portfolio managers review the accounts on a regular basis to determine that they are being managed consistent with the accounts' models.

Our Catalyst Value Style and Free Cash Flow Style investment strategies measure and manage company specific risk, and equity market risk in general through the fundamental (bottom-up stock specific) research process. Our Disciplined Value discipline utilizes a qualitative research process, as well as quantitative analysis to manage these risks. The primary goal of both the fundamental and qualitative research efforts is not only to identify securities that we believe have upside potential, but also to reduce the risk of loss by purchasing companies with good cash flows and limited debt at a valuation discount. This focus on minimizing the risk of loss is also significant because we generally employ a fully invested strategy, with cash typically less than 10% of an account. As a result, cash is not a primary risk management tool.

All of our investment strategies also manage company specific risk through diversification of the portfolio. With the exception of focused portfolios, individual security positions are generally limited to a maximum of 5% of portfolio assets at market value. The actual stock weighting for each security is determined by the portfolio manager and based on a variety of factors such as: liquidity, market, capitalization, sector, alternative options, and the confidence level and conviction of the portfolio manager.

Portfolio concentration risk is further addressed through diversification by sector and industry. These exposures are regularly monitored through a variety of systems. As part of our risk controls, for example, in our Catalyst Value investment offerings, we generally limit sector weightings to a maximum of 30% and generally remain within +/- 5% of the benchmark's sector weight; therefore, it is conceivable that a sector may not be represented. The actual weighting for each sector is determined by the portfolio manager and based on a variety of factors such as: relative weight of the sector in the overall benchmark; market, sector, and industry trends; and the confidence level and conviction of the portfolio manager. Volatility of returns is also typically measured and compared to the relevant benchmark to determine that it is reasonable in light of the returns produced relative to the benchmark.

Item 9 – Disciplinary Information

There are no applicable legal or disciplinary events relating to Systematic.

Item 10 – Other Financial Industry Activities and Affiliations

Affiliations

As noted in Item 4 – Advisory Business," AMG, a publicly traded asset management company (NYSE:AMG) with equity investments in a number of boutique investment management firms, holds an equity interest in Systematic. AMG also holds equity interests in certain other AMG Affiliates. AMG does not have any role in the day-to-day management of Systematic. Each of the AMG Affiliates, including Systematic, operates autonomously and independently of AMG and each other. Except as described in this Brochure, Systematic does not have any business dealings with these AMG Affiliates and does not conduct any joint operations with them. Systematic carries out its asset management activity, including the exercise of investment discretion and voting rights independent of the AMG Affiliates. The AMG Affiliates do not formulate advice for Systematic's clients, and do not, in Systematic's view, present any potential conflict of interest for Systematic with respect to our clients. More information regarding AMG, including its public filings and a list of all AMG Affiliates, is available at www.amg.com.

Systematic has servicing agreements with Managers Investment Group LLC ("MIG"), an AMG Affiliate, under which MIG provides non-discretionary back office support, administrative assistance, and marketing services to support Systematic's provision of advisory services to or through various unaffiliated third-party investment programs, including wrap programs, dual contract programs, and non-discretionary

(model based) programs sponsored by unaffiliated broker/dealers, banks, and other financial intermediaries. Systematic pays MIG a fee for the services provided by MIG under these servicing arrangements. MIG is an affiliate of Systematic by virtue of AMG's majority equity ownership in each of Systematic and MIG.

Systematic has a marketing agreement with MIG under which MIG markets Systematic's investment management services to unaffiliated third-party intermediaries that sponsor subadvised mutual funds and/or other platforms, such as defined contribution retirement plan platforms. Systematic pays MIG a fee for these services.

Systematic has mutual fund subadvisory agreements with MIG under which Systematic serves as subadviser to mutual funds in the AMG Funds family of mutual funds (collectively the "Funds"), for which MIG is the adviser. As described in each Fund's prospectus, the Funds pay MIG advisory fees, and MIG pays Systematic subadvisory fees with respect to the Funds we manage.

Additionally, Systematic is party to client service/marketing agreements with subsidiaries of AMG under which the AMG subsidiaries market Systematic's investment services to clients and provide client services to the Firm's clients in various foreign jurisdictions. Depending on the foreign jurisdiction, the AMG subsidiaries may be registered or exempt from registration, as appropriate, with the relevant foreign financial regulatory authorities. Systematic pays the AMG subsidiaries a fee for these services.

Other Financial Activities

Systematic is not registered, nor has an application pending to register, as a broker/dealer, futures commission merchant, commodity pool operator, or commodity trading advisor.

Certain Systematic employees, including, without limitation, management persons, are registered representatives of Managers Distributors, Inc. ("MDI"), a limited purpose broker/dealer that is a wholly owned subsidiary of MIG and that is the underwriter of the Managers Funds.

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

Systematic has established various internal controls and procedures designed to address potential conflicts of interest arising between client accounts and Systematic and its personnel.

Code of Ethics

As a registered investment adviser, Systematic has a fiduciary duty to its clients, and accordingly has adopted a Code of Ethics (the "Code") that applies to all employees. The Code describes the standard of conduct Systematic requires of all employees and sets forth restrictions on certain activities, including personal trading in accounts owned, managed, or beneficially owned by the employees. The Code addresses general principles regarding ethics, compliance with federal securities laws, personal trading, gifts and entertainment, treatment of confidential information, the prohibition against the use of inside information, and other situations giving rise to potential conflicts of interest. The Code also requires employees to report any Code violations promptly to the Chief Compliance Officer. By setting forth the regulatory and ethical standards to which Systematic's employees must adhere, the Code supports our efforts to promote a high level of professional ethical conduct in furtherance of our fiduciary duty to our clients.

In addition, while Systematic personnel do not actively seek material, non-public information, they may inadvertently receive it. The Firm's Code of Ethics addresses related policies and procedures to be followed by employees to assist them in understanding, among other things, the issues surrounding the receipt of material, non-public information and actions to be taken to prevent unlawful trading or the appearance of unlawful trading.

Personal Trading

Among other things, the Code limits and monitors the personal trading activity of our employees, including members of our employees' households. These limitations seek to further Systematic's efforts to prevent employees from personally benefiting from Systematic's investment decisions for its clients and/or any short-term market effects of Systematic's recommendations to clients. Specifically, the Code prohibits the purchase of common and preferred stock, as well as the purchase of IPOs (including those of convertible securities). The Code also requires employees and certain members of their households to obtain pre-approval of certain transactions, as well as to submit personal securities reporting, initial and annual holdings reporting. In addition, the Code prohibits such persons from trading in securities during specific periods of time when they are on a list of those being considered for purchase or sale by the firm for our clients' accounts (i.e., "blackout periods"). Limitations also exist for such persons on the participation in private placements. These restrictions and requirements of the Code apply to all accounts over which employees have investment discretion, or in which they have a direct or indirect beneficial ownership interest.

Participation or Interest in Client Transactions

Systematic generally does not purchase or sell securities for its own account. However, as mentioned in "Item 6 – Performance Based Fees and Side-by-Side Management," Systematic serves as subadviser to mutual funds which are available to employees for their personal investment, including, in certain cases, through Systematic's 401(k) investment plan. These funds may hold, purchase, or sell the same securities in which clients have interests. Systematic may also recommend these funds to clients. We may also have an incentive to favor these funds when allocating investment opportunities.

When managing the assets of these funds, we have an affirmative duty to treat all client accounts fairly and equitably over time. Accordingly, Systematic has implemented a series of controls in effort to mitigate these conflicts as described in "Item 6 – Performance-Based Fees and Side-by-Side Management," and the "Trade Aggregation" sub-section of "Item 12 – Brokerage Practices" of this Brochure.

In addition, due to the nature of our clientele, Systematic may, from time to time, trade in securities issued by our clients. In all such instances, Systematic will do so in what we believe to be in the best interest of its clients who are trading in such securities. Systematic will not, under any circumstances, consider a security issuer's status as a client of the firm when determining to trade in that issuer's security on behalf of other client accounts.

Insider Trading/Material Non-Public Information

Systematic's Code includes policies and procedures prohibiting the use of material non-public information that are designed to prevent insider trading by an officer or employee of Systematic. Should an employee receive potentially material non-public information, the Code requires that he or she immediately report such receipt to the Chief Compliance Officer and refrain from sharing the information with other employees or third-parties.

In accordance with these policies, to prevent trading of public securities based on material, non-public information, Systematic may maintain a "restricted list" that identifies any securities that cannot be purchased for accounts because material, non-public information may have been received by an employee of the firm. The issuers named on this restricted list are

typically coded as "prohibited" in Systematic's trading and portfolio compliance system, thus blocking Systematic from trading in these securities without the consent of Systematic's Chief Compliance Officer.

In addition to the Insider Trading Policy imposed by Systematic's Code, all employees of Systematic are subject to the AMG's Insider Trading Policy and Procedures (the "AMG Insider Trading Policy"). The AMG Insider Trading Policy broadly prohibits the use of material, non-public information, and also imposes restrictions on the trading of AMG's stock.

Gifts and Business Entertainment

Systematic has policies and procedures regarding giving or receiving gifts and business entertainment between the firm's employees and certain third parties (e.g., vendors, broker/dealers, consultants, etc.) to help mitigate the potential for conflicts of interest surrounding these practices. In general, Systematic limits the amount of gifts and business entertainment that may be provided by employees to these parties, and requires the reporting and pre-approval of certain items by our Compliance Department. Systematic monitors for potential conflicts of interest with respect to individual instances of gifts or entertainment, as well as patterns over time, to prevent the interests of Systematic and its employees from being placed ahead of the interests of our clients.

As noted in "Item 10 - Other Financial Industry Activities and Affiliations" of this Brochure, certain employees of Systematic are also registered representatives of Managers Distributors, Inc. ("MDI") and are subject to additional procedures and restrictions with respect to gifts and business entertainment activities.

Charitable Contributions

Systematic may make charitable contributions or sponsor non-marketing events, including charities or events connected with current or former Systematic clients or their employees. Most of these activities are non-profit or charitable organizations and are made in response to requests from clients or their personnel. Systematic has adopted policies and procedures that include management approval of such contributions and sponsorships. Policies and procedures relating to these activities are administered by Systematic's Compliance Department in order to mitigate the possibility of actual or potential conflicts of interest.

Political Contributions

In an effort to mitigate potential conflicts of interest, Systematic prohibits its employees from making political contributions on behalf of the Firm or from being reimbursed for personal political contributions, or from making political contributions for the purpose of securing or retaining business. Additionally, Systematic maintains policies and procedures that set forth limitations as to whom employees may make contributions and the amounts of such contributions, as well as preclearance requirements for certain political contributions and campaign-related volunteering activities.

Distribution of Code

All of our employees are provided with a copy of our Code at the time of hire and annually thereafter, and each employee must affirm that they have received a copy of the Code, and that they have read and understand its provisions. Additionally, we conduct periodic compliance training that addresses the requirements of the Code and the other policies described in this Item. A copy of Systematic's Code is also available to clients or prospective clients upon request, and may be obtained by contacting Systematic using the contact information on the cover page of this Brochure.

Item 12 – Brokerage Practices

Generally, Systematic is retained on a discretionary basis and is authorized to determine and direct execution of portfolio transactions within the client's specified investment strategy. Some clients limit Systematic's authority in terms of Systematic's

ability to execute trades or select broker/dealers in favor of their own trading preferences or brokerage arrangements. Systematic has a fiduciary duty to seek best execution, and to ensure that trades are allocated fairly and equitably among clients over time.

Brokerage Relationships

Systematic's relationships with broker/dealers, particularly those affiliated with large financial services organizations, are complex. Systematic uses various broker/dealers to execute trades on behalf of clients, but Systematic may also have many other relationships with such firms. For example:

- Systematic may invest client assets in securities issued by broker/dealers or their affiliates;
- Systematic may provide investment management services to certain broker/dealers or their affiliates;
- Certain broker/dealers may provide both internally-generated and third-party research to Systematic, as part of a bundled service; and
- Certain brokers/dealers may refer clients to Systematic.

Notwithstanding such relationships or business dealings with these broker/dealers, Systematic has a fiduciary duty to its clients to seek best execution when trading with these firms, and has implemented policies and procedures to monitor its efforts in this regard as described further below.

Best Execution – Selection Factors for Broker/Dealers

As noted above, Systematic has a duty to seek best execution of transactions for client accounts. "Best execution" is generally understood to mean the execution of portfolio transactions at prices and, if applicable, commissions which provide the most favorable cost or net proceeds reasonably obtainable under the circumstances. In seeking best execution, Systematic looks for the most favorable combination of transaction price, quality of execution (such as the speed of execution and the likelihood the trade will be executed) and other valuable services that an executing broker/dealer may provide.

Clients typically grant Systematic the authority to select the broker/dealer to be used for the purchase or sale of securities. Systematic, in seeking best execution, will make this selection based on a number of factors, which may include, but are not limited to, the following: the broker/dealer's financial soundness; the broker/dealer's ability to effectively and efficiently execute, report, clear, and settle the order; the broker/dealer's ability to commit capital; the broker/dealer's ability to timely and accurately communicate with Systematic's trading desk and operations team; the broker/dealer's research services provided in connection with soft dollar arrangements (explained in more detail in the "Soft Dollars" sub-section of this Item 12 below); the broker/dealer's commission rates; and similar factors. Systematic does not consider any client referrals from a broker/dealer when determining best execution, or when placing client trades.

Recognizing the value of these factors, Systematic may select a broker/dealer that charges a commission in excess of that which another broker/dealer might have charged for effecting the same transaction. Systematic is not obligated to choose the broker/dealer offering the lowest available commission rate if, in Systematic's reasonable judgment, the total cost or proceeds from the transaction may be less favorable than what may be obtained elsewhere or if a higher commission is justified by the service and/or research provided by another broker/dealer.

When selecting trading venues on which to execute an order, Systematic generally considers whether it has viable options among trading venues, such as different markets or trading systems. If options exist, Systematic may consider executing part or all of the trade order using an Alternative Trading System ("ATS"). These systems may reduce the role of market makers and can assist buyers and sellers in dealing directly with each other, thereby

increasing market anonymity. ATSs may also offer limited market impact, lower commissions, and protection of proprietary information with respect to relatively liquid securities. At times, however, these systems may also present certain limitations. In certain trading circumstances, given time constraints, priority trading needs, lack of liquidity, or other conditions, use of such ATSs may be impractical. Systematic is not required to use alternative trading systems in any particular circumstances.

Systematic has implemented a series of internal controls and procedures to address the conflicts of interest associated with its brokerage practices. To determine that it is receiving best execution for its transactions over time, Systematic will obtain information as to the general level of commission rates being charged by the brokerage community, from time to time, and will periodically evaluate the overall reasonableness of brokerage commissions paid on client transactions by reference to such data. To the extent Systematic has been paying higher commission rates for its transactions, Systematic will determine if the quality of execution and the services provided by the broker/dealer justify these higher commissions.

Systematic's Commission Review Committee generally meets monthly to review brokers' servicing ability, operational support, execution, quality of research ideas, and commission rates. Representatives of Compliance, Trading, and the Investment team are included in this meeting. Concerns raised at the Commission Review Committee may also be brought to the attention of the Management Committee and the Chief Compliance Officer to facilitate resolution.

Systematic receives and reviews trade cost analysis reports prepared by a third-party. Systematic may cease to do business with certain exchange members, brokers, or dealers whose performance may not have been competitive or may demand that such persons improve their performance before receiving any further orders. Systematic also regularly monitors changes in market conditions and the availability of new or alternative methods for executing transactions.

Directed Brokerage

Systematic does not direct or require its clients to use a specified broker/dealer for portfolio transactions in their accounts.

In some cases, clients have directed Systematic to use specified broker/dealers for portfolio transactions in their accounts. In these cases, Systematic will not evaluate the client's selected broker/dealer. Additionally, for such accounts, Systematic is not obligated to, and will generally not, solicit competitive bids for each transaction or seek the lowest commission rates for the client, as the commission rates have typically been pre-negotiated between the client and the designated broker/dealer ("directed broker") and Systematic is unable to supersede the terms of that agreement. Since Systematic has not negotiated the commission rate and may not be able to obtain volume discounts, the commission rate charged by the directed broker may be higher than what Systematic could receive from another broker/dealer. In addition, the client may be unable to obtain the most favorable price on transactions executed by Systematic as a result of Systematic's inability to aggregate/bunch the trades from this account with other client trades. Furthermore, the client may not be able to participate in the allocation of a security of limited availability (such as an initial public offering).

Under circumstances in which the broker is designated by the client, execution costs for those transactions are not charged to clients on a pro rata basis; rather, each client is charged a commission based on the rates agreed to between the client and the broker. There may be a disparity in commission rates charged to these clients and their accounts may experience performance and other differences from other similarly managed accounts. Clients who direct brokerage should understand that similar brokerage services may be obtained from other broker/dealers at lower costs and possibly with more favorable execution. Furthermore, if there are orders entered on Systematic's trading system for both accounts with directed brokerage (e.g., wrap fee accounts and model-based accounts) and accounts without directed

brokerage, Systematic will generally execute the non-directed orders first. Directed accounts are then traded generally on a random basis. If orders for directed accounts are executed following the execution of orders for non-directed accounts, the directed accounts may receive a less favorable price than non-directed accounts. Additionally, due to the timing of order placement, Systematic may not be able to fill the entire order with a particular directed broker. When the time for placement of the order with the directed broker arises, we may determine that the transaction is no longer advantageous for the directed account client because of price movements or liquidity constraints. In this instance, Systematic would not execute the transaction on the client's behalf, thus precluding the client from an investment opportunity in which other clients in the same strategy earlier participated.

Systematic reserves the right to reject or limit client requests for directed brokerage, and clients may be charged a premium for such arrangements.

Step-Outs

Step-out trades are transactions which are placed at one broker/dealer and then "given up" or "stepped out" by that broker/dealer to another broker/dealer for credit. As a general rule, Systematic does not request that broker/dealers "step-out" all or part of the trade to another broker/dealer for the purpose of securing research or other non-brokerage services.

Systematic may, however, direct the executing broker to assign all or a portion of a trade to the client's directed broker for clearance and settlement in order to accommodate client directed brokerage arrangements. In this scenario, the executing broker will typically credit the trade to the clearing and settling broker so that the client may receive the benefit of direction. In circumstances where Systematic has followed the client's instructions to direct brokerage, there can be no assurance that Systematic will be able to assign the trades to the directed broker, or, if it is able to assign the trades, that it will be able to obtain more favorable execution than if it had not assigned the trades.

Cross Trades

Systematic does not engage in cross trades in its client accounts. From time to time, Systematic may execute orders for the same security on opposite sides of the market for accounts in a manner designed to provide adequate market exposure to both orders. This situation may occur when Systematic is buying securities for one account following a client contribution, while selling securities for another client account following a client withdrawal. Systematic generally places such orders with different broker/dealers, but may also use alternative trading systems such as electronic communications networks ("ATSs") if Systematic determines that such venues offer adequate market exposure. Systematic may also purchase securities from a broker-dealer to whom it has recently sold the same securities when Systematic believes that doing so is consistent with seeking best execution, particularly where that broker-dealer is one of a limited number of broker-dealers who hold or deal in those securities and/or where inventory is limited. Systematic does not consider these types of opposing orders to be cross trades so long as they are separate and independent transactions.

Liquidity Rebates

In selecting broker/dealers to execute transactions for the accounts we manage, Systematic does not consider any "liquidity rebates" that may be available to those broker/dealers. Broker/dealers may earn "liquidity rebates" (i.e., a certain cash rebate) when placing orders in certain market centers while trading on behalf of Systematic. However, Systematic chooses broker/dealers based on our policy of seeking best execution, which is determined by several quantitative and qualitative factors. It is against Systematic's policy to take into consideration a broker/dealer's potential to earn liquidity rebates when deciding whether to choose a particular full service broker/dealer.

Soft Dollars

Systematic may direct certain transactions for execution to certain broker/dealers in recognition of brokerage and research services provided by those broker/dealers and/or other third-party providers. The practice of obtaining research in this manner is referred to as using "soft dollars." Systematic may facilitate its use of soft dollars through traditional soft dollar arrangements, commission sharing arrangements ("CSAs") and/or "full service" broker/dealers offering "bundled" services. The products and services provided are either proprietary (created and provided by the broker/dealer, including tangible research products, as well as, for example, access to company management or broker/dealer generated research reports) or third-party (created by the third-party, but provided by the broker/dealers), and, may include, investment research (either directly or through publications or reports) as to the value of securities, the advisability of investing in, purchasing, or selling securities, the availability of securities or purchasers or sellers of securities, presentation of special situations and trading opportunities, advice concerning trading strategy, and analyses and reports concerning issues, industries, securities, economic factors and trends, portfolio strategy, and the performance of specific strategies. This practice of generating and using soft dollars generally causes clients to pay a broker/dealer a commission rate higher than a broker/dealer would charge for execution only services.

In the allocation of brokerage, Systematic may give preference to those broker/dealers that provide research products and services, either directly or indirectly, so long as Systematic believes that the selection of a particular broker/dealer is consistent with Systematic's duty to seek best execution. To the extent that Systematic is able to obtain such products and services through the use of clients' commission dollars, it reduces the need to produce the same research internally or through outside providers for hard dollars and thus provides an economic benefit to Systematic and its clients. As an example, Systematic has received research services relating to data used by the investment team for attribution analysis and risk control purposes; software that has substantial data, alpha and risk models and the ability to track news events on portfolios, and industry- specific information, which Systematic has found useful in its research process. Systematic may have an incentive to select a broker/dealer in order to receive such products and services whether or not the client receives best execution. On an ongoing basis, Systematic monitors the research and brokerage services received to ensure that the services received are reasonable in relation to the brokerage allocated.

Products and services which provide lawful and appropriate assistance to Systematic's investment decision-making process may be paid for with commissions generated by client accounts to the extent such products and services were used in that process. Systematic allocates the cost of such products on a basis that it deems reasonable over time according to the various uses of the product, and maintains records to document this allocation process. Systematic does not, as a matter of practice, employ step-out transactions for the purpose of securing such products and services.

In traditional soft dollar arrangements, trades placed by Systematic with certain broker-dealers generate soft dollars based upon the amount of commissions associated with Systematic's trades. An agreement between Systematic and the broker-dealer then obligates the broker-dealer to pay for a specific research or brokerage product or service received by Systematic.

In addition to traditional soft dollar arrangements, Systematic may use CSAs, under which certain broker-dealers allocate a percentage of commissions generated by Systematic's trades with the broker-dealer to a pool of soft dollars. Systematic may use these commissions to obtain products or services provided by the broker/dealers ("proprietary research") or direct compensation from the pool to third party service providers, which may or may not be broker-dealers, pursuant to an agreement between Systematic and the broker/dealer. Through these pooled CSA

structures, Systematic could conclude that if a broker dealer does not meet its requirements in terms of execution capabilities, yet provides valuable research, it could terminate any execution relationship and pay for the research through another broker/dealer. The CSAs enable Systematic to work more closely with certain key broker/dealers, and limit the broker/dealers with whom it trades, while still maintaining research relationships with broker/dealers that provide Systematic with research and research services.

Systematic may also receive unsolicited proprietary research from broker/dealers through which it trades. Proprietary research of this nature is generally part of a "bundle" of brokerage and research and is not separately priced. Any research received is used to service all clients to which it is applicable. Systematic executes trade orders with broker/dealers on the basis of best execution as described above, without consideration of any unsolicited research services that it may receive. Systematic makes no attempts to link the acquisition of unsolicited research with any particular client transactions.

Systematic may also receive services which, based on their use, are only partially paid for through soft dollars. Any such service is considered "mixed-use" because it is used by Systematic for both research or brokerage and non-research, non-brokerage purposes, such as for administration or marketing. In each such case, Systematic makes a good faith determination of which portion of the service should be paid for with soft dollars and which portion should be paid for with hard dollars. Systematic allocates the cost of the products on a basis which it deemed reasonable according to the various uses of the product. Only that portion of the cost of the product allocable to research services would be paid with the brokerage commissions generated by fiduciary accounts and the non-research portion will be paid in cash by Systematic. Systematic retains documentation of the soft to hard dollar allocation for mixed-use items and periodically reviews this allocation.

Systematic uses the research products/services provided by broker/dealers through its soft dollar arrangements in formulating investment advice for any and all clients' accounts, including accounts other than those that paid commissions to the broker/dealers on a particular transaction. As a result, not all research generated by a particular client's trade will benefit that particular client's account. In some instances, the other accounts benefited may include accounts for which the accounts' owners have directed their portion of brokerage commissions to go to particular broker/dealers other than those that provided the research products/services. However, research services obtained through soft dollar transactions may be used in advising all accounts, and not all such services would necessarily be used by Systematic in connection with the specific account that paid commissions to the broker/dealer providing such services. From time to time, certain clients may request that Systematic not generate soft dollar credits on trades executed for their accounts. While Systematic may accommodate such requests in its discretion, trades for these clients generally do not experience lower transaction costs. In addition, the trading process for these clients may be adversely affected in other ways, including that the client may not participate in aggregated orders with clients that have not made such a request, therefore preventing the client from receiving the price and execution benefits of the aggregated order. In addition, and as with other directed or customized brokerage arrangements, the positions of these accounts in trade ordering and trade rotation may be impacted. Please see the "Directed Brokerage" sub-section above for more information on how customized brokerage arrangements may adversely impact trading results. Systematic reserves the right to reject or limit client requests of this type, and clients may be charged a premium for such arrangements.

As noted previously, Systematic maintains a series of internal controls and procedures relating to its brokerage practices, including its use of soft dollars. These controls and procedures are designed to mitigate the potential conflicts of interest described in this Item.

Systematic also periodically reviews the past performance of broker/dealers with whom it has been placing orders in light of a number of factors, including soft dollars. For a discussion of the controls related to brokerage practices and Systematic's evaluation of brokers, please see the "Best Execution" sub-section above.

In addition, Systematic utilizes a form to facilitate soft dollar approval, and all soft dollar services are ultimately approved by the Commission Review Committee and the Chief Compliance Officer. All payments for soft dollar services are approved by Compliance, in conjunction with the Head Trader

Trade Allocation and Aggregation

Systematic's trade allocation decisions are made among client accounts in an effort to ensure fair and equitable treatment of client accounts over time. Investment decisions are generally applied to all accounts utilizing that particular strategy, while also accounting for varying client circumstances, including specific client objectives and preferences, instructions, restrictions, account size, cash availability and current specific needs. . When two or more accounts are simultaneously engaged in the purchase or sale of the same security, Systematic may, but is not obligated to, combine and aggregate the transactions to form a "bunched trade" or "block trade" in order to seek the most favorable execution and lower brokerage commissions in such manner as Systematic deems equitable and fair to the clients. As a general rule, these accounts will receive the average price of the transactions in that security for the day. Trades in the same security for different accounts will be accumulated for a reasonable period of time to allow for aggregation, unless a particular account's interest would be unduly prejudiced. Systematic may, but is not required to, aggregate orders into block trades where Systematic believes this is to be appropriate, in the best interests of the client accounts, and consistent with applicable legal requirements. Transactions executed in a block will typically be allocated to the participating client accounts before the close of the business day. Systematic, when rebalancing individual accounts, may or may not have an opportunity to aggregate or "bunch" trades with other client accounts; thus there may be disparity in price or commissions among clients.

Since more than one account's orders are included in a block trade, Systematic has adopted a policy of using a "pro rata allocation" to allocate the trade among each account whose order makes up part of the block. Under a pro rata allocation, as securities are being purchased or sold as part of the block trade, the securities are being allocated to (or away from, in the case of a sale) accounts in the proportion by which each account's order size (as determined by the portfolio manager at the time of order entry) makes up a percentage of the entire block. Systematic's trade order management system is configured to default to pro-rate allocation of all trades among eligible accounts. In cases where Systematic is unable to fulfill a block trade the same day (i.e., purchase or sell all securities within the block trade), those securities that have been purchased or sold by the end of the day will generally be allocated pursuant to Systematic's pro rata allocation methodology. Systematic believes that, in most instances, a pro rata allocation of block trades will assure fairness. However, we also recognize that no rigid formula will necessarily lead to a fair and reasonable result, and that a degree of flexibility to adjust the formula to accommodate specific circumstances is necessary when determining how to allocate block trades. Therefore, under certain circumstances, allocation of block trades on a basis other than strictly pro rata may occur if we believe that such allocation is fair and reasonable. Nevertheless, all securities purchased or sold through a block trade, including expenses incurred in the transaction, will be allocated on a fair and equitable basis over time, to the extent practicable, without favoring any account or type of account or client (including any affiliated account). On a periodic basis, our portfolio managers and Compliance department personnel monitor the proportional amounts allocated to all portfolios to determine whether such allocations are fair and equitable over time.

The ability of a client account to participate with other accounts in bunched/block transactions may produce better execution for the individual client account. However, in some instances, a client may have designated a specific broker/dealer to whom the client's trades must be directed. (See the "Directed Brokerage" sub-section above.) This designated broker/dealer may not (or, in some cases, will not) execute bunched or block trades, and even if it does, Systematic may not be able to direct the entire block trade to this designated broker/dealer because it would conflict with Systematic's duty to obtain best execution. In such cases, since Systematic will place the client's trade with the designated broker/dealer as instructed rather than include the client's order in the block trade, the client may not necessarily obtain the better price and/or level of execution that those clients who participate in the block may receive.

Although Systematic generally seeks to allocate investment opportunities as fairly and equitably as possible over the long term, Systematic cannot assure the equal participation of every client in every investment opportunity or every transaction. Systematic may determine that a limited supply or demand for a particular opportunity or investment or other factors noted above may preclude the participation of some clients in a particular investment opportunity or trade.

Initial Public Offerings

An initial public offering is a company's first offer of stock for sale to the public. Depending on the interest in this initial offering, Systematic's access to these newly offered shares may be limited in amount at the time of the initial offering. In addition, client participation in any initial public offerings and other securities with limited availability (collectively, "IPOs") may also be limited because: not all clients are eligible to participate in every offering; the number of shares of each offering allotted to Systematic may be too small to permit meaningful participation by all clients that may be eligible to participate; and the number and nature of offerings generally may be dependent upon market or economic factors beyond the Firm's control.

IPOs typically do not qualify for the traditional value style portfolios managed by Systematic due to a lack of earnings and/or cash flows associated with new issuance. In the event that Systematic participates in any IPOs, Systematic allocates IPOs among accounts in a fair and equitable manner over time, taking into consideration factors such as account type, client account objectives and preference, investment restrictions, account sizes, cash availability, and current specific needs. Systematic generally seeks to ensure that over the long term, each eligible client with the same or similar investment objectives will receive an opportunity to participate in such offerings, subject to limitations noted above. Systematic typically allocates both IPOs and secondary offerings among participating strategies by order size, then on a pro rata basis among eligible accounts by account size, taking into consideration varying client circumstances. Systematic's wrap accounts and non-discretionary programs (or directed accounts) are generally not eligible for IPOs or secondary offerings.

Where the actual allocation of an IPO to Systematic for its accounts is significantly lower than that originally requested by Systematic, the original allocation proportions that we determined for our accounts may result in allocations that are not meaningful to certain accounts. In those situations, Systematic may allocate the securities received to significantly fewer accounts than originally intended. Those accounts chosen to receive the smaller allocations are selected based on a combination of factors, such as size, cash position, sector allocations, number of positions, diversification among similar companies, and minimization of custodian transaction costs to the client.

While Systematic's intention is to allocate similar proportional amounts of IPOs to all eligible accounts over time, using this methodology, some accounts may not receive small allocations. Portfolio managers and

compliance personnel periodically monitor the allocations to client accounts and the dispersion of performance for accounts in an effort to ensure that all accounts are treated fairly and equitably over time. Please see "Item 6 – Performance-Based Fees and Side-by-Side Management" for a discussion of allocation controls.

Foreign Currency Transactions

Systematic may engage in currency transactions purely for settlement and repatriation purposes. These foreign currency exchange transactions do not involve active investment decisions. In accordance with our client agreements, such transactions are generally executed pursuant to standing instructions through the client's custodian in accordance with the custodian's procedures. Procedures tend to vary among custodians, particularly with respect to execution price, fees and timing, and clients should ensure that their custodian's currency settlement and repatriation programs are appropriate for them.

Prime Brokers

Systematic utilizes the services of a prime broker for its Large Cap Value 130/30 strategy (described above in "Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss"), through which its trade clearance and financing is coordinated. This prime broker may also provide Systematic with research, reporting, and analysis tools as part of its services.

Trade Errors and Trade Error Accounts

Systematic has established an error correction policy which provides that the resolution of all errors be made consistent with Systematic's fiduciary duties. In the event of a trade error attributable to Systematic, Systematic's general policy is to place the client in the position it would have been in absent the error unless otherwise directed by the client.

Systematic may maintain a trade error account with certain broker/dealers. These accounts generally allow for netting of gains and losses relating to trade errors occurring with respect to the Firm's clients. Any net losses residing in these accounts typically require reimbursement from Systematic. Any net gains will typically accumulate to be used to offset future trade error losses (unless the brokerage program specifies that trading gains are required to be allocated to the client's account).

Item 13 – Review of Accounts

Systematic's portfolio managers generally review the assets of client accounts daily for portfolio strategy and asset allocation purposes. The portfolio managers and Systematic's Compliance Department also review portfolio activity to ensure internal and client-directed guidelines and restrictions are followed. Specifically, Systematic uses an automated portfolio compliance monitoring system with both pre-trade and post-trade monitoring capabilities to determine that accounts are being managed in accordance with guidelines. In addition, the Compliance staff uses manual monitoring procedures to confirm that accounts are managed in accordance with guidelines. Additionally, as noted above, the portfolio managers review their accounts on a regular basis to ensure that they are being managed consistent with the portfolio model.

Systematic also performs reconciliations of its records of the securities and cash within its clients' accounts against the records of the custodians who actually hold the securities and cash. These reconciliations are generally performed by members of Systematic's Operations Department. Typically, at least monthly, the Operations Department reconciles the cash balance, security holdings, and market value of all client accounts in an effort to ensure that Systematic's client reporting is accurate. For daily-valued accounts (including mutual funds for which Systematic serves as a subadviser), Systematic typically reconciles cash positions on a daily basis. Accounts are generally reconciled on either a trade date or settlement date basis. To the extent any discrepancies are identified through the performance of these reconciliations, our operations personnel will typically work with both our internal team and the client's custodian to resolve any such discrepancies. As the

custodian for the assets in the account, the statements and records of the custodian are the official books and records for the account.

Systematic encourages clients to compare the statements provided to them by Systematic to those provided to them by custodians and to report any questions, concerns or discrepancies to both Systematic and the client's qualified custodian promptly.

Reporting

Clients should receive monthly or quarterly account reports from independent qualified custodians, unless they request these reports more frequently. The reports typically include:

1. Listing of individual holdings, including number of shares and current market value;
2. Quarterly, year-to-date, and/or since-inception time-weighed rates of return;
3. Historical statement of changes describing clients' original capital and additions of capital, together with income earned and a combination of realized and unrealized appreciation or depreciation; and
4. Purchase and sale transactions occurring during the quarter.

In addition, clients with accounts in wrap fee programs typically receive regular reporting from the firm sponsoring the wrap program.

Our institutional clients also generally receive monthly or quarterly reports from Systematic, and some of our individual clients receive reports from Systematic as requested from time to time. These reports are primarily standard, although some are customized. The reports normally include actual performance against objectives, comments on markets and strategy, a portfolio appraisal of security and cash positions, and portfolio transaction summaries. These reports are typically supplemented by trade confirmations and the other reports on clients' portfolio holdings and transactions provided (on typically a quarterly basis) to clients from their respective custodians and/or broker/dealers, as described above. Please see "Item 15 - Custody" for more information on these reports.

As noted in "Item 15 - Custody," we encourage our clients who receive reports from Systematic to compare those reports against the reports provided to them by the qualified custodians who hold the assets of their accounts, and to report any questions, concerns, or discrepancies to both Systematic and the qualified custodian promptly. The custodian statements reflect the official books and records for the accounts we manage, rather than Systematic's statements.

Item 14 – Client Referrals and other Compensation

Relationships with Consultants

Many of our clients and prospective clients retain investment consultants to advise them on the selection and review of investment managers. Systematic may have certain accounts that were introduced to Systematic through consultants that may also be broker/dealers, or may have relationships with a particular broker/dealer. These consultants or their affiliates may, in the ordinary course of their investment consulting business, recommend Systematic's investment advisory services, or otherwise place Systematic into searches or other selection processes for a particular client. In addition, Systematic may, from time to time, buy from such outside consultants certain services or products used in Systematic's investment advisory business (such as software) or pay registration or other fees in connection with consultant-sponsored industry forums or conferences.

Systematic has extensive dealings with investment consultants, both in the consultants' role as adviser for their clients and through independent business relationships. Specifically, we provide consultants with information on portfolios we manage for our mutual clients, pursuant to our clients' directions. Systematic also provides information on our investment styles to consultants, who use that information in connection with searches they conduct for their clients. Systematic may also respond to "Requests for Proposals" from

prospective clients in connection with those searches.

Clients obtained through these consultants may instruct Systematic to direct some or all of their brokerage transactions to these consultants, which may also be a broker/dealer, or to the particular broker/dealers with whom they have relationships. In the alternative, Systematic may simply choose to allocate brokerage to such consultants or broker/dealers.

Other interactions that Systematic may have with consultants include, but are not limited to, the following:

- Systematic may invite consultants to events or other entertainment hosted by the Firm;
- Systematic may, from time to time, purchase software applications, access to databases, and other products or services from some consultants;
- Systematic may pay registration or other fess for the opportunity to participate, along with other investment managers, in consultant-sponsored industry forums or conferences. These conferences or forums provide Systematic with the opportunity to discuss a broad variety of business topics with consultants, clients, and prospective clients; and
- In some cases, Systematic may serve as investment adviser for the proprietary accounts of consultants or their affiliates, or as adviser or sub-adviser for funds offered by consultants and/or their affiliates.

In general, Systematic relies on each consultant to make appropriate disclosure to its clients of any conflict that the consultant may believe to exist due to its relationship with our Firm.

Consulting Databases

Systematic may pay consultants or other third parties to include information about Systematic's investment approaches in databases that they maintain to describe the services provided by investment managers to prospective clients.

Relationships with Solicitors

Systematic is not a party to agreements with unaffiliated third party solicitors for the solicitation of clients on behalf of Systematic.

As noted above in "Item 10 – Other Financial Industry Activities and Affiliations," Systematic is party to agreements with AMG Affiliates, pursuant to which Systematic pays the AMG Affiliates a fee for services rendered to Systematic to support Systematic's retention of and provision of investment advisory services to clients.

Compensation from Third Parties

Systematic does not receive any monetary compensation or any other economic benefit from a non-client for Systematic's provision of investment advisory services to a client.

Item 15 – Custody

Systematic does not act as a custodian over the assets in the accounts we manage for our clients. Clients must make their own arrangements for custody of securities in their accounts in order to use Systematic's services. Such custodians may be broker/dealers, banks, trust companies, or other qualified institutions. Generally, the qualified custodian should directly provide the client with at least quarterly account statements relating to the assets held within the account managed by Systematic. Each client should carefully review the qualified custodian's statement upon receipt to determine that it completely and accurately states all holdings in the client's account and all account activity over the relevant period. Any discrepancies identified by a client should be immediately

reported to Systematic and the qualified custodian.

In addition to the account statements provided by qualified custodians to our clients, as noted in "Item 13 – Review of Accounts," Systematic also provides account statements to some clients on a monthly or quarterly basis. As such, we encourage those clients to compare the statements provided to them by Systematic against those provided to them by the qualified custodians who hold the assets of their accounts, and to report any questions, concerns, or discrepancies to both Systematic and the qualified custodian promptly. Such questions, concerns, or discrepancies may be communicated to Systematic by writing, e-mailing, or telephoning us using the contact information on the cover page of this Brochure.

Our statements may vary from custodial statements based on accounting procedures, reporting dates, and/or valuation methodologies of certain securities. However, please note that custodian statements reflect the official books and records for the accounts we manage.

Item 16 – Investment Discretion

As noted in "Item 4 – Advisory Business" of this Brochure, Systematic is typically granted discretionary authority by a client at the outset of an advisory relationship to determine the identity and amount of securities to be bought or sold. Where investment discretion has been granted, Systematic manages the client portfolio and generally makes investment decisions without consulting the client as to which securities are bought and sold for the account, the total amount of the securities to be bought and sold, the brokers with whom orders for the purchase or sale of securities are placed for execution, and the price per share and the commission rates at which securities transactions are effected. However, such discretion is exercised in a manner consistent with the stated investment objectives for the particular client account. When selecting securities and determining amounts of securities for purchase or sale, Systematic observes the investment policies, limitations, and restrictions that are applicable to our clients' accounts, as set forth by our clients. In some instances, Systematic's discretionary authority may also be limited by applicable firm-wide legal, risk, and/or regulatory requirements or restrictions. Systematic's discretionary authority may also be limited by directions from a client to have transactions effected through specified brokers or the client's own trading desk, as described more fully in "Item 12 – Brokerage Practices."

Any investment guidelines and restrictions, including amendments, must be provided to Systematic by our clients in writing. A client will typically grant Systematic discretionary authority by executing an investment management agreement, which includes, among other items, a statement giving Systematic authority to invest the assets identified by the client in manner consistent with the investment objectives and limitations delineated by the client and Systematic, and to engage in transactions on a discretionary basis in the client account.

As noted above, some clients place investment guidelines upon their accounts, including social, political, or other restrictions that prohibit certain investments. Systematic may, therefore, advise or take action for some clients that differ from recommendations or actions taken for other clients. Systematic is not obligated to recommend to any or all clients any investments that it may recommend to, or purchase or sell for, certain other clients.

From time to time, Systematic also manages investment advisory accounts not involving discretionary management services such as multi-manager, multi-discipline investment products, and diversified manager allocation products, which include the provision of a model portfolio to another manager. Please see "Item 4 – Advisory Business" and "Item 5 – Fees and Compensation" of this Brochure for information regarding these services.

Class Action Suits and Other Legal Actions

Systematic is not obligated to, and typically does not take any legal action with regard to class

action suits relating to securities purchased by Systematic for its clients. Systematic generally does not have authority to submit claims or elections on behalf of clients in legal proceedings, but may provide a class action or bankruptcy administrator with a client's contact information or a client's legal counsel, master trustee or custodian bank's contact information. Systematic typically provides instructions to custodians and brokers regarding tender offers and rights offerings for securities in client accounts. Systematic does not provide legal advice to clients and, accordingly, does not determine whether a client should join or opt out of any legal proceedings, including bankruptcies or class actions, involving securities held or previously held by the client. Should a client wish to retain legal counsel and/or take action regarding any class action suit proceeding, Systematic will provide the client or the client's legal counsel with information that may be needed upon the client's reasonable request.

Item 17 – Voting Client Securities

Since client accounts may hold stocks or other securities with voting rights, our clients often have the right to cast votes at the corporate issuers' shareholder meetings. However, since shareholders often do not attend shareholder meetings, they have the right to cast their votes by "proxy." In such cases, Systematic's clients will either retain proxy voting authority or delegate it to Systematic. If a client has delegated such authority to the Firm (whether in the client's investment management agreement with Systematic or by other written direction), Systematic will notify both its proxy agent and the client's custodian that Systematic will vote proxies for that client's account.

Systematic will not vote shares unless its agent receives proxy materials on a timely basis from the custodian or brokerage firm. Systematic clients may revoke Systematic's voting authority by providing written notice to Systematic. If a particular client for whom Systematic has investment discretion has not explicitly delegated proxy voting authority to Systematic, Systematic will not vote such client's proxies, and the client will retain the voting authority for its account. In such a case, the client will receive proxy solicitations from the custodian, and the client may contact Systematic with any questions about a particular solicitation at the contact information found on the cover page of this Brochure.

Additionally, voting proxies of issuers in non-U.S. markets may give rise to a number of administrative issues that may prevent Systematic from voting proxies within these jurisdictions. For example, Systematic may receive meeting notices without enough time to fully consider the proxy or after the cut-off date for voting. Other markets may require Systematic to provide local agents with power of attorney prior to implementing Systematic's voting instructions. Although it is Systematic's policy to vote all proxies for securities held in client accounts for which Systematic has voting authority, in the case of non-U.S. issuers, Systematic votes proxies on a best efforts basis.

Where clients have delegated proxy voting authority to Systematic, as an investment adviser and fiduciary of client assets, Systematic has implemented proxy voting policies and procedures intended to protect the value of shareholder investments and designed to reasonably ensure that Systematic votes proxies in a manner which places our clients' interest before those of the Firm. In voting proxies, we seek to both maximize the long-term value of our clients' assets and to cast votes that we believe to be fair and in the best interest of the affected clients.

If a client has delegated proxy voting authority to Systematic, but would nevertheless like to direct our vote on a particular proxy solicitation, the client may contact us at the contact information found on the cover page of this Brochure.

Voting Agent

Systematic has contracted with an independent third-party provider of proxy voting and corporate governance services ("proxy agent")

which specializes in providing a variety of services related to proxy voting. This proxy agent has been retained to conduct proxy research, execute proxy votes, and keep various records necessary for tracking proxy voting materials and proxy voting actions taken for the appropriate client account.

Systematic has adopted the proxy agent's proxy voting policy guidelines as its own and, as such, the proxy agent votes Systematic's clients' proxies (for those client accounts over which it has proxy voting authority) according to those policy guidelines.

Conflicts of Interest

Systematic generally follows the proxy agent's proxy voting guidelines when voting proxies. The adoption of the proxy agent's proxy voting policies, which provide pre-determined policies for voting proxies, was designed to remove conflicts of interest that could affect the outcome of a vote. By adopting these policies, Systematic has essentially removed discretion that Systematic would have otherwise had to determine how to vote proxies in cases where Systematic has a material conflict of interest.

Notwithstanding the appointment of the proxy agent, there may be some instances where Systematic votes proxies. For example, there may be a situation where the proxy agent itself may have a material conflict of interest with respect to a proxy vote that it is voting on Systematic's clients' behalf. In those situations, the proxy agent is obligated to fully or partially abstain from voting the proxy.

Although rare, where Systematic determines to remove voting discretion from the proxy agent, Systematic's Proxy Voting Committee will provide the actual voting recommendation after a review of the vote(s) and based upon the Committee's determination of what is in the best interests of Systematic's clients. Systematic will work to ensure that prior to a vote being made, conflicts of interest are identified and material conflicts are properly addressed such that the proxy may be voted in the best interest of clients.

The proxy agent has policies and procedures in place to mitigate potential conflicts of interest. The proxy agent is obligated to notify Systematic, in advance of voting any proxies, in specific situations where it may have a material conflict of interest with a company whose proxy it is responsible for voting on behalf of a Systematic client. If this situation occurs, the proxy agent will typically follow its procedures regarding conflicts of interest and Systematic will generally follow the same procedures it does for situations where the proxy agent has a material conflict of interest, as described above.

Systematic's Proxy Voting Committee convenes as necessary. Issues reviewed by the Committee may include the consideration of any vote involving a potential conflict of interest, the documentation of the resolution of any conflict of interest, or the consideration of its voting policies and procedures.

Proxy Voting Guidelines

Systematic maintains five sets of proxy voting policies: one based on AFL-CIO polices for Taft-Hartley Plan Sponsors; another for clients with Socially Responsible Investing guidelines; another for Public Plans; another for Catholic or other faith-based entities and the fifth being a General Policy for all other clients, covering U.S. and global proxies. Institutional clients may select which set of proxy policies they wish be used to vote their account's proxies. In instances where the client does not select a voting policy, Systematic will typically apply the General Proxy Voting Policy when voting on behalf of the client.

Systematic receives Proxy Reports generally on a quarterly basis for each institutional account where we have voting authority. These reports are reviewed by Compliance to ensure ballots are received and votes are cast. Systematic also performs a periodic comparison to ensure accounts are linked to the correct voting policy.

Systematic may process certain proxies, or certain proposals within such proxies, without voting, such as by making a decision to abstain from voting or take no action, unless otherwise prohibited by a client's investment guidelines.

Examples include, without limitation, proxies issued by companies that the Firm has decided to sell, proxies issued for securities that the Firm did not select for a client portfolio (such as securities selected by the client or a previous adviser, unsupervised securities held in a client's account, money market securities, or other securities selected by clients or their representatives other than Systematic), or proxies issued by foreign companies that impose burdensome or unreasonable voting, power of attorney, or holding requirements, such as with share blocking.

Systematic also seeks to ensure that, to the extent reasonably feasible, proxies for which it receives ballots in good order and receives timely notice will be voted or otherwise processed (such as through a decision to abstain or take no action). As noted above, Systematic may be unable to vote or otherwise process proxy ballots that are not received in a timely manner due to limitations of the proxy voting system, custodial limitations, or other factors beyond the firm's control. Such ballots may include, without limitation, ballots for securities out on loan under securities lending programs initiated by the client or its custodian, ballots not timely forwarded by a custodian, or ballots that were not received by Systematic firm its proxy voting vendor on a timely basis.

If you would like a copy of Systematic's Proxy Policy, if you would like to review how Systematic voted on a particular security in your account, or if you would like further information on the proxy agent's proxy voting policy guidelines, please contact us using the contact information found on the cover page of this Brochure.

Item 18 – Financial Information

Systematic has no financial condition that impairs our ability to meet our contractual and fiduciary commitments to our clients, and Systematic has not been the subject of a bankruptcy proceeding.

Systematic Financial Management L.P.
Privacy Policy

We recognize our obligation to keep information about our clients secure and confidential. It's important for you to know that we do not sell or share Client Information with marketers outside Systematic Financial Management L.P. ("Systematic"). Systematic carefully manages information among our service providers to provide our clients with better service, more convenience, and to offer benefits to our clients.

This Policy covers Client Information, which means personally identifiable information about a client or a client's current or former relationship with Systematic.

It is Systematic's policy to ensure Client Information is protected, maintained and disposed of in ways that the information is safeguarded from unauthorized uses or disclosures. Systematic will take reasonable measures to dispose of clients' personal information in such a manner that the information cannot be read or reconstructed for unauthorized use. Systematic will determine the appropriate method of disposal on an as needed basis.

Collecting Information

In the course of conducting business with you, we collect and use various types of information to service your accounts, to save you time and money and to better understand your needs.

We collect the following Client Information about you from the following sources:

1. Information you provide to us on applications and contracts and through other means, such as names, addresses and social security or tax-identification numbers, income, occupation and birth date; and
2. Information about client transactions and account experience with Systematic, such as client account balances, investment history, and information about the Firm's communication with our clients, such as account statements, trade confirmations and call activity.

Sharing Information with Third Parties

Systematic typically does not share non-public client information with unaffiliated third parties other than as necessary to carry out the actual performance, or assess the quality, of the investment management services it has been hired to provide. Thus, we may share all types of Client Information with service providers that work for us to provide you with products and services that you may have requested or already have with us. We share only the information needed to provide those services and to provide a good client experience. These service providers may include financial services providers, such as an account's custodian bank, transfer agent, administrator and investment companies and non-financial companies, such as proxy voting service providers and data processing companies. These service providers might assist the Firm, for example, in fulfilling service requests or contractual requirements, processing transactions, maintaining company records, or helping mail account statements and trade confirmations. Systematic may also use such information in the account opening process including conducting anti-money laundering screening. All of these companies act on the Firm's behalf, and are obligated to keep the information that Systematic provides to them confidential, and use the information only to provide the services the Firm has asked them to perform for the Firm or the Firm's clients. Systematic does not sell client information to unaffiliated third parties for marketing purposes.

Disclosing Information in Other Situations

We may also disclose any of the types of Client Information to non-affiliate third parties when permitted or required by law. This may include disclosure in connection with a subpoena or

similar legal process, or an audit or examination. We may also share any of the types of Client Information outside our family of service providers, but only if we have your consent.

Disclosure of Information to Affiliates

As an affiliate of Affiliated Managers Group (AMG), Systematic may also share information about its experiences or transactions with clients or their accounts with AMG. AMG abides by a "No Share" policy whereby this information is not shared with other affiliates or with non-affiliated third parties.

Security of Information is a Priority

Keeping financial information secure is one of our most important responsibilities. We value our clients trust, and we handle information about the Firm's clients with care. Our associates are governed by confidentiality policies requiring confidential treatment of Client Information.

We also limit access to non-public Client Information to those employees and service providers who need to know that information to provide products and services to you or to maintain or service those products or services.

Additionally, we maintain physical, electronic and procedural safeguards that comply with federal standards to protect your non-public, personal Client Information and ensure its integrity and confidentiality.

We continually assess new technology for protecting information and we upgrade our systems when appropriate.

Making Sure Information is Accurate

Keeping the information about client accounts accurate and up-to-date is very important. Systematic provides clients with access to account information through various means, such as account statements. If clients ever find that account information is incomplete, inaccurate or not current, or if there are any other questions, please call or write us at 201-928-1982. The Firm will try to update or correct any erroneous information or investigate any complaint as quickly as possible.

Keeping Up-to-Date with our Privacy Policy

Systematic will provide notice of our Privacy Policy annually, as long as clients maintain an ongoing relationship with Systematic. This Policy may change from time to time.

Item 1 – Cover Page

Form ADV Part 2B

300 Frank W. Burr Boulevard, 7th Floor
Teaneck, NJ 07666
(201) 928-1982
March 28, 2014

Managing Partners & Portfolio Managers

D. Kevin McCreesh, CFA*ǂ
Ronald M. Mushock, CFA*ǂ
Kenneth W. Burgess, CFA*ǂ
Eoin E. Middaugh, CFA*ǂ°

Portfolio Manager

Joseph M. Sharma, CFA*ǂ

Assistant Portfolio Manager
Aman Patel, CFA*
Brian Kostka, CFA

Analysts

Richard Plummer, CFA
W. Ryan Wick, CFA
Tom LaBarbera, Jr., CFA°
Matthew Tangel, CFA
Christopher Lippincott
Jennifer Mulroy
Elizabeth Howell
Christopher Hayes

* Denotes Partner in the Firm
ǂ Denotes investment adviser representative registered with one or more state securities authorities. Additional information about each identified investment adviser representative is available on the Securities and Exchange Commission's website at www.adviserinfo.sec.gov.
° Denotes a business address of 500 Newport Center Drive, Suite 625, Newport Beach, CA 92660.

This Form ADV Part 2B (the "Brochure Supplement") provides information about the individuals referenced on this Cover Page and supplements Systematic Financial Management, LP's ("Systematic's") Form ADV Part 2A (the "Brochure"), which you should have received with, or prior to, the delivery of this supplement. However, if you did not receive the Brochure, or if you have any questions about the contents of this Brochure Supplement, please contact:

Karen. E. Kohler
Chief Operating Officer
Chief Compliance Officer
Systematic Financial Management, LP
300 Frank E. Burr Boulevard
Glenpointe East, 7th Floor
Teaneck, NJ 07666
(201) 708-1678
kkohler@sfmlp.com

SUMMARY OF PROFESSIONAL DESIGNATIONS

Systematic is providing this Summary of Professional Designations to assist you in evaluating our investment professionals' licenses and other professional designations.

CFA (Chartered Financial Analyst): The internationally recognized CFA Institute grants the Chartered Financial Analyst designation (CFA) upon successful completion of three sequential exams, which test practical application of investment knowledge. Charter holders must annually certify their compliance with the CFA's Code of Ethics and Standards of Professional Conduct.

Series 6 License: The Financial Industry Regulatory Authority (FINRA) grants the Series 6 License upon successful completion of the Investment Company/Variable Contracts Products Limited Representative Examination, which tests candidates' knowledge of mutual funds, variable annuities, securities and tax regulations, retirement plans and insurance products.

Series 7 License: The Financial Industry Regulatory Authority (FINRA) grants the Series 7 License upon successful completion of the General Securities Representative Examination, which tests candidates' knowledge of a range of securities and investments.

Series 24 License: The Financial Industry Regulatory Authority (FINRA) grants the Series 24 License upon successful completion of an exam that tests candidates' knowledge of the corporate securities, real estate, investment trusts, trading, customer accounts and regulatory guidelines. The Series 7 License is a prerequisite to obtaining the Series 24 License.

Series 63 License: The Financial Industry Regulatory Authority (FINRA) grants the Series 63 License upon successful completion of Uniform Securities Agent State Law Examination, which tests candidates' knowledge of the Uniform Securities Act and principles of state securities regulation.

Series 65 License: The Financial Industry Regulatory Authority (FINRA) grants the Series 65 License upon successful completion of the Uniform Investment Adviser Law Examination, which tests candidates' knowledge of various laws, regulations and ethics related to providing investment recommendations.

Series 86/87 License: The Financial Industry Regulatory Authority (FINRA) grants the Series 86/87 License upon successful completion of the Research Analyst Qualification Examination, which tests candidates' knowledge, skills and abilities related to the critical job functions of a research analyst.

D. Kevin McCreesh, CFA
Managing Partner, 1996
Chief Investment Officer
Portfolio Manager

Item 2 – Educational Background and Business Experience

Year of Birth: 1961

Education

M.B.A., Drexel University, 1987

B.S., University of Delaware, 1984

Licenses

Series 65

Business Experience

Systematic Financial Management	1996 – Present	
	2004 – Present	Chief Investment Officer
	1996 – 2004	Portfolio Manager
Mitchell Hutchins/Paine Webber	1986 – 1996	Equity Portfolio Manager
International Business Machine	1985 – 1986	Equity Analyst

Item 3 – Disciplinary Information

D. Kevin McCreesh has not been the subject of any applicable legal or disciplinary events.

Item 4 – Other Business Activities

D. Kevin McCreesh is not actively engaged in any other applicable business activities.

Item 5 – Additional Compensation

D. Kevin McCreesh does not receive compensation from any third parties who are not clients as compensation for providing advisory services.

Item 6 – Supervision

Systematic exercises a team approach to investment management, which encourages regular informal peer review. As Chief Investment Officer, Mr. McCreesh does not have a formal supervisor, but rather reports to, and is supervised by, Systematic's Management Committee, which is comprised of all the Managing Partners of Systematic, including those identified on the cover page of this Brochure Supplement. The Management Committee oversees personnel firm-wide and monitors the firm's overall performance. Mr. McCreesh may also confer with his fellow portfolio managers in making investment decisions. In addition, Systematic regularly compares each portfolio strategy's performance, portfolio characteristics and risk attributes to relevant external market indexes to further assess overall portfolio performance.

Chief Operating Officer, Chief Compliance Officer, and Managing Partner, Karen E. Kohler, is a member of the Management Committee which supervises Mr. McCreesh, and may be reached at (201) 928-1982.

Ronald M. Mushock, CFA
Managing Partner, 2005
Portfolio Manager

Item 2 – Educational Background and Business Experience

Year of Birth: 1968

Education

M.B.A., New York University's Stern School of Business, 1996

B.S., Seton Hall University, 1990

Business Experience

Systematic Financial Management	1997 – Present	
	2000 – Present	Portfolio Manager
	1999 – 2000	Assistant Portfolio Manager
	1998 – 1999	Senior Equity Analyst
	1997 – 1998	Equity Analyst
Standard & Poor's Equity Group	1995 – 1997	Fundamental Equity Analyst
CSK Software	1993 – 1995	Financial Applications Specialist
Abel/Noser Corporation	1991 – 1993	Quantitative Equity Analyst

Item 3 – Disciplinary Information

Ronald M. Mushock has not been the subject of any applicable legal or disciplinary events.

Item 4 – Other Business Activities

Ronald M. Mushock is not actively engaged in any other applicable business activities.

Item 5 – Additional Compensation

Ronald M. Mushock does not receive compensation from any third parties who are not clients as compensation for providing advisory services.

Item 6 – Supervision

Systematic exercises a team approach to investment management, which encourages regular informal peer review. Mr. Mushock may confer with his fellow portfolio managers in making investment decisions and is subject to Management Committee oversight. Systematic's Management Committee, which is comprised of all the Managing Partners of Systematic, including those identified on the cover page of this Brochure Supplement, oversees personnel firm-wide and monitors the firm's overall performance. In addition, Systematic regularly compares each portfolio strategy's performance, portfolio characteristics and risk attributes to relevant external market indexes to further assess overall portfolio performance.

Mr. Mushock reports directly to, and is supervised by, D. Kevin McCreesh, Managing Partner & Chief Investment Officer, who may be reached at (201) 928-1982.

Kenneth W. Burgess, CFA
Managing Partner, 1997
Portfolio Manager

Item 2 – Educational Background and Business Experience

Year of Birth: 1970

Education

New Hampshire College

Licenses

Series 65

Business Experience

Systematic Financial Management	1993 – Present	
	1996 – Present	Portfolio Manager
	1995 – 1996	Assistant Portfolio Manager
	1995	Senior Equity Analyst
	1993 – 1995	Equity Analyst

Item 3 – Disciplinary Information

Kenneth W. Burgess has not been the subject of any applicable legal or disciplinary events.

Item 4 – Other Business Activities

Kenneth W. Burgess is not actively engaged in any other applicable business activities.

Item 5 – Additional Compensation

Kenneth W. Burgess does not receive compensation from any third parties who are not clients as compensation for providing advisory services.

Item 6 – Supervision

Systematic exercises a team approach to investment management, which encourages regular informal peer review. Mr. Burgess may confer with his fellow portfolio managers in making investment decisions and is subject to Management Committee oversight. Systematic's Management Committee, which is comprised of all the Managing Partners of Systematic, including those identified on the cover page of this Brochure Supplement, oversees personnel firm-wide and monitors the firm's overall performance. In addition, Systematic regularly compares each portfolio strategy's performance, portfolio characteristics and risk attributes to relevant external market indexes to further assess overall portfolio performance.

Mr. Burgess reports directly to, and is supervised by, D. Kevin McCreesh, Managing Partner & Chief Investment Officer, who may be reached at (201) 928-1982.

Eoin E. Middaugh, CFA
Managing Partner, 2010
Portfolio Manager

Item 2 – Educational Background and Business Experience

Year of Birth: 1975

Education

B.A., Washington State University, 1997

Licenses

Series 7

Series 24

Series 63

Series 65

Business Experience

Systematic Financial Management	2002 – Present	
	2006 – Present	Portfolio Manager
	2002 – 2006	Senior VP, Marketing & Client Service
Wurts & Associates	1997 – 2002	Consultant

Item 3 – Disciplinary Information

Eoin E. Middaugh has not been the subject of any applicable legal or disciplinary events.

Item 4 – Other Business Activities

Eoin E. Middaugh is a registered representative of Managers Distributors, Inc., a limited purpose broker/dealer which is a wholly owned subsidiary of Managers Investment Group, an affiliate of our institutional partner, Affiliated Managers Group, Inc. Mr. Middaugh does not receive compensation for this role, and we do not believe that this role creates a conflict of interest with our clients.

Eoin E. Middaugh is not actively engaged in any other applicable business activities.

Item 5 – Additional Compensation

Eoin E. Middaugh does not receive compensation from any third parties who are not clients as compensation for providing advisory services.

Item 6 – Supervision

Systematic exercises a team approach to investment management, which encourages regular informal peer review. Mr. Middaugh may confer with his fellow portfolio managers in making investment decisions and is subject to Management Committee oversight. Systematic's Management Committee, which is comprised of all the Managing Partners of Systematic, including those identified on the cover page of this Brochure Supplement, oversees personnel firm-wide and monitors the firm's overall performance. In addition, Systematic regularly compares each portfolio strategy's performance, portfolio characteristics and risk attributes to relevant external market indexes to further assess overall portfolio performance.

Mr. Middaugh reports directly to, and is supervised by, D. Kevin McCreesh, Managing Partner & Chief Investment Officer, who may be reached at (201) 928-1982.

Joseph M. Sharma, CFA
Partner, 2011
Portfolio Manager

Item 2 – Educational Background and Business Experience

Year of Birth: 1966

Education

M.B.A., Kelley School of Business at Indiana University, 2000

B.S., Virginia Commonwealth University, 1991

Licenses

Series 65

Business Experience

Systematic Financial Management	2000 – Present	
	2003 – Present	Portfolio Manager
	2002 – 2003	Assistant Portfolio Manager
	2000 – 2002	Senior Equity Analyst
Oxford Financial	1998 – 2000	Senior Analyst
Lamoriello & Co.	1995 – 1998	Director of Research
Merrill Lynch & Co.	1992 – 1995	Financial Consultant

Item 3 – Disciplinary Information

Joseph M. Sharma has not been the subject of any applicable legal or disciplinary events.

Item 4 – Other Business Activities

Joseph M. Sharma is not actively engaged in any other applicable business activities.

Item 5 – Additional Compensation

Joseph M. Sharma does not receive compensation from any third parties who are not clients as compensation for providing advisory services.

Item 6 – Supervision

Systematic exercises a team approach to investment management, which encourages regular informal peer review. Mr. Sharma may confer with his fellow portfolio managers in making investment decisions and is subject to Management Committee oversight. Systematic's Management Committee, which is comprised of all the Managing Partners of Systematic, including those identified on the cover page of this Brochure Supplement, oversees personnel firm-wide and monitors the firm's overall performance. In addition, Systematic regularly compares each portfolio strategy's performance, portfolio characteristics and risk attributes to relevant external market indexes to further assess overall portfolio performance.

Mr. Sharma reports directly to, and is supervised by, D. Kevin McCreesh, Managing Partner & Chief Investment Officer, who may be reached at (201) 928-1982.

Aman Patel, CFA
Partner, 2011
Assistant Portfolio Manager

Item 2 – Educational Background and Business Experience

Year of Birth: 1975

Education

M.B.A., Carnegie Mellon University, 2002

B.A., Rutgers University, 1997

Business Experience

Systematic Financial Management	2002 – Present	
	2009 – Present	Assistant Portfolio Manager
	2007 – 2009	Senior Equity Analyst
	2002 – 2007	Equity Analyst
UBS Warburg	1999 – 2000	Equity Research
Prudential Securities	1998 – 1999	Equity Analyst

Item 3 – Disciplinary Information

Aman Patel has not been the subject of any applicable legal or disciplinary events.

Item 4 – Other Business Activities

Aman Patel is not actively engaged in any other applicable business activities.

Item 5 – Additional Compensation

Aman Patel does not receive compensation from any third parties who are not clients as compensation for providing advisory services.

Item 6 – Supervision

Systematic exercises a team approach to investment management, which encourages regular informal peer review. While the firm's analysts typically focus on specific economic sectors and may frequently work with, and be supervised by, a particular portfolio manager, Mr. Patel may also support a number of portfolio managers who provide supervision, and regularly confers with fellow Systematic analysts. Mr. Patel is also subject to Management Committee oversight. Systematic's Management Committee, which is comprised of all the Managing Partners of Systematic, including those identified on the cover page of this Brochure Supplement, oversees personnel firm-wide and monitors the firm's overall performance. In addition, Systematic regularly compares each sector's performance to relevant external market indexes and utilizes a performance attribution analysis to assess the influence of stock selection on performance.

Mr. Patel reports directly to, and is supervised by, D. Kevin McCreesh, Managing Partner & Chief Investment Officer, who may be reached at (201) 928-1982.

Brian Kostka, CFA
Assistant Portfolio Manager

Item 2 – Educational Background and Business Experience

Year of Birth: 1976

Education

B.S., Boston College, 1999

Business Experience

Systematic Financial Management	2007 – Present	
	2012 – Present	Assistant Portfolio Manager
	2011 – 2012	Senior Equity Analyst
	2007 – 2011	Equity Analyst
Eastbrook Capital	2006 – 2007	Equity Analyst
UBS Investment Research	2004 – 2006	Associate Research Analyst

Item 3 – Disciplinary Information

Brian Kostka has not been the subject of any applicable legal or disciplinary events.

Item 4 – Other Business Activities

Brian Kostka is not actively engaged in any other applicable business activities.

Item 5 – Additional Compensation

Brian Kostka does not receive compensation from any third parties who are not clients as compensation for providing advisory services.

Item 6 – Supervision

Systematic exercises a team approach to investment management, which encourages regular informal peer review. While the firm's analysts typically focus on specific economic sectors and may frequently work with, and be supervised by, a particular portfolio manager, Mr. Kostka may also support a number of portfolio managers who provide supervision, and regularly confers with fellow Systematic analysts. Mr. Kostka is also subject to Management Committee oversight. Systematic's Management Committee, which is comprised of all the Managing Partners of Systematic, including those identified on the cover page of this Brochure Supplement, oversees personnel firm-wide and monitors the firm's overall performance. In addition, Systematic regularly compares each sector's performance to relevant external market indexes and utilizes a performance attribution analysis to assess the influence of stock selection on performance.

Mr. Kostka reports directly to, and is supervised by, D. Kevin McCreesh, Managing Partner & Chief Investment Officer, who may be reached at (201) 928-1982.

Richard Plummer, CFA
Senior Equity Analyst

Item 2 – Educational Background and Business Experience

Year of Birth: 1972

Education

M.B.A., New York University, 2004

B.A., Wesleyan University, 1994

Licenses

Series 6

Series 63

Business Experience

Systematic Financial Management	2004 – Present	
ValueLine	1994 – 2004	Equity Research

Item 3 – Disciplinary Information

Richard Plummer has not been the subject of any applicable legal or disciplinary events.

Item 4 – Other Business Activities

Richard Plummer is a registered representative of Managers Distributors, Inc., a limited purpose broker/dealer which is a wholly owned subsidiary of Managers Investment Group, an affiliate of our institutional partner, Affiliated Managers Group, Inc. Mr. Plummer does not receive compensation for this role, and we do not believe that this role creates a conflict of interest with our clients.

Richard Plummer is not actively engaged in any other applicable business activities.

Item 5 – Additional Compensation

Richard Plummer does not receive compensation from any third parties who are not clients as compensation for providing advisory services.

Item 6 – Supervision

Systematic exercises a team approach to investment management, which encourages regular informal peer review. While the firm's analysts typically focus on specific economic sectors and may frequently work with, and be supervised by, a particular portfolio manager, Mr. Plummer may also support a number of portfolio managers who provide supervision, and regularly confers with fellow Systematic analysts. Mr. Plummer is also subject to Management Committee oversight. Systematic's Management Committee, which is comprised of all the Managing Partners of Systematic, including those identified on the cover page of this Brochure Supplement, oversees personnel firm-wide and monitors the firm's overall performance. In addition, Systematic regularly compares each sector's performance to relevant external market indexes and utilizes a performance attribution analysis to assess the influence of stock selection on performance.

Mr. Plummer reports directly to, and is supervised by, D. Kevin McCreesh, Managing Partner & Chief Investment Officer, who may be reached at (201) 928-1982.

Ryan Wick, CFA
Senior Equity Analyst

Item 2 – Educational Background and Business Experience

Year of Birth: 1970

Education

M.B.A., Columbia Business School, 1999

B.A., Bucknell University, 1993

Business Experience

Systematic Financial Management	2005 – Present	
	2011 – Present	Senior Equity Analyst
	2005 – 2011	Equity Analyst
Axe-Houghton Associates	2002 – 2005	Equity Analyst
ABN AMRO	1999 – 2001	Assoc. Equity Research Analyst

Item 3 – Disciplinary Information

Ryan Wick has not been the subject of any applicable legal or disciplinary events.

Item 4 – Other Business Activities

Ryan Wick is not actively engaged in any other applicable business activities.

Item 5 – Additional Compensation

Ryan Wick does not receive compensation from any third parties who are not clients as compensation for providing advisory services.

Item 6 – Supervision

Systematic exercises a team approach to investment management, which encourages regular informal peer review. While the firm's analysts typically focus on specific economic sectors and may frequently work with, and be supervised by, a particular portfolio manager, Mr. Wick may also support a number of portfolio managers who provide supervision, and regularly confers with fellow Systematic analysts. Mr. Wick is also subject to Management Committee oversight. Systematic's Management Committee, which is comprised of all the Managing Partners of Systematic, including those identified on the cover page of this Brochure Supplement, oversees personnel firm-wide and monitors the firm's overall performance. In addition, Systematic regularly compares each sector's performance to relevant external market indexes and utilizes a performance attribution analysis to assess the influence of stock selection on performance.

Mr. Wick reports directly to, and is supervised by, D. Kevin McCreesh, Managing Partner & Chief Investment Officer, who may be reached at (201) 928-1982.

Tom LaBarbera, Jr., CFA
Equity Analyst

Item 2 – Educational Background and Business Experience

Year of Birth: 1978

Education

B.S., Marist College, 2000

Business Experience

Systematic Financial Management	2005 – Present	
FactSet Research System	2000 – 2005	Consulting/Sales

Item 3 – Disciplinary Information

Tom LaBarbera has not been the subject of any applicable legal or disciplinary events.

Item 4 – Other Business Activities

Tom LaBarbera is not actively engaged in any other applicable business activities.

Item 5 – Additional Compensation

Tom LaBarbera does not receive compensation from any third parties who are not clients as compensation for providing advisory services.

Item 6 – Supervision

Systematic exercises a team approach to investment management, which encourages regular informal peer review. While the firm's analysts typically focus on specific economic sectors and may frequently work with, and be supervised by, a particular portfolio manager, Mr. LaBarbera may also support a number of portfolio managers who provide supervision, and regularly confers with fellow Systematic analysts. Mr. LaBarbera is also subject to Management Committee oversight. Systematic's Management Committee, which is comprised of all the Managing Partners of Systematic, including those identified on the cover page of this Brochure Supplement, oversees personnel firm-wide and monitors the firm's overall performance. In addition, Systematic regularly compares each sector's performance to relevant external market indexes and utilizes a performance attribution analysis to assess the influence of stock selection on performance.

Mr. LaBarbera reports directly to, and is supervised by, D. Kevin McCreesh, Managing Partner & Chief Investment Officer, who may be reached at (201) 928-1982.

Matthew Tangel, CFA
Equity Analyst

Item 2 – Educational Background and Business Experience

Year of Birth: 1983

Education

B.S., Bryant University, 2005

Business Experience

Systematic Financial Management	2008 – Present	
FactSet Research Systems	2005 – 2008	Senior Consultant

Item 3 – Disciplinary Information

Mattew Tangel has not been the subject of any applicable legal or disciplinary events.

Item 4 – Other Business Activities

Mattew Tangel is not actively engaged in any other applicable business activities.

Item 5 – Additional Compensation

Matthew Tangel does not receive compensation from any third parties who are not clients as compensation for providing advisory services.

Item 6 – Supervision

Systematic exercises a team approach to investment management, which encourages regular informal peer review. While the firm's analysts typically focus on specific economic sectors and may frequently work with, and be supervised by, a particular portfolio manager, Mr. Tangel may also support a number of portfolio managers who provide supervision, and regularly confers with fellow Systematic analysts. Mr. Tangel is also subject to Management Committee oversight. Systematic's Management Committee, which is comprised of all the Managing Partners of Systematic, including those identified on the cover page of this Brochure Supplement, oversees personnel firm-wide and monitors the firm's overall performance. In addition, Systematic regularly compares each sector's performance to relevant external market indexes and utilizes a performance attribution analysis to assess the influence of stock selection on performance.

Mr. Tangel reports directly to, and is supervised by, D. Kevin McCreesh, Managing Partner & Chief Investment Officer, who may be reached at (201) 928-1982.

Christopher Lippincott
Equity Analyst

Item 2 – Educational Background and Business Experience

Year of Birth: 1965

Education

M.B.A., Fordham University School of Business, 2002

B.A., Vassar College, 1988

Business Experience

Systematic Financial Management	2008 – Present	
Standard & Poors	2006 – 2008	Senior Equity Analyst
KeyBanc Capital Markets	2000 – 2005	Senior VP/Senior Tech. Analyst
Auerbach, Pollak & Richardson	1998 – 2002	Equity Research Analyst
Alexander Wescott	1996 – 1998	Junior Equity Research Analyst

Item 3 – Disciplinary Information

Christopher Lippincott has not been the subject of any applicable legal or disciplinary events.

Item 4 – Other Business Activities

Christopher Lippincott is not actively engaged in any other applicable business activities.

Item 5 – Additional Compensation

Christopher Lippincott does not receive compensation from any third parties who are not clients as compensation for providing advisory services.

Item 6 – Supervision

Systematic exercises a team approach to investment management, which encourages regular informal peer review. While the firm's analysts typically focus on specific economic sectors and may frequently work with, and be supervised by, a particular portfolio manager, Mr. Lippincot may also support a number of portfolio managers who provide supervision, and regularly confers with fellow Systematic analysts. Mr. Lippincot is also subject to Management Committee oversight. Systematic's Management Committee, which is comprised of all the Managing Partners of Systematic, including those identified on the cover page of this Brochure Supplement, oversees personnel firm-wide and monitors the firm's overall performance. In addition, Systematic regularly compares each sector's performance to relevant external market indexes and utilizes a performance attribution analysis to assess the influence of stock selection on performance.

Mr. Lippincot reports directly to, and is supervised by, D. Kevin McCreesh, Managing Partner & Chief Investment Officer, who may be reached at (201) 928-1982.

Jennifer Mulroy
Equity Analyst

Item 2 – Educational Background and Business Experience

Year of Birth: 1983

Education

B.S., Rensselaer Polytechnic Institute, 2006

Business Experience

Systematic Financial Management	2010 – Present	
SunGard APT	2006 – 2010	Account Manager

Item 3 – Disciplinary Information

Jennifer Mulroy has not been the subject of any applicable legal or disciplinary events.

Item 4 – Other Business Activities

Jennifer Mulroy is not actively engaged in any other applicable business activities.

Item 5 – Additional Compensation

Jennifer Mulroy does not receive compensation from any third parties who are not clients as compensation for providing advisory services.

Item 6 – Supervision

Systematic exercises a team approach to investment management, which encourages regular informal peer review. While the firm's analysts typically focus on specific economic sectors and may frequently work with, and be supervised by, a particular portfolio manager, Ms. Mulroy may also support a number of portfolio managers who provide supervision, and regularly confers with fellow Systematic analysts. Ms. Mulroy is also subject to Management Committee oversight. Systematic's Management Committee, which is comprised of all the Managing Partners of Systematic, including those identified on the cover page of this Brochure Supplement, oversees personnel firm-wide and monitors the firm's overall performance. In addition, Systematic regularly compares each sector's performance to relevant external market indexes and utilizes a performance attribution analysis to assess the influence of stock selection on performance.

Ms. Mulroy reports directly to, and is supervised by, D. Kevin McCreesh, Managing Partner & Chief Investment Officer, who may be reached at (201) 928-1982.

Elizabeth Howell
Equity Analyst

Item 2 – Educational Background and Business Experience

Year of Birth: 1984

Education

B.A., University of Pennsylvania, 2006

Licenses

Series 7

Series 63

Series 86/87

Business Experience

Systematic Financial Management	2013 – Present	
Raymond James	2010 – 2013	Senior Equity Research Associate
Raymond James	2008 – 2010	Equity Research Associate

Item 3 – Disciplinary Information

Elizabeth Howell has not been the subject of any applicable legal or disciplinary events.

Item 4 – Other Business Activities

Elizabeth Howell is not actively engaged in any other applicable business activities.

Item 5 – Additional Compensation

Elizabeth Howell does not receive compensation from any third parties who are not clients as compensation for providing advisory services.

Item 6 – Supervision

Systematic exercises a team approach to investment management, which encourages regular informal peer review. While Ms. Howell may frequently work with, and be supervised by, a particular portfolio manager, she may also support a number of portfolio managers and/or other analysts who provide supervision. Ms. Howell is also subject to Management Committee oversight. Systematic's Management Committee, which is comprised of all the Managing Partners of Systematic, including those identified on the cover page of this Brochure Supplement, oversees personnel firm-wide and monitors the firm's overall performance. In addition, Systematic regularly compares each sector's performance to relevant external market indexes and utilizes a performance attribution analysis to assess the influence of stock selection on performance.

Ms. Howell reports to, and is supervised by, D. Kevin McCreesh, Managing Partner & Chief Investment Officer, who may be reached at (201) 928-1982.

Christopher Hayes
Junior Equity Analyst

Item 2 – Educational Background and Business Experience

Year of Birth: 1987

Education

B.A., Bucknell University, 2009

Business Experience

Systematic Financial Management	2012 – Present	
Bloomberg L.P.	2011 – 2012	Junior Financial Analyst
Waddell & Reed, Inc.	2009 – 2010	Financial Advisor

Item 3 – Disciplinary Information

Christopher Hayes has not been the subject of any applicable legal or disciplinary events.

Item 4 – Other Business Activities

Christopher Hayes is not actively engaged in any other applicable business activities.

Item 5 – Additional Compensation

Christopher Hayes does not receive compensation from any third parties who are not clients as compensation for providing advisory services.

Item 6 – Supervision

Systematic exercises a team approach to investment management, which encourages regular informal peer review. While Mr. Hayes may frequently work with, and be supervised by, a particular portfolio manager, he may also support a number of portfolio managers and/or other analysts who provide supervision. Mr. Hayes is also subject to Management Committee oversight. Systematic's Management Committee, which is comprised of all the Managing Partners of Systematic, including those identified on the cover page of this Brochure Supplement, oversees personnel firm-wide and monitors the firm's overall performance. In addition, Systematic regularly compares each sector's performance to relevant external market indexes and utilizes a performance attribution analysis to assess the influence of stock selection on performance.

Mr. Hayes reports to, and is supervised by, D. Kevin McCreesh, Managing Partner & Chief Investment Officer, who may be reached at (201) 928-1982.