SA FUNDS – Investment Trust

SA U.S. Fixed Income Fund	SA International Value Fund
SA Global Fixed Income Fund	SA International Small Company Fund
SA U.S. Core Market Fund	SA Emerging Markets Value Fund
SA U.S. Value Fund	SA Real Estate Securities Fund
SA U.S. Small Company Fund	SA Worldwide Moderate Growth Fund

(each a *"Fund,"* and collectively, the *"Funds"*)

Supplement dated January 2, 2019 to the
Statement of Additional Information of each Fund,
dated October 29, 2018

This Supplement amends information in the Funds' Statement of Additional Information of the SA Funds – Investment Trust, dated October 29, 2018. You may obtain a copy of the Prospectuses or Statement of Additional Information free of charge, upon request, by calling the toll-free number 1-844-366-0905 or on the Internet at http://www.sa-funds.com.

All Funds

Change in Investment Adviser

All references to LWI Financial Inc. are replaced with BAM Advisor Services, LLC, which since November 30, 2018 has been the investment adviser to the Funds.

The following disclosure replaces the *Investment Adviser and Sub-Adviser* sub-section in its entirety that is located in the *Investment Advisory and Other Services* section of the Statement of Additional Information:

INVESTMENT ADVISER AND SUB-ADVISER

As announced by the Trust on October 15, 2018, Loring Ward Holdings Inc. ("Loring Ward"), the parent company of the Trust's prior investment adviser, LWI Financial Inc., agreed to be acquired by Focus Financial Partners Inc. ("Focus"), a partnership of independent fiduciary wealth management firms that includes The Buckingham Family of Financial Services (the "Transaction"). The Transaction closed on November 30, 2018, at which time Loring Ward merged with an existing Focus subsidiary, BAM, which is part of The Buckingham Family of Financial Services. The closing of the Transaction resulted in a change of control of Loring Ward (the "Change of Control"). Consistent with applicable requirements under the Investment Company Act of 1940, as amended (the "1940 Act"), the Investment Advisory and Administrative Services Agreements between Loring Ward and the Fund (the "Advisory Agreement") and the Investment Sub-Advisory Agreements amongst the Trust, on behalf of each sub-advised Fund, Loring Ward and Dimensional Fund Advisors LP ("DFA" or the "Sub-Adviser") each contained a provision that each agreement would automatically terminate in the event of its "assignment" (as defined in the 1940 Act). The Change of Control caused the assignment of each Advisory and Sub-Advisory Agreement and resulted in the automatic termination of each Advisory and Sub-Advisory Agreement.

The Transaction is not expected to result in any material change in the day-to-day management of the Fund. Loring Ward's business is expected to continue to operate as part of BAM. At an in person meeting on November 2, 2018 (prior to the Change of Control), the Board considered the approval of an interim investment advisory agreement with BAM (the "Interim Advisory Agreement") with respect to the Fund to take effect immediately upon the closing of the Transaction. In reliance upon applicable rules under the 1940 Act, BAM will be permitted to provide investment advisory services to the Fund under the Interim Advisory Agreement for up to 150 days following the closing of the Transaction, and may do so without having received the prior approval of shareholders of the Fund. The terms and conditions of the Interim Advisory Agreement are identical in all material respects to the Advisory Agreement, including the rate of the investment advisory fee for the Fund. The Interim Advisory Agreement may be terminated prior to the completion of its 150 day term, including in the event that shareholders of the Fund approve the New Advisory Agreement (defined below). Should a Fund's shareholders not approve the New Advisory Agreement, with respect to a Fund prior to the expiration of the 150-day term of the Interim Advisory

Agreement, the Board will consider what other action is necessary, appropriate and in the best interests of that Fund and its shareholders under the circumstances.

At its in-person meeting on November 2, 2018, the Board also considered and approved a new investment advisory agreement with BAM (the "New Advisory Agreement") with respect to the Fund. The New Advisory Agreement also needs to be approved by shareholders of the Fund at a special meeting of shareholders anticipated to be held on January 29, 2019, at which the Fund's shareholders will be asked to consider the approval of the New Advisory Agreement (among other items, if any, as described in the proxy statement mailed to shareholders on or about November 30, 2018). The terms and conditions of the New Advisory Agreement are expected to be identical in all material respects to the Advisory Agreement, including the rate of the investment advisory fee for the Fund.

Each New Advisory Agreement, if approved by shareholders, will have an initial term of two years from its effective date with respect to a Fund and continues in effect with respect to such Fund (unless terminated sooner) if its continuance is specifically approved annually by (a) the vote of a majority of the Independent Trustees, cast in person at a meeting called for the purpose of voting on the approval, and (b) either (i) the vote of a majority of the outstanding voting securities of the affected Fund, or (ii) the vote of a majority of the Board of Trustees. Each New Investment Advisory Agreement is terminable with respect to a Fund by a vote of the Board of Trustees or by the holders of a majority of the outstanding voting securities of that Fund, at any time without penalty, on 60 days' written notice to the Adviser. The Adviser may also terminate its advisory relationship with respect to a Fund without penalty on 60 days' written notice to the Trust, as applicable. Each New Investment Advisory Agreement terminates automatically in the event of its assignment (as defined in the 1940 Act).

Allocation Fund

Pursuant to the Interim Advisory Agreement for the Allocation Fund, the Adviser is responsible for the management of all assets of the Allocation Fund, including allocation decisions among the SA Funds in which the Allocation Fund invests.

The management fee for the Allocation Fund has two components: For the advisory services provided, the Allocation Fund is not obligated to pay a management fee for assets invested in the SA Funds, any other investment companies advised or sub-advised by the Adviser, money market funds or held in cash or cash equivalents. For its investment advisory services related to any other assets, the Adviser is entitled to receive from the Allocation Fund a fee computed daily and payable monthly at an annual rate of: 0.25% of the average daily net assets of the Allocation Fund's assets invested in such investments.

The shareholder servicing fee for the Allocation Fund has two components: For the shareholder services provided, the Allocation Fund is not obligated to pay a shareholder servicing fee for assets invested in the SA Funds, any other investment companies advised or sub-advised by the Adviser, money market funds or held in cash or cash equivalents. For its shareholder services related to any other assets, the Adviser is entitled to receive from the Allocation Fund a fee computed daily and payable monthly at an annual rate of: 0.25% of the average daily net assets of the Allocation Fund's assets invested in such investments.

The administration fee for the Allocation Fund has two components: For the administrative services provided, the Allocation Fund is not obligated to pay an administration fee for assets invested in the SA Funds, any other investment companies advised or sub-advised by the Adviser, money market funds or held in cash or cash equivalents. For its administrative services related to any other assets, the Adviser is entitled to receive from the Allocation Fund a fee computed daily and payable monthly at an annual rate of: 0.10% of the average daily net assets of the Allocation Fund's assets invested in such investments.

The Adviser has contractually agreed, pursuant to a Fee Waiver and Expense Reimbursement Letter Agreement (the "Allocation Fund Fee Waiver Agreement"), to waive the fees payable to it under each Interim and New Investment Advisory Agreement for the Allocation Fund and/or to reimburse the operating expenses allocated to the Allocation Fund so that the Allocation Fund's total annual operating expenses (excluding interest, taxes, brokerage commissions, acquired fund fees and expenses and extraordinary expenses) do not exceed the total annual acquired fund fees and expenses related to the Allocation Fund's investments in the SA Funds, any other investment companies advised or sub-advised by the Adviser, or any money market fund. The Allocation Fund Fee Waiver Agreement will remain in effect until July 1, 2025, at which time it may be continued, modified or eliminated and net expenses will be adjusted as necessary.

SA Funds

Pursuant to the Interim Advisory Agreement for the SA Funds, the Adviser supervises and monitors the implementation of the SA Funds' investment programs by the Sub-Adviser. Each Interim Advisory Agreement for the SA Funds became effective on November 30, 2018.

For its investment advisory services to the SA Funds, the Adviser is entitled to receive from each SA Fund a fee computed daily and payable monthly at the annual rate set forth below:

Fund	Annual Fee Rate through Dec. 31, 2017 (as a percentage of average daily net assets)	Effective January 1, 2018 Annual Fee Rate (as a percentage of average daily net assets)
SA U.S. Fixed Income Fund	0.15%	0.15%
SA Global Fixed Income Fund	0.25%	0.25%
SA U.S. Core Market Fund	0.45%	0.40%
SA U.S. Value Fund	0.45%	0.40%
SA U.S. Small Company Fund	0.45%	0.40%
SA International Value Fund	0.50%	0.45%
SA International Small Company Fund	0.50%	0.25%
SA Emerging Markets Value Fund	0.50%	0.45%
SA Real Estate Securities Fund	0.35%	0.35%

At an in person meeting on November 2, 2018, the Board considered and approved interim investment sub-advisory agreements with DFA, the investment sub-adviser to the sub-advised Funds (the "Interim Sub-Advisory Agreement") to take effect immediately upon the closing of the Transaction. In reliance upon applicable rules under the 1940 Act, DFA will be permitted to provide investment advisory services to the relevant Funds under the Interim Sub-Advisory Agreement for up to 150 days following the closing of the Transaction, and may do so without having received the prior approval of shareholders of each relevant Fund. The terms and conditions of the Interim Sub-Advisory Agreement are identical in all material respects to the Investment Sub-Advisory Agreement between DFA and the Trust that was in effect until November 30, 2018, including the rate of the investment sub-advisory fee for each relevant Fund. The Interim Sub-Advisory Agreement may be terminated prior to the completion of its 150 day term, including in the event that shareholders of the Fund approve the New Sub-Advisory Agreement (defined below). Should a Fund's shareholders not approve the New Sub-Advisory Agreement, with respect to a Fund prior to the expiration of the 150-day term of the Interim Sub-Advisory Agreement, the Board will consider what other action is necessary, appropriate and in the best interests of that Fund and its shareholders under the circumstances.

At its in-person meeting on November 2, 2018, the Board also considered and approved a new investment sub-advisory agreement with DFA (the "New Sub-Advisory Agreement") with respect to each sub-advised Fund. The New Sub-Advisory Agreement also needs to be approved by shareholders of each sub-advised Fund at a special meeting of shareholders anticipated to be held on January 29, 2019, at which the relevant Fund's shareholders will be asked to consider the approval of the New Sub-Advisory Agreement (among other items, if any, as described in the proxy statement mailed to shareholders on or about November 30, 2018). The terms and conditions of each New Sub-Advisory Agreement are expected to be identical in all material respects to the Investment Sub-Advisory Agreement between DFA and the Trust that was in effect until November 30, 2018, including the rate of the investment sub-advisory fee for each relevant Fund.

Dimensional Holdings Inc. ("Dimensional Holdings") is the general partner of the Sub-Adviser, and directly and indirectly, owns more than 97% of the partnership interest of the Sub-Adviser. David G. Booth is the Executive Chairman of Dimensional Holdings and may be deemed a controlling person of the Sub-Adviser as a shareholder of more than 25% but less than 50% of Dimensional Holding's outstanding stock.

Each New Sub-Advisory Agreement, if approved by shareholders, will have an initial term of two years from its effective date with respect to a SA Fund and continues in effect with respect to such SA Fund (unless terminated sooner) if its continuance is specifically approved annually by (a) the vote of a majority of the Independent Trustees, cast in person at a meeting called for the purpose of voting on the approval, and (b) either (i) the vote of a majority of the outstanding voting securities of the affected Fund, or (ii) the vote of a majority of the Board of Trustees. The New Sub-Advisory Agreement will be terminable by a vote of the Board of Trustees, or with respect to a SA Fund, by the holders of a majority of the outstanding voting securities

of that Fund, at any time without penalty, on 60 days' written notice to the Sub-Adviser. The Adviser and the Sub-Adviser may also terminate the New Sub-Advisory Agreement as to all SA Funds on not less than one year's written notice to the Trust. The Sub-Advisory Agreement terminates automatically in the event of its assignment (as defined in the 1940 Act).

Under the terms of the Interim Sub-Advisory Agreement, the Sub-Adviser provides sub-advisory services to each SA Fund. Subject to the supervision of the Adviser, the Sub-Adviser is responsible for the management of all assets of the SA Funds, including decisions regarding purchases and sales of portfolio securities by the SA Funds. The Sub-Adviser is also responsible for arranging the execution of portfolio management decisions, including the selection of brokers to execute trades and the negotiation of brokerage commissions in connection therewith.

For the sub-advisory services it provides to each sub-advised Fund (other than SA International Small Company Fund, as further described below), the Sub-Adviser is entitled to a fee computed daily and payable monthly at an annual rate based on each SA Fund's average daily net assets as set forth below. (The Trust pays to the Adviser the fees payable to the Sub-Adviser. The Adviser in turn pays these fees to the Sub-Adviser.) The Sub-Adviser receives investment management fees from the DFA Portfolio in which the SA International Small Company Fund invests for investment management services provided to that DFA Portfolio, as well as investment management fees from the DFA Portfolio's Underlying DFA Funds for investment management services provided to those Underlying DFA Funds. In order to prevent duplication of advisory fees to the Sub-Adviser, the Sub-Adviser has agreed that it will not receive a sub-advisory fee for its services to the SA International Small Company Fund. In addition, the Sub -Adviser will not receive any sub-advisory fee for its sub-advisory services to the SA U.S. Core Market Fund with respect to that Fund's assets invested in the U.S. Micro Cap Portfolio. For its investment management services with respect to the U.S. Micro Cap Portfolio, the Sub-Adviser receives an investment management fee from the U.S. Micro Cap Portfolio.

Fund	Annual Fee Rate through Dec. 31, 2017 (as a percentage of average daily net assets)	Effective January 1, 2018 Annual Fee Rate (as a percentage of average daily net assets)
SA U.S. Fixed Income Fund	0.05%	0.03%
SA Global Fixed Income Fund	0.05%	0.03%
SA U.S. Core Market Fund	0.0462%	0.03%
SA U.S. Value Fund	0.10%	0.10%
SA U.S. Small Company Fund	0.35%	0.25%
SA International Value Fund	0.20%	0.20%
SA Emerging Markets Value Fund	0.50%	0.47%
SA Real Estate Securities Fund	0.15%	0.10%

The following disclosure replaces the first sentence of the *Fee Waiver and Expense Reimbursement* sub-section that is located in the *Investment Advisory and Other Services* section of the Statement of Additional Information.

The Adviser has contractually agreed, pursuant to a Fee Waiver and Expense Reimbursement Letter Agreement (the "SA Funds Fee Waiver Agreement") to waive the fees payable to it under the Interim and New Investment Advisory Agreements and/or to reimburse the operating expenses allocated to a SA Fund to the extent each SA Fund's Investor Class shares' total annual operating expenses (excluding interest, taxes, brokerage commissions, acquired fund fees and expenses, and extraordinary expenses) exceed, in the aggregate, the rate per annum, as set forth below. The SA Funds Fee Waiver Agreement will remain in effect until October 28, 2021, at which time it may be continued, modified or eliminated and net expenses will be adjusted as necessary.

Effective January 1, 2019, the following information supplements and supersedes any contrary information contained in the *Officers of the Trust* section of the Statement of Additional Information:

Name, Address[1] and Year of Birth	Position(s) Held with Trust and Length of Time Served [2]	Principal Occupation(s) During Past 5 Years
Salvatore Papa Year of Birth: 1977	Vice President, Chief Compliance Officer and Anti-Money Laundering Compliance Officer (since January 2019).	General Counsel and Chief Compliance Officer for Buckingham Asset Management and BAM Adviser Services since 2015. Partner and Director for Ascendant Compliance Management, Inc. from 2007-2015.

(1) The address of each officer is: BAM Advisor Services, LLC, 10 Almaden Blvd., 15th Floor, San Jose, CA 95113.
(2) The Trust's officers are appointed annually by the Board.

On page 32, the second paragraph under the table of fees paid to the Adviser, in its capacity as Administrator, is replaced in its entirety with the following:

The following individuals are affiliated persons of the Trust and of the Adviser: Alexander B. Potts, Michael Clinton, Salvatore Papa and Marcy Tsagarakis. The capacities in which each such individual is affiliated with the Trust and the Adviser is set forth above under "Trustees and Officers."

SA Emerging Markets Value Fund

Effective January 1, 2019, Daniel C. Ong is no longer a portfolio manager of the SA Emerging Markets Value Fund.

You should retain this Supplement for future reference.

SA FUNDS – Investment Trust

STATEMENT OF ADDITIONAL INFORMATION

October 29, 2018

Fund	Investor Class Shares Ticker Symbol	Select Class Shares Ticker Symbol
SA U.S. Fixed Income Fund	SAUFX	SAULX
SA Global Fixed Income Fund	SAXIX	SAFLX
SA U.S. Core Market Fund	SAMKX	SAALX
SA U.S. Value Fund	SABTX	SAVLX
SA U.S. Small Company Fund	SAUMX	SASLX
SA International Value Fund	SAHMX	SATLX
SA International Small Company Fund	SAISX	SACLX
SA Emerging Markets Value Fund	SAEMX	SAELX
SA Real Estate Securities Fund	SAREX	SARLX

Fund	Ticker Symbol
SA Worldwide Moderate Growth Fund	SAWMX

This Statement of Additional Information ("SAI") provides supplementary information pertaining to each of the 10 no-load mutual funds listed above (each a "Fund" and together, the "Funds"), which are series of SA Funds - Investment Trust (the "Trust"). This SAI is not a prospectus and should be read only in conjunction with the SA Worldwide Moderate Growth Fund's prospectus dated October 29, 2018 the SA U.S. Fixed Income Fund, SA Global Fixed Income Fund, SA U.S. Core Market Fund, SA U.S. Value Fund, SA U.S. Small Company Fund, SA International Value Fund, SA International Small Company Fund, SA Emerging Markets Value Fund and SA Real Estate Securities Fund's Investor Class prospectus dated October 29, 2018, and the Select Class prospectus dated October 29, 2018 (each, a "Prospectus" and together, the "Prospectuses"). The financial statements and financial highlights for the fiscal year ended June 30, 2018, including the independent registered public accounting firm's report thereon, are included in the Trust's Annual Report and are incorporated herein by reference. Copies of the Prospectuses, Annual Report or Semi-Annual Report may be obtained by calling (844) 366-0905.

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No person has been authorized to give any information or to make any representations not contained in this SAI or in the Prospectuses in connection with the offering made by the Prospectuses, and, if given or made, such information or representations must not be relied upon as having been authorized by the Funds. The Prospectuses do not constitute an offering by the Funds in any jurisdiction in which such offering may not lawfully be made.

HISTORY AND GENERAL INFORMATION

The Trust, a Delaware statutory trust, was organized on June 16, 1998.

The Trust is an open-end, management investment company registered under the Investment Company Act of 1940, as amended (the "1940 Act"). The Trust's Agreement and Declaration of Trust (the "Declaration of Trust") permits the Trust to offer separate portfolios of shares of beneficial interest and different classes of shares. The Trust currently offers Investor Class shares and Select Class shares of beneficial interest, of the following ten separate portfolios (each, a "Fund" and collectively, the "Funds") with the exception of SA Worldwide Moderate Growth Fund, which currently only offers a single share class. The Trust may create additional series and classes from time to time.

SA Worldwide Moderate Growth Fund
(an "Allocation Fund")

SA U.S. Fixed Income Fund
SA Global Fixed Income Fund
SA U.S. Core Market Fund
SA U.S. Value Fund
SA U.S. Small Company Fund
SA International Value Fund
SA International Small Company Fund
SA Emerging Markets Value Fund
SA Real Estate Securities Fund
(each, a "SA Fund" and collectively, the "SA Funds")

LWI Financial Inc. (the "Adviser") serves as the investment adviser to the Funds, and provides administrative and certain other services to each of the Funds.

Dimensional Fund Advisors LP, a Delaware limited partnership ("Dimensional"), serves as the sub-adviser (the "Sub-Adviser") to each of the Funds except the Allocation Fund.

Foreside Financial Services, LLC (the "Distributor") is the distributor of shares of the Funds.

DESCRIPTION OF THE FUNDS AND THEIR INVESTMENTS AND RISKS

INVESTMENT STRATEGIES AND RISKS

The Allocation Fund operates under a "fund of funds" structure, under which the Fund employs different asset allocation strategies by purchasing shares of the SA U.S. Fixed Income Fund, SA Global Fixed Income Fund, SA U.S. Core Market Fund, SA U.S. Value Fund, SA U.S. Small Company Fund, SA International Value Fund, SA Emerging Markets Value Fund, and SA Real Estate Securities Fund in different proportions in accordance with the Allocation Fund's investment objective and strategies set forth in its Prospectus. Purchases by the Allocation Fund of SA Funds receive Select Class shares.

Each of the SA Funds is diversified under the federal securities laws and regulations. Although the Allocation Fund is not diversified, it invests mainly in the SA Funds (except the SA International Small Company Fund).

In general, the investment strategies, investments and risks described below directly apply to the SA Funds. They indirectly apply to the Allocation Fund through its investments in the SA U.S. Fixed Income Fund, SA Global Fixed Income Fund, SA U.S. Core Market Fund, SA U.S. Value Fund, SA U.S. Small Company Fund, SA International Value Fund, SA Emerging Markets Value Fund, and SA Real Estate Securities Fund may apply directly in the event the Allocation Fund engages in such investment strategies or makes such investments directly. Throughout this "Investment Strategies and Risks" section, references to the Adviser refer to the Adviser as adviser to the Allocation Fund and references to the Sub-Adviser refer to the Sub-Adviser as sub-adviser to the SA Funds.

Each Fund's investment objective (goal) is a non-fundamental policy and may be changed without the approval of the Fund's shareholders. There can be no assurance that a Fund will achieve its investment objective (goal).

Borrowing. Each Fund is authorized to borrow money in amounts up to 5% of the value of its total assets at the time of such borrowings for temporary purposes, and is authorized to borrow money in excess of the 5% limit as permitted by the 1940 Act. This borrowing may be unsecured. The Funds do not borrow for investment purposes. The 1940 Act requires the Funds to maintain continuous asset coverage of at least 300% of the amount borrowed. If the 300% asset coverage declines as a result of market fluctuations or other reasons, a Fund may be required to sell some of its portfolio holdings within three days to reduce the debt and restore the 300% asset coverage, even though it may be disadvantageous from an investment standpoint to sell securities at that time. Borrowed funds are subject to interest costs that may or may not be offset by amounts earned on the borrowed funds. A Fund may also be required to maintain minimum average balances in connection with such borrowing or to pay commitment or other fees to maintain a line of credit; either of these requirements would increase the cost of borrowing over the stated interest rate. Each Fund may, in connection with permissible borrowings, transfer as collateral securities it owns.

Cybersecurity Risk. Cybersecurity breaches are either intentional or unintentional events that allow an unauthorized party to gain access to Fund assets, customer data, or proprietary information, or cause a Fund or Fund service provider to suffer data corruption or lose operational functionality. Intentional cybersecurity incidents include: unauthorized access to systems, networks or devices (such as through "hacking" activity), infection from computer viruses or other malicious software code, and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes or website access or functionality. In addition, unintentional incidents can occur, such as the inadvertent release of confidential information.

A cybersecurity breach could result in the loss or theft of customer data or funds, the inability to access electronic systems ("denial of services"), loss or theft of proprietary information or corporate data, physical damage to a computer or network system, or costs associated with system repairs, any of which could have a substantial impact on the Funds. For example, in a denial of service, Fund shareholders could lose access to their electronic accounts indefinitely, and employees of the Adviser or the Funds' other service providers may not be able to access electronic systems to perform critical duties for the Funds, such as trading, net asset value ("NAV") calculation, shareholder accounting, or fulfillment of Fund share purchases and redemptions. Cybersecurity incidents could cause a Fund, the Adviser, or other service provider to incur regulatory penalties, reputational damage, compliance costs associated with corrective measures, or significant financial loss. They may also cause a Fund to violate applicable privacy and other laws. In addition, such incidents could affect issuers in which a Fund invests, thereby causing the Fund's investments to lose value.

The Adviser and its affiliates have established risk management systems that seek to reduce cybersecurity risks, and business continuity plans in the event of a cybersecurity breach. However, there are inherent limitations in such plans, including that certain risks have not been identified, and there is no guarantee that such efforts will succeed, especially since the Adviser does not control the cybersecurity systems of the Funds' third-party service providers (including the Funds' transfer agent and custodian), or those of the issuers of securities in which the Funds invest.

Depositary Receipts. Each Fund (other than SA U.S. Fixed Income Fund and SA Global Fixed Income Fund) may purchase American Depositary Receipts ("ADRs"), which are U.S. dollar-denominated receipts representing shares of foreign-based corporations. The SA International Value Fund, the Underlying DFA Funds (as defined below), SA Emerging Markets Value Fund and the Allocation Fund may also purchase International Depositary Receipts ("IDRs"), European Depositary Receipts ("EDRs"), Global Depositary Receipts ("GDRs"), Non-Voting Depositary Receipts ("NVDRs") and other types of depositary receipts or multi-listed securities. IDRs are receipts typically issued by a foreign bank or trust company evidencing its ownership of the underlying foreign securities. EDRs, which are sometimes called Continental Depositary Receipts, are receipts issued in Europe, typically by foreign banks or trust companies, that evidence ownership of either foreign or domestic underlying securities. GDRs and other types of depositary receipts are typically issued by foreign banks or trust companies, although they also may be issued by U.S. financial institutions, and evidence ownership interests in a security or pool of securities issued by either a foreign or a United States corporation. NVDRs are typically issued by an exchange or its affiliate and do not have voting rights. Depositary receipts are generally subject to the same risks as the foreign securities they evidence or into which they may be converted, including currency risk and risks of foreign investing.

Exchange-Traded Funds. Each Fund may invest in exchange-traded funds ("ETFs") and similarly structured pooled investments for the purpose of gaining exposure to the equity markets while maintaining liquidity. An ETF

is an investment company registered as an open-end management company, unit investment trust or other pooled investment vehicle that generally has a principal investment strategy to track or replicate a desired index, such as a sector, market or global segment. ETFs are primarily passively managed and traded similar to a publicly traded company. The goal of an ETF is to correspond generally to the price and yield performance, before fees and expenses, of its reference index. The risk of not correlating to the index is an additional risk to the investors of ETFs. The share price of an ETF may not track its specified market index, if any, and may trade below its net asset value. An active secondary market in the shares of an ETF may not develop or be maintained and may be halted or interrupted due to actions by its listing exchange, unusual market conditions, or other reasons. When a Fund invests in an ETF, shareholders of the Fund indirectly bear their proportionate share of the ETF's fees and expenses.

Generally, a Fund's investments in other investment companies are subject to statutory limitations in the 1940 Act, as discussed under "Investment Company Securities" below. However, many ETFs have obtained exemptive relief from the U.S. Securities and Exchange Commission ("SEC") to permit other investment companies (such as the Funds) to invest in their shares beyond the statutory limits, subject to certain conditions and pursuant to contractual arrangements between the ETFs and the investing funds. A Fund may rely on these exemptive orders in investing in ETFs.

Foreign Currency Transactions. The Funds will conduct their foreign currency exchange transactions either on a spot (*i.e.*, cash) basis at the spot rate prevailing in the foreign currency exchange market, or through entering into forward contracts to purchase or sell foreign currencies. A foreign currency forward contract ("forward contract") involves an obligation to purchase or sell a specific currency at a future date, which may be any fixed number of days from the date of the contract agreed upon by the parties, at a price set at the time of the contract. These contracts are principally traded in the interbank market conducted directly between currency traders (usually large, commercial banks) and their customers. A forward contract generally has no deposit requirement, and no commissions are charged at any stage for trades. Although foreign exchange dealers do not charge a fee for conversion, they do realize a profit based on the difference (the spread) between the price at which they are buying and selling various currencies.

Each Fund may enter into forward contracts in connection with the management of the foreign currency exposure of its portfolio. When a Fund enters into a contract for the purchase or sale of a security denominated in a foreign currency, it may desire to "lock in" the U.S. dollar price of the security. In addition, a Fund may, from time to time, enter into a forward contract to transfer balances from one currency to another currency. The S.A. Global Fixed Income Fund may also enter into foreign currency forward contracts to hedge against fluctuations in currency exchange rates. This Fund may enter into a forward contract to buy or sell the amount of foreign currency approximating the value of some or all of the portfolio securities quoted or denominated in such foreign currency. The precise matching of the forward contract amounts and the value of the securities involved will not generally be possible since the future value of such securities in foreign currencies will change as a consequence of market movements in the value of those securities between the date the forward contract is entered into and the date it expires. The projection of short-term currency market movement is extremely difficult, and the successful execution of a short-term hedging strategy is highly uncertain. Under normal circumstances, consideration of the prospect for currency parities will be incorporated into the longer-term investment decisions made with regard to overall diversification strategies. However, the Adviser and Sub-Adviser each believe that it is important to have the flexibility to enter into such forward contracts when it determines that the best interests of a Fund will be served.

Each Fund may enter into forward contracts for any other purpose consistent with its investment objective and program. No Fund will enter into a forward contract, or maintain exposure to any such contract, if the amount of the foreign currency required to be delivered thereunder would exceed the Fund's holdings of liquid securities and currency available for cover of the forward contract(s). In determining the amount to be delivered under a forward contract, a Fund may net offsetting positions.

At the maturity of a forward contract used for hedging purposes, a Fund may sell the portfolio security and make delivery of the foreign currency, or it may retain the security and either extend the maturity of the forward contract (by "rolling" that contract forward) or initiate a new forward contract.

If a Fund enters into a forward contract transaction, the Fund will realize a gain or a loss (as described below) to the extent that there has been movement in foreign exchange prices since the time the contract was entered into. Should a foreign currency depreciate during the period between a Fund's entering into a forward contract for the sale of the foreign currency, the Fund will realize a gain. Should a foreign currency appreciate during that period, the Fund will suffer a loss.

A Fund's dealing in forward contracts will generally be limited to the transactions described above. However, each Fund reserves the right to enter into forward contracts for different purposes and under different circumstances. Of course, no Fund is required to enter into forward contracts with regard to its foreign currency denominated securities or will do so unless deemed appropriate by the Adviser or Sub-Adviser. It also should be noted that this method of hedging against a decline in the value of a currency does not eliminate fluctuations in the underlying prices of the securities. It simply establishes a rate of exchange at a future date. Not all of the notional amount of currency exposure may be hedged at any given time. Additionally, although forward contracts tend to minimize the risk of loss due to a decline in the value of the hedged currency, at the same time, they tend to limit any potential gain that might result from an increase in the value of that currency.

Although each Fund values its assets daily in terms of U.S. dollars, it does not intend to convert its holdings of foreign currencies into U.S. dollars on a daily basis. It may do so from time to time, however, and investors should be aware of the costs of currency conversion. Although foreign exchange dealers do not charge a fee for conversion, they do realize a profit based on the difference (the "spread") between the prices at which they are buying and selling various currencies. Thus, a dealer may offer to sell a foreign currency to a Fund at one rate, while offering a lesser rate of exchange should the Fund desire to resell that currency to the dealer.

The federal tax treatment of a Fund's investments in forward contracts is discussed in the section entitled "Taxes – Taxation of other Fund Investments – Hedging Transactions."

Foreign Securities. The SA Global Fixed Income Fund, SA International Small Company Fund, SA International Value Fund, SA Emerging Markets Value Fund and the Allocation Fund may invest directly or indirectly in foreign securities. Investors should consider carefully the substantial risks involved in securities of companies and governments of foreign nations, which are in addition to the usual risks inherent in domestic investments.

There may be less publicly available information about foreign companies comparable to the reports and ratings published about companies in the United States. Foreign companies are not generally subject to uniform accounting, auditing and financial reporting standards, and auditing practices and requirements may not be comparable to those applicable to U.S. companies. Foreign markets have substantially less volume than U.S. markets, and securities of some foreign companies are less liquid and more volatile than securities of comparable U.S. companies. In many foreign countries, there is less government supervision and regulation of stock exchanges, brokers, and listed companies than in the United States.

The Adviser and Sub-Adviser each endeavor to buy and sell foreign currencies on as favorable a basis as practicable; however, price spreads on currency exchange will be incurred each time currencies are sold or bought including when a Fund changes investments from one country to another or when proceeds of the sale of Fund shares in U.S. dollars are used for the purchase of securities in foreign countries. Also, some countries may adopt policies that would withhold portions of interest and dividends at the source or prevent a Fund from transferring cash out of the country. There is the possibility of expropriation, nationalization or confiscatory taxation, withholding and other foreign taxes on income or other amounts, foreign exchange controls (which may include suspension of the ability to transfer currency from a given country), default in foreign government securities, political or social instability or diplomatic developments that could affect investments in securities of issuers in foreign nations.

Foreign securities markets have different clearance and settlement procedures, and in certain markets there have been times when settlements have been unable to keep pace with the volume of securities transactions, making it difficult to conduct such transactions. Delays in settlement could result in temporary periods when assets of a Fund are uninvested and no return is earned thereon. The inability of a Fund to make intended security purchases due to settlement problems could cause the Fund to miss attractive investment opportunities. Inability to dispose of portfolio securities due to settlement problems could result in losses to a Fund due to subsequent declines in value of the portfolio security or, if the Fund has entered into a contract to sell the security, could result in possible liability to the purchaser.

A Fund may be affected either unfavorably or favorably by fluctuations in the relative rates of exchange between the currencies of different nations, by exchange control regulations and by indigenous economic and political developments. Changes in foreign currency exchange rates will influence values within a Fund from the perspective of U.S. investors and may also affect the value of dividends and interest earned, gains and losses realized on the sale of securities, and net investment income and gains, if any, to be distributed to its shareholders by a Fund. The exchange rate between the U.S. dollar and other currencies is determined by the forces of supply and demand in the foreign exchange markets. These forces are affected by the international balance of payments and other economic and financial conditions, government intervention, speculation and other factors.

Futures Contracts and Options on Futures Contracts. The Funds may purchase or sell futures contracts and options on futures contracts to gain market exposure on their uninvested cash pending investment in securities or to maintain liquidity to pay redemptions or purchase or sell futures contracts or options on futures contracts for equity securities and indices of its approved markets or other equity market securities or indices. The Funds, however, do not intend to sell futures contracts to establish short positions in individual securities or to use derivatives for purposes of speculation or leveraging investment returns. Futures contracts provide for the future sale by one party and purchase by another party of a specified amount of defined securities at a specified future time and at a specified price. Futures contracts that are standardized as to maturity date and underlying financial instrument are traded on national futures exchanges. A Fund will be required to make a margin deposit in cash or government securities with a broker or custodian to initiate and maintain positions in futures contracts. Initial margin requirements are established by the futures exchange, and brokers may establish margin requirements that are higher than the exchange requirements. After a futures contract position is opened, the value of the contract is marked to market daily. If the futures contract price changes, to the extent that the margin on deposit does not satisfy margin requirements, payment of additional "variation" margin will be required. Conversely, changes in the contract value could reduce the required margin, resulting in a repayment of excess margin to a Fund. Variation margin payments are made to and from the futures broker for as long as the contract remains open. The Funds expect to earn income on their margin deposits. Pursuant to published positions of the SEC, the Funds may be required to identify liquid assets, such as cash or liquid securities (or, as permitted under applicable regulations, enter into offsetting positions), in an account maintained with the Funds' custodian in connection with their futures contract transactions in order to cover their obligations with respect to such contracts.

Positions in futures contracts may be closed out only on an exchange that provides a secondary market. However, there can be no assurance that a liquid secondary market will exist for any particular futures contract at any specific time. Therefore, it may not be possible to close a futures position and, in the event of adverse price movements, a Fund would continue to be required to make variation margin deposits. In such circumstances, if a Fund has insufficient cash, it may have to sell portfolio securities to meet daily margin requirements at a time when it may be disadvantageous to do so. Management intends to minimize the possibility that it will be unable to close out a futures contract by only entering into futures contracts that are traded on national futures exchanges and for which there appears to be a liquid secondary market.

A Fund may purchase and sell options on the same types of futures in which it may invest.

Options on futures are similar to options on underlying instruments except that options on futures give the purchaser the right, in return for the premium paid, to assume a position in a futures contract (a long position if the option is a call and a short position if the option is a put), rather than to purchase or sell the futures contract, at a specified exercise price at any time during the period of the option. Upon exercise of the option, the delivery of the futures position by the writer of the option to the holder of the option will be accompanied by the delivery of the accumulated balance in the option writer's futures margin account that represents the amount by which the market price of the futures contract, at exercise, exceeds (in the case of a call) or is less than (in the case of a put) the exercise price of the option on the futures contract. Purchasers of options who fail to exercise their options prior to the exercise date suffer a loss of the premium paid.

As an alternative to writing or purchasing call and put options on stock index futures, a Fund may write or purchase call and put options on stock indices. Such options would be used in a manner similar to the use of options on futures contracts.

Special Risks of Transactions in Options on Futures Contracts. The risks described above for futures contracts are substantially similar to the risks of using options on futures. In addition, where a Fund seeks to close out an option position by writing or buying an offsetting option covering the same underlying instrument, index or contract and having the same exercise price and expiration date, its ability to establish and close out positions on such options will be subject to the maintenance of a liquid secondary market. Reasons for the absence of a liquid secondary market on an exchange include the following: (i) there may be insufficient trading interest in certain options, (ii) restrictions may be imposed by an exchange on opening transactions or closing transactions or both, (iii) trading halts, suspensions or other restrictions may be imposed with respect to particular classes or series of options, or underlying instruments, (iv) unusual or unforeseen circumstances may interrupt normal operations on an exchange, (v) the facilities of an exchange or a clearing corporation may not at all times be adequate to handle current trading volume, or (vi) one or more exchanges could, for economic or other reasons, decide or be compelled at some future date to discontinue the trading of options (or a particular class or series of options), in which event the secondary market on that exchange (or in the class or series of options) would cease to exist, although outstanding options on the exchange that had been issued by a clearing corporation as a result of trades on that exchange would continue to be exercisable in accordance with their terms. There is no assurance that higher than anticipated trading activity or other unforeseen events will not, at times, render certain of the facilities of any of the clearing corporations inadequate and thereby result in the institution by an exchange of special procedures that may interfere with the timely execution of customers' orders.

Additional Futures and Options Contracts. Although the Funds have no current intention of engaging in futures or options transactions other than those described above, they reserve the right to do so. Such futures and options trading may involve risks that differ from those involved in the futures and options described above.

Illiquid Securities. Each Fund may invest up to 15% of the value of its net assets (determined at the time of acquisition) in securities that are illiquid, in conformance with applicable SEC rules and guidance. Illiquid securities generally include securities for which there is a limited trading market, repurchase agreements and time deposits with notice/termination dates in excess of seven days, and certain securities that are subject to trading restrictions because they are not registered under the Securities Act of 1933, as amended (the "1933 Act"). In the event that the value of a Fund's aggregate holdings of illiquid securities exceeds the applicable percentage limit of the Fund's net assets, the Fund will take steps necessary within a reasonable period of time to reduce the value of illiquid securities the Fund holds to less than the applicable percentage limit.

A Fund may invest in commercial obligations issued in reliance on the "private placement" exemption from registration afforded by Section 4(2) of the 1933 Act ("Section 4(2) paper"). A Fund may also purchase securities that are not registered under the 1933 Act but that can be sold to qualified institutional buyers in accordance with Rule 144A under the 1933 Act ("Rule 144A securities"). Section 4(2) paper is restricted as to disposition under the U.S. federal securities laws and generally is sold to institutional investors who agree that they are purchasing the paper for investment and not with a view to public distribution. Any resale by the purchaser must be in an exempt transaction. Section 4(2) paper normally is resold to other institutional investors through or with the assistance of the issuer or investment dealers that make a market in Section 4(2) paper, thus providing liquidity. Rule 144A securities generally must be sold only to other qualified institutional buyers. If a particular investment in Section 4(2) paper or Rule 144A securities is not determined to be liquid, that investment will be included within the Fund's limitation on investment in illiquid securities. The Adviser or Sub-Adviser will determine the liquidity of such investments for the relevant Fund(s) pursuant to guidelines established by the Trust's Board of Trustees (the "Board of Trustees" or "Board"). It is possible that unregistered securities purchased by a Fund in reliance upon Rule 144A could have the effect of increasing the level of the Fund's illiquidity to the extent that the interest of qualified institutional buyers in purchasing these securities declines for a period.

Investment Company Securities. Each Fund may invest in the securities of other investment companies, including ETFs, to the extent permitted under the 1940 Act and the rules, regulations, and exemptive orders thereunder. Investment company securities are securities of other open-end or closed-end investment companies, ETFs or unit investment trusts. Generally, a Fund's investments in other investment companies are subject to statutory limitations in the 1940 Act, including in certain circumstances a prohibition against acquiring shares of another investment company if, immediately after such acquisition, the Fund and any companies it controls (i) would hold more than 3% of such other investment company's total outstanding voting shares, (ii) would have invested more than 5% of its total assets in such other investment company, or (iii) would have invested in the aggregate more than 10% of its total assets in investment companies. However, there are statutory and regulatory exemptions from these restrictions under the 1940 Act on which a Fund may rely to invest in other

investment companies in excess of these limits, subject to certain conditions. Each Fund (other than SA International Small Company Fund and the Allocation Fund) currently intends to limit its investments in securities issued by other investment companies (excluding money market funds) within these statutory limitations. The SA International Small Company Fund and the Allocation Fund invest substantially all of their assets in the securities of other investment companies in reliance on exemptions under the 1940 Act that allow each of them to invest in other investment companies in excess of the limits described above. Investing in other investment companies involves substantially the same risks as investing directly in the underlying instruments, but the total return on such investments at the acquiring investment company level may be reduced by the operating expenses and fees of the acquired investment companies, including advisory fees. In addition, certain types of investment companies, such as closed-end investment companies and ETFs, may trade on a stock exchange or over the counter at a premium or a discount to their net asset value per share. Such a premium or discount may impact the performance of the Fund's investment. Further, the securities of closed-end funds may be leveraged. As a result, a Fund may be indirectly exposed to leverage through an investment in such securities. An investment in securities of closed-end funds that use leverage may expose a Fund to higher volatility in the market value of such securities and the possibility that the Fund's long-term returns on such securities will be diminished.

Lending of Portfolio Securities. To enhance the return on its portfolio, each Fund may lend up to $33^{1/3}$% of its total assets to securities firms and financial institutions. Each loan will be secured continuously by collateral in the form of cash and/or securities issued or guaranteed by the U.S. government, its agencies or instrumentalities or such other collateral as may be agreed to in writing by the Funds and the securities lending agent from time to time. Depending on the type of securities loaned, a Fund will receive initial collateral valued at 100%, 102% or 105% of the market value of the loaned securities. The value of the collateral will be monitored on a daily basis, and the borrower of the securities will be required to deliver additional collateral if the market value of the collateral is less than a specified minimum percentage (in the range of 100% to 105%, depending on the type of securities loaned) of the market value of the loan. The borrower pays to the lending Fund an amount equal to any interest, dividends or other distributions received on loaned securities. The Fund retains a portion of the interest received on the investment of cash collateral and/or receives a fee from the borrower; however, the lending Fund may pay certain administrative and custodial fees in connection with each loan.

Each Fund has a right to recall a loan at any time. The Fund does not have the right to vote securities while they are on loan, but the Fund may, in its discretion, recall a loan in anticipation of voting those proxies that the Fund has determined are material to its interests.

The risk in lending portfolio securities, as with other extensions of credit, consists of the possibility of loss to a Fund due to (i) the inability of the borrower to return the securities, (ii) a delay in receiving additional collateral to adequately cover any fluctuations in the value of securities on loan, (iii) a delay in recovery of the securities, or (iv) the loss of rights in the collateral should the borrower fail financially. In addition, each Fund is responsible for any loss that might result from its investment of the borrower's collateral.

The Board of Trustees has appointed State Street Bank and Trust Company as securities lending agent for the Funds' securities lending activity. The securities lending agent maintains a list of broker-dealers, banks or other institutions that it has determined to be creditworthy. The Funds will only enter into loan arrangements with borrowers on this list.

Money Market Instruments. Each Fund may invest from time to time in "money market instruments," a term that includes, among other instruments, bank obligations, commercial paper, variable amount master demand notes and corporate bonds with remaining maturities of 397 days or less.

Bank obligations include bankers' acceptances, negotiable certificates of deposit and non-negotiable time deposits, including U.S. dollar-denominated instruments issued or supported by the credit of U.S. or foreign banks or savings institutions. Although the Funds will invest in obligations of foreign banks or foreign branches of U.S. banks only where the Adviser or Sub-Adviser deems the instrument to present minimal credit risks, such investments may nevertheless entail risks that are different from those of investments in domestic obligations of U.S. banks due to differences in political, regulatory and economic systems and conditions. All investments in bank obligations are limited to the obligations of financial institutions having more than $1 billion in total assets at the time of purchase.

The Funds may also purchase variable amount master demand notes, which are unsecured instruments that permit the indebtedness thereunder to vary and provide for periodic adjustments in the interest rate. Although the notes are not normally traded and there may be no secondary market in the notes, a Fund may demand payment of the principal of the instrument at any time. The notes are not typically rated by credit rating agencies, but issuers of variable amount master demand notes must satisfy the same criteria as set forth above for issuers of commercial paper. If an issuer of a variable amount master demand note defaults on its payment obligation, a Fund might be unable to dispose of the note because of the absence of a secondary market and might, for this or other reasons, suffer a loss to the extent of the default. The Funds invest in variable amount master notes only when the Adviser or Sub-Adviser deems the investment to involve minimal credit risk.

Mortgage-Backed Securities. The SA U.S. Fixed Income Fund and SA Global Fixed Income Fund may each invest in mortgage-backed securities. Mortgage-backed securities represent direct or indirect participations in, or are secured by and payable from, pools of mortgage loans. Those securities may be guaranteed by a U.S. government agency or instrumentality (such as Government National Mortgage Association ("Ginnie Mae")) or may be issued and guaranteed by a government-sponsored stockholder-owned corporation, though not backed by the full faith and credit of the United States (such as Federal National Mortgage Association ("Fannie Mae") or Federal Home Loan Mortgage Corporation ("Freddie Mac"), as described in greater detail below). There can be no assurance that the U.S. government will provide financial support to its agencies or instrumentalities where it is not obliged to do so. Mortgage-backed securities may also be issued by fully private issuers. Private issuers are generally originators of and investors in mortgage loans and include savings associations, mortgage bankers, commercial banks, investment bankers and special purpose entities. Private mortgage-backed securities may be backed by U.S. government agency supported mortgage loans or some form of non-governmental credit enhancement.

Government-related guarantors (*i.e.*, not backed by the full faith and credit of the U.S. government) include Fannie Mae and Freddie Mac. Fannie Mae is a government-sponsored corporation owned by stockholders. It is subject to general regulation by the Federal Housing Finance Authority ("FHFA"). Fannie Mae purchases residential mortgages from a list of approved seller/servicers that include state and federally chartered savings and loan associations, mutual savings banks, commercial banks, credit unions and mortgage bankers. Fannie Mae guarantees the timely payment of principal and interest on pass-through securities that it issues, but those securities are not backed by the full faith and credit of the U.S. government.

Freddie Mac is a government-sponsored corporation formerly owned by the twelve Federal Home Loan Banks and now owned by stockholders. Freddie Mac issues Participation Certificates ("PCs"), which represent interests in mortgages from Freddie Mac's national portfolio. Freddie Mac guarantees the timely payment of interest and ultimate collection of principal on the PCs it issues, but those PCs are not backed by the full faith and credit of the U.S. government.

Mortgage-backed securities may have either fixed or adjustable interest rates. Mortgage-backed securities are subject to prepayment risk, which is the risk that during periods of falling interest rates, an issuer of mortgages and other securities may be able to repay principal prior to the security's maturity, causing a Fund to have to reinvest in securities with a lower yield, which in turn results in a decline to the Fund's income. Because many mortgages are repaid early, the actual maturity and duration of mortgage-backed securities are typically shorter than their stated final maturity and their duration calculated solely on the basis of the stated life and payment schedule. In calculating its dollar-weighted average maturity and duration, a Fund may apply certain industry conventions regarding the maturity and duration of mortgage-backed instruments. If this determination is not borne out in practice, it could positively or negatively affect the value of a Fund when market interest rates change. Mortgage-backed securities are also subject to extension risk, which is the risk that when interest rates rise, certain mortgage-backed securities will be paid off substantially more slowly than originally anticipated, and the value of those securities may fall sharply, resulting in a decline to the Fund's income.

Because of prepayment and extension risk, mortgage-backed securities react differently to changes in interest rates than other bonds. Small movements in interest rates (both increases and decreases) may quickly and significantly reduce the value of certain mortgage-backed securities. Tax or regulatory changes may also adversely affect the mortgage securities market. In addition, changes in the market's perception of the issuer may affect the value of mortgage-backed securities.

Mortgage-backed securities may be issued in the form of collateralized mortgage obligations ("CMOs") or collateralized mortgage-backed bonds ("CBOs"). CMOs are obligations that are fully collateralized, directly or indirectly, by a pool of mortgages; payments of principal and interest on the mortgages are passed through to the

holders of the CMOs, although not necessarily on a pro rata basis, on the same schedule as they are received. CBOs are general obligations of the issuer that are fully collateralized, directly or indirectly, by a pool of mortgages. The mortgages serve as collateral for the issuer's payment obligations on the bonds, but interest and principal payments on the mortgages are not passed through either directly (as with mortgage-backed "pass-through" securities issued or guaranteed by U.S. government agencies or instrumentalities) or on a modified basis (as with CMOs). Accordingly, a change in the rate of prepayments on the pool of mortgages could change the effective maturity or the duration of a CMO but not that of a CBO (although, like many bonds, CBOs may be callable by the issuer prior to maturity). To the extent that rising interest rates cause prepayments to occur at a slower than expected rate, a CMO could be converted into a longer-term security that is subject to greater risk of price volatility.

Governmental, government-related, and private entities (such as commercial banks, savings institutions, private mortgage insurance companies, mortgage bankers, and other secondary market issuers, including securities broker-dealers and special purpose entities that generally are affiliates of the foregoing established to issue such securities) may create mortgage loan pools to back CMOs and CBOs. Such issuers may be the originators and/or servicers of the underlying mortgage loans, as well as the guarantors of the mortgage-backed securities. Pools created by non-governmental issuers generally offer a higher rate of interest than governmental and government-related pools because of the absence of direct or indirect government or agency guarantees. Various forms of insurance or guarantees, including individual loan, title, pool, and hazard insurance and letters of credit, may support timely payment of interest and principal of non-governmental pools. Governmental entities, private insurers, and mortgage poolers issue these forms of insurance and guarantees. The Manager considers such insurance and guarantees, as well as the creditworthiness of the issuers thereof, in determining whether a mortgage-backed security meets the Fund's investment quality standards. There can be no assurance that private insurers or guarantors can meet their obligations under insurance policies or guarantee arrangements. The Fund may buy mortgage-backed securities without insurance or guarantees, if the Manager determines that the securities meet the Fund's quality standards. The Manager will, consistent with the Fund's investment objective, policies and limitations and quality standards, consider making investments in new types of mortgage-backed securities as such securities are developed and offered to investors.

The U.S. Treasury historically has had the authority to purchase obligations of Fannie Mae and Freddie Mac (collectively, the "GSEs"). However, in 2008, due to capitalization concerns, Congress provided the U.S. Treasury with additional authority to lend the GSEs emergency funds and to purchase their stock. In September 2008, those capital concerns led the U.S. Treasury and the FHFA to announce that the GSEs had been placed in conservatorship. Since that time, the GSEs have received significant capital support through U.S. Treasury preferred stock purchases as well as U.S. Treasury and Federal Reserve purchases of their mortgage backed securities ("MBS"). While the MBS purchase programs ended in 2010, the U.S. Treasury announced in December 2009 that it would continue its support for the entities' capital as necessary to prevent a negative net worth. Since 2010, the U.S. Treasury has provided such support, however, no assurance can be given that the U.S. government will continue to provide support to GSEs, and these entities' securities are neither issued nor guaranteed by the U.S. Treasury. Accordingly, no assurance can be given that the GSEs will continue to be successful in meeting their obligations with respect to the debt and MBS they issue.

Non-Domestic Bank Obligations. The SA U.S. Fixed Income Fund, SA Global Fixed Income Fund and the Allocation Fund may each invest in non-domestic bank obligations. The SA Global Fixed Income Fund may invest in Eurodollar Certificates of Deposit, which are U.S. dollar-denominated certificates of deposit issued by offices of foreign and domestic banks located outside the United States; Eurodollar Time Deposits ("ETDs"), which are U.S. dollar-denominated deposits in a foreign branch of a U.S. bank or a foreign bank; Canadian Time Deposits, which are essentially the same as ETDs except that they are issued by Canadian offices of major Canadian banks; and Schedule Bs, which are obligations issued by Canadian branches of foreign or domestic banks. The SA U.S. Fixed Income Fund and SA Global Fixed Income Fund may each invest in Yankee Certificates of Deposit, which are U.S. dollar-denominated certificates of deposit issued by a U.S. branch of a foreign bank and held in the United States; and Yankee Bankers' Acceptances, which are U.S. dollar-denominated bankers' acceptances issued by a U.S. branch of a foreign bank and held in the United States. Eurodollar and Yankee dollar obligations are subject to the same risks that pertain to domestic issues; notably credit risk, market risk and liquidity risk. Eurodollar and Yankee dollar obligations may also be subject to certain sovereign risks, including the possibility that a sovereign country might prevent capital from flowing across its borders. Other risks include adverse political and economic developments; changes in the extent and quality of government regulation of financial markets and institutions; the imposition of foreign withholding taxes; and the expropriation or nationalization of foreign issuers.

Real Estate Investments. The SA Real Estate Securities Fund and the Allocation Fund may invest in securities issued by real estate companies. In addition to the risks associated with investing in equity securities, investments in real estate companies are also subject to the risks associated with the direct ownership of real estate. These risks include declines in the value of real estate, risks associated with general and local economic conditions, possible lack of availability of mortgage funds, overbuilding, extended vacancies of properties, increased competition, increases in property taxes and operating expenses, changes in zoning laws, losses due to costs resulting from the clean-up of environmental problems, liability to third parties for damages resulting from environmental problems, casualty or condemnation losses, limitations on rents, changes in neighborhood values and the appeal of properties to tenants and changes in interest rates. In addition, certain real estate valuations, including residential real estate values, are influenced by market sentiments, which can change rapidly and could result in a sharp downward adjustment from current valuation levels.

Real estate-related instruments include securities of real estate investment trusts ("REITs"), commercial and residential mortgage-backed securities, and real estate financings. Those instruments are sensitive to factors such as real estate values and property taxes, interest rates, cash flow of underlying real estate assets, overbuilding and the issuer's management skill and creditworthiness. Real estate-related instruments also may be affected by tax and regulatory requirements, such as those relating to the environment.

REITs are sometimes informally characterized as equity REITs, mortgage REITs and hybrid REITs. An equity REIT invests primarily in the fee ownership or leasehold ownership of land and buildings, and derives its income primarily from rental income. An equity REIT may also realize capital gains (or losses) by selling real estate properties in its portfolio that have appreciated (or depreciated) in value. A mortgage REIT invests primarily in mortgages on real estate, which may secure construction, development or long-term loans, and derives its income primarily from interest payments on the credit it has extended. A hybrid REIT combines the characteristics of equity REITs and mortgage REITs, generally by holding both ownership interests and mortgage interests in real estate.

REITs (especially mortgage REITs) are subject to interest rate risk. Rising interest rates may cause REIT investors to demand a higher annual yield, which may, in turn, cause a decline in the market price of the equity securities issued by a REIT. Rising interest rates also generally increase the costs of obtaining financing, which could cause the value of a Fund's REIT investments to decline. During periods when interest rates are declining, mortgages are often refinanced. Refinancing may reduce the yield on investments in mortgage REITs. In addition, because mortgage REITs depend on payment under their mortgage loans and leases to generate cash to make distributions to their shareholders, investments in such REITs may be adversely affected by defaults on such mortgage loans or leases.

REITs are dependent on management skill, are not diversified, and are subject to heavy cash flow dependency, defaults by borrowers, self-liquidation, and the possibility of failing to qualify for conduit income tax treatment under the Internal Revenue Code of 1986, as amended (the "Code"), and failing to maintain exemption from the 1940 Act.

REITs are subject to management fees and other expenses. Therefore, investments in REITs will cause SA Real Estate Securities Fund to indirectly bear its proportionate share of the costs of the REITs' operations. At the same time, that Fund will continue to pay its own management fees and expenses with respect to all of its assets, including any portion invested in the shares of REITs.

Repurchase Agreements. Each Fund may agree to purchase securities from financial institutions such as member banks of the Federal Reserve System or any foreign bank or any domestic or foreign broker/dealer that is recognized as a reporting government securities dealer, subject to the seller's agreement to repurchase the securities at an agreed-upon time and price ("repurchase agreements"). Repurchase agreements generally are for a short period of time, usually less than a week. The Adviser or Sub-Adviser will review and continuously monitor the creditworthiness of the seller under a repurchase agreement, and will require the seller to maintain liquid assets segregated on the books of the Fund or the Fund's custodian in an amount that is greater than the repurchase price. Repurchase agreements carry certain risks, including risks that are not associated with direct investments in securities. If a seller under a repurchase agreement were to default on the agreement and be unable to repurchase the security subject to the repurchase agreement, a Fund would look to the collateral underlying the seller's repurchase agreement, including the securities or other obligations subject to the repurchase agreement, for satisfaction of the seller's obligation to the Fund. A Fund's right to liquidate the securities or other obligations subject to the repurchase agreement in the event of a default by the seller could involve certain costs and delays and, to the extent that proceeds from any sale upon a default of the obligation to

repurchase are less than the repurchase price (*e.g.*, due to transactions costs or a decline in the value of the collateral), the Fund could suffer a loss. In addition, if bankruptcy proceedings are commenced with respect to the seller, realization of the collateral may be delayed or limited and a loss may be incurred. Repurchase agreements involving obligations other than U.S. government securities (such as commercial paper and corporate bonds) may be subject to special risks and may not have the benefit of certain protections in the event of the counterparty's insolvency.

The repurchase price under a repurchase agreement generally equals the price paid by a Fund plus interest negotiated on the basis of current short-term rates (which may be more or less than the rate on the securities underlying the repurchase agreement).

Securities subject to repurchase agreements will be held, as applicable, by the Fund's custodian in the Federal Reserve/Treasury book-entry system or by another authorized securities depository. Repurchase agreements are considered to be loans by a Fund under the 1940 Act.

Reverse Repurchase Agreements. Each Fund may borrow funds for temporary or emergency purposes by selling portfolio securities to financial institutions such as banks and broker/dealers and agreeing to repurchase them at a mutually specified date and price ("reverse repurchase agreements"). Reverse repurchase agreements involve the risk that the market value of the securities sold by a Fund may decline below the repurchase price. A Fund will pay interest on amounts obtained pursuant to a reverse repurchase agreement. While a reverse repurchase agreement is outstanding, a Fund will maintain cash, U.S. government securities or other liquid high-grade securities earmarked on the books of the Fund or the Fund's custodian in an amount at least equal to the market value of the securities, plus accrued interest, subject to the agreement.

Supranational Bank Obligations. The SA U.S. Fixed Income Fund, SA Global Fixed Income Fund and the Allocation Fund may invest in the obligations of supranational banks. Supranational banks are international banking institutions designed or supported by national governments to promote economic reconstruction, development or trade between nations *(e.g.*, The World Bank). Obligations of supranational banks may be supported by appropriated but unpaid commitments of their member countries, and there is no assurance these commitments will be undertaken or met in the future.

U.S. Government Obligations. Each Fund may purchase obligations issued or guaranteed by the U.S. government or U.S. government agencies or instrumentalities. U.S. government securities are obligations of the U.S. Treasury backed by the full faith and credit of the United States. Due to recent market conditions, some investors have turned to the safety of securities issued or guaranteed by the U.S. Treasury, causing the prices of these securities to rise and their yields to decline. As a result of this and other market influences, yields of short-term U.S. Treasury debt instruments remain near historical lows.

U.S. government agency securities are issued or guaranteed by U.S. government agencies, or by instrumentalities of the U.S. government, such as Ginnie Mae, Fannie Mae, Freddie Mac, Sallie Mae (also known as SLM Corp. and, formerly, the Student Loan Marketing Association), the Federal Home Loan Banks and the Tennessee Valley Authority. Some U.S. government agency securities are supported by the full faith and credit of the United States, while others may be supported by the issuer's ability to borrow from the U.S. Treasury, subject to the U.S. Treasury's discretion in certain cases, or only by the credit of the issuer. Accordingly, there is at least a possibility of default. U.S. government agency securities include U.S. government agency mortgage-backed securities (see "Mortgage-Backed Securities" above). The market prices of U.S. government agency securities are not guaranteed by the U.S. government and generally fluctuate inversely with changing interest rates.

Variable and Floating Rate Instruments. Each Fund may invest in variable and floating rate instruments, which provide for automatic adjustment of the interest rate at fixed intervals (*e.g.*, daily, weekly, monthly, or semi-annually) or automatic adjustment of the interest rate whenever a specified interest rate or index changes. Debt instruments may also be structured to have variable or floating interest rates. The interest rate on variable and floating rate instruments ordinarily is determined by reference to a particular bank's prime rate, the 90-day U.S. Treasury Bill rate, the rate of return on commercial paper or bank CDs, an index of short-term tax-exempt rates or some other objective measure. To the extent applicable, variable and floating rate obligations purchased by a Fund may have stated maturities in excess of its maturity limitation if the Fund can demand payment of the principal of the instrument at least once during such period on not more than thirty days' notice. This demand feature is not required if the instrument is guaranteed by the U.S. government or an agency or instrumentality thereof. These instruments may include variable amount master demand notes that permit the indebtedness to vary in addition to providing for periodic adjustments in the interest rates. The Adviser or Sub-Adviser will

consider the earning power, cash flows and other liquidity ratios of the issuers and guarantors of such instruments and, if an instrument is subject to a demand feature, will continuously monitor the financial ability of the issuer or guarantor of such instrument to meet payment on demand. Where necessary to ensure that a variable or floating rate instrument is equivalent to the quality standards applicable to a Fund, the issuer's obligation to pay the principal of the instrument will be backed by an unconditional bank letter or line of credit, guarantee or commitment to lend.

The absence of an active secondary market for certain variable and floating rate notes could make it difficult to dispose of the instruments, and a Fund could suffer a loss if the issuer defaults or during periods the Fund is not entitled to exercise its demand rights.

Variable and floating rate instruments held by a Fund, absent a reliable trading market, will be subject to the Fund's limitation on illiquid investments if the Fund may not demand payment of the principal amount within seven days.

Warrants and Rights. Each Fund may purchase warrants or rights and also may acquire warrants or rights as a result of corporate actions involving holdings of other securities. Warrants and rights are privileges issued by corporations enabling the holders to subscribe to and purchase a specified number of shares of the corporation at a specified price during a specified period of time. Warrants and rights involve the risk that a Fund could lose the purchase price of such instruments if the right to subscribe to additional shares is not exercised prior to the warrant's expiration. Also, the purchase of warrants or rights involves the risk that the effective price paid for the warrant or right added to the subscription price of the related security may exceed the subscribed security's market price, such as when there is no movement in the level of the underlying security.

When-Issued Purchases and Forward Commitments (Delayed-Delivery Transactions). Each Fund may purchase securities on a when-issued or delayed delivery basis. When-issued purchases and forward commitments (delayed-delivery transactions) are commitments by a Fund to purchase or sell particular securities with payment and delivery to occur at a future date (usually one or two months later). These transactions permit the Fund to lock in a price or yield on a security, regardless of future changes in interest rates.

When a Fund agrees to purchase securities on a when-issued or forward commitment basis, the Fund will earmark cash or liquid portfolio securities equal to the amount of the commitment. Normally, the Fund will earmark portfolio securities to satisfy a purchase commitment, and in such a case the Fund may be required subsequently to earmark additional assets in order to ensure that the value of the account remains equal to the amount of the Fund's commitments. It may be expected that the market value of the Fund's net assets will fluctuate to a greater degree when it earmarks portfolio securities to cover such purchase commitments than when it earmarks cash.

A Fund will purchase securities on a when-issued or forward commitment basis only with the intention of completing the transaction and actually purchasing the securities. If deemed advisable as a matter of investment strategy, however, a Fund may dispose of or renegotiate a commitment after it is entered into and may sell securities it has committed to purchase before those securities are delivered to the Fund on the settlement date. In these cases, the Fund may realize a taxable capital gain or loss.

When a Fund engages in when-issued and forward commitment transactions, it relies on the other party to consummate the trade. Failure of such party to do so may result in the Fund's incurring a loss or missing an opportunity to obtain a price considered to be advantageous.

The market value of the securities underlying a when-issued purchase or a forward commitment to purchase securities, and any subsequent fluctuations in their market value, are taken into account when determining the market value of a Fund starting on the day the Fund agrees to purchase the securities. The Fund does not earn interest on the securities it has committed to purchase until they are paid for and delivered on the settlement date.

Yields and Ratings. The yields on certain debt obligations, including the money market instruments in which the Funds may invest, are dependent on a variety of factors, including general money market conditions, conditions in the particular market for the obligation, the financial condition of the issuer, the size of the offering, the maturity of the obligation and the ratings of the issue. The ratings of Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P"), Moody's Investors Service, Inc. ("Moody's"), Fitch Ratings Ltd. ("Fitch"), Duff & Phelps Credit Rating Co., Thomson Bank Watch, Inc., and other nationally recognized statistical rating organizations (each an "NRSRO") represent their respective opinions as to the quality of the obligations they undertake to rate.

Ratings, however, are general and are not absolute standards of quality. Consequently, obligations with the same rating, maturity and interest rate may have different market prices. Rating agencies may fail to make timely changes in credit ratings, and an issuer's current financial condition may be better or worse than a rating indicates.

Except as otherwise provided in the Prospectuses and this SAI, the Funds will only invest in fixed income securities rated at least "investment grade" at the time of purchase by at least one NRSRO. Investment grade debt securities are securities of medium to high quality that are rated BBB- or higher by S&P, Baa3 or higher by Moody's, or within one of the four highest ratings classes of another NRSRO or, if unrated, determined by the Adviser or Sub-Adviser to be of comparable quality. A complete list of ratings of corporate bonds and commercial paper by S&P, Moody's and Fitch is attached hereto as Appendix B.

Commodity Pool Operator Exemption. Pursuant to a claim for exemption filed with the National Futures Association on behalf of each Fund, as of the date of this SAI, the Funds are not deemed to be "commodity pool operators" under the Commodity Exchange Act and are not subject to registration or regulation as such under the Commodity Exchange Act. Neither the Adviser nor the Sub-Adviser is deemed to be a "commodity pool operator" with respect to its service to the Funds.

European Economic Risk. The European Union's (the "EU") Economic and Monetary Union requires member countries to comply with restrictions on interest rates, deficits, debt levels, inflation rates and other factors, each of which may significantly impact every European country. The economies of EU member countries and their trading partners may be adversely affected by changes in the Euro's exchange rate, changes in EU or governmental regulations on trade, and the threat of default or default by an EU member country on its sovereign debt, which could negatively impact the Fund's investments and cause it to lose money. The EU continues to face certain risks, including high government debt levels and possible default on or restructuring of sovereign debt in certain EU countries which may adversely impact European financial markets. A European country's default or debt restructuring would adversely affect the holders of the country's debt and sellers of credit default swaps linked to the country's creditworthiness and could negatively impact equity markets in Europe as well as global markets more generally. Recent events in Europe have adversely affected the Euro's exchange rate and value and may continue to impact the economies of every European country. In 2016, citizens of the United Kingdom voted to leave the EU in a popular referendum (commonly referred to as "Brexit"). As a result of the referendum, S&P downgraded the United Kingdom's credit rating from "AAA" to "AA" and the EU's credit rating from "AA+" to "AA" in the days that followed the vote. Other credit ratings agencies have taken similar actions. In addition The United Kingdom subsequently invoked Article 50 of the Lisbon Treaty, which triggered a two-year period of negotiations on the terms of Brexit. However, it is unclear whether negotiations will be successful and what the potential consequences may be. As a result of the political divisions within the United Kingdom and between the United Kingdom and the EU that the referendum vote has highlighted and the uncertain consequences of a Brexit, the economies of the United Kingdom and Europe as well as the broader global economy could be significantly impacted, which may cause increased volatility and illiquidity, and potentially lower economic growth on markets in the United Kingdom, Europe and globally that could potentially have an adverse effect on the value of a Fund's investments. In addition, other member states may contemplate departing the EU, which would likely perpetuate political and economic instability in the region and cause additional market disruption in global financial markets.

Government Intervention in Financial Markets. Instability in the financial markets during and after the 2008-2009 financial downturn led the U.S. government and governments across the world to take a number of unprecedented actions designed to support certain financial institutions and segments of the financial markets that have experienced extreme volatility, and in some cases a lack of liquidity. Most significantly, the U.S. government enacted a broad-reaching regulatory framework over the financial services industry and consumer credit markets, which may adversely impact the value of certain securities held by a Fund. In addition, federal, state, and other governments, their regulatory agencies, or self-regulatory organizations may take further actions to either deregulate or further regulate certain instruments in which a Fund invests, or the issuers of such instruments, in ways that are unforeseeable. Future legislation or regulation may also change the way in which a Fund itself is regulated. Such legislation or regulation could limit or preclude a Fund's ability to achieve its investment objective.

Governments or their agencies may also acquire distressed assets from financial institutions and acquire ownership interests in those institutions. The implications of government ownership and disposition of these assets are unclear, and such a program may have positive or negative effects on the liquidity, valuation and performance of a Fund's portfolio holdings. Furthermore, volatile financial markets can expose a Fund to greater market and liquidity risk and potential difficulty in valuing portfolio instruments held by the Fund. Each Fund has

established procedures to assess the liquidity of portfolio holdings and to value instruments for which market prices may not be readily available. The Adviser and Sub-Adviser will monitor developments and seek to manage each Fund in a manner consistent with achieving the Fund's investment objective, but there can be no assurance that it will be successful in doing so.

The value of each Fund's holdings is also generally subject to the risk of future local, national, or global economic disturbances based on unknown weaknesses in the markets in which the Fund invests. In the event of such a disturbance, issuers of securities held by a Fund may experience significant declines in the value of their assets and even cease operations, or may receive government assistance accompanied by increased restrictions on their business operations or other government intervention. In addition, it is not certain that the U.S. government will intervene in response to a future market disturbance and the effect of any such future intervention cannot be predicted. It is difficult for issuers to prepare for the impact of future financial downturns, although companies can seek to identify and manage future uncertainties through risk management programs.

Reduced liquidity in fixed income and credit markets may negatively affect many issuers worldwide. In addition, global economies and financial markets are becoming increasingly interconnected, which increases the possibilities that conditions in one country or region might adversely impact issuers in a different country or region. As discussed above, in response to the financial crisis, the U.S. and other governments and the Federal Reserve and certain foreign central banks took steps to support financial markets. Withdrawal of government support could adversely impact the value and liquidity of certain securities. The severity or duration of adverse economic conditions may also be affected by policy changes made by governments or quasi-governmental organizations, including changes in tax laws. In particular, the impact of U.S. financial regulation legislation on the markets and the practical implications for market participants may not be fully known for some time. In addition, political events within the U.S. and abroad may affect investor and consumer confidence and may adversely impact financial markets and the broader economy, perhaps suddenly and to a significant degree. High public debt in the U.S. and other countries creates ongoing systemic and market risks and policymaking uncertainty. Although the U.S. government has honored its credit obligations, it remains possible that the United States could default on its obligations. While it is impossible to predict the consequences of such an unprecedented event, it is likely that a default by the United States would be highly disruptive to the United States and global securities markets and could significantly impair the value of a Fund's investments. Uncertainty surrounding the sovereign debt of a number of EU countries and the viability of the EU have disrupted and may continue to disrupt markets in the U.S. and around the world. If Brexit occurs or if one or more other countries leave the EU or the EU dissolves, the world's securities markets likely will be significantly impacted and may be disrupted. Because of changing market conditions, it may be difficult to identify both risks and opportunities using past models of the interplay of market forces, or to predict the duration of these market conditions. Changes in market conditions will not have the same impact on all types of securities. In addition, continued economic recovery, the end of the Federal Reserve Board's quantitative easing program, and an increased likelihood of a continued rising interest rate environment increase the risk that interest rates will continue to rise in the near future. Interest rate increases may cause the value of any Fund that invests in fixed income securities to decrease. As such, fixed income securities markets may experience heightened levels of interest rate, volatility and liquidity risk. If rising interest rates cause a Fund to lose enough value, the Fund could also face increased shareholder redemptions, which could force the Fund to liquidate investments at disadvantageous times or prices, therefore adversely affecting the Fund and its shareholders.

TAX MANAGEMENT STRATEGIES OF SA U.S. VALUE FUND, SA U.S. SMALL COMPANY FUND, SA INTERNATIONAL VALUE FUND, SA EMERGING MARKETS VALUE FUND AND SA U.S. CORE MARKET FUND

The Sub-Adviser may attempt to minimize the impact of federal income tax on the shareholders of SA U.S. Value Fund, SA U.S. Small Company Fund, SA International Value Fund, SA Emerging Market Value Fund, and SA U.S. Core Market Fund by managing these Funds' portfolios in a manner that may defer the realization of net capital gains and minimize ordinary income where possible.

When selling the shares of a particular issuer on behalf of one of these Funds, the Sub-Adviser may select the shares with the highest tax basis to minimize the realization of capital gains. In certain cases, the highest basis shares may produce a short-term capital gain. Because a Fund's net short-term capital gains are taxed as ordinary income (which is taxed at higher rates than its net long-term capital gains) when distributed to its individual shareholders, the highest basis shares with a long-term holding period for tax purposes (more than one year) may be disposed of instead. The Sub-Adviser may also seek not to dispose of a security on behalf of any of these Funds until the long-term holding period has been satisfied. Additionally, the Sub-Adviser may, when

consistent with all other tax management policies for a particular Fund, sell securities to realize capital losses. Realized capital losses can be used to offset realized capital gains, thus reducing capital gain distributions. However, realization of capital gains is not entirely within the Sub-Adviser's control. Capital gain distributions may vary considerably from year to year.

The timing of purchases and sales of securities may be managed to minimize dividends to the extent possible. These Funds may not be eligible to flow through "qualified dividend income" ("QDI") to their individual shareholders or the dividends-received deduction to their corporate shareholders with respect to certain dividends they receive if, because of timing activities, the requisite holding period for that income or deduction is not met. See "Taxes – Taxation of Fund Distributions."

These Funds are expected to deviate from their market capitalization weightings to a greater extent than the other Funds. For example, the Sub-Adviser may exclude the stock of a company that meets applicable market capitalization criteria in order to avoid dividend income, and the Sub-Adviser may sell the stock of a company that meets applicable market capitalization criteria to realize a capital loss. Additionally, while these Funds are managed so that securities will generally be held for longer than one year, they may dispose of any securities whenever the Sub-Adviser determines that such disposition would be in the best interests of their shareholders.

Although the Sub-Adviser may manage each of these Funds to attempt to minimize the realization of capital gains and taxable dividend distributions (especially non-QDI distributions) during a particular taxable year, these Funds may nonetheless distribute taxable net gains and investment income to their shareholders from time to time. Furthermore, shareholders will be required to pay taxes on capital gains realized, if any, upon redemption of shares of any of these Funds.

INVESTMENT LIMITATIONS

Fundamental Limitations. Each Fund is subject to the fundamental investment limitations enumerated in this section, which may be changed with respect to a particular Fund only by a vote of the holders of a majority of such Fund's outstanding shares. As used in this SAI, a "majority of the outstanding shares" of a Fund means the lesser of (a) 67% of the shares of the particular Fund represented at a meeting at which the holders of more than 50% of the outstanding shares of such Fund are present in person or by proxy, or (b) more than 50% of the outstanding shares of such Fund.

1. No Fund may invest more than 25% of its total assets in any one industry (securities issued or guaranteed by the United States government or its agencies or instrumentalities are not considered to represent industries); except that (a) SA U.S. Fixed Income Fund shall invest more than 25% of its total assets in obligations of U.S. and foreign banks and bank holding companies in the circumstances described in the Prospectus under "Principal Investment Strategies;" and (b) SA Real Estate Securities Fund shall invest more than 25% of its total assets in securities of companies in the real estate industry.

2. No SA Fund may, with respect to 75% of the Fund's assets, invest more than 5% of the Fund's assets (taken at a market value at the time of purchase) in the outstanding securities of any single issuer or own more than 10% of the outstanding voting securities of any one issuer, in each case other than securities issued or guaranteed by the United States government or its agencies or instrumentalities.

3. No Fund may borrow money or issue senior securities (as defined in the 1940 Act), except that a Fund may borrow (i) amounts not exceeding 33 1/3% of its total assets (including the amount borrowed) valued at the lesser of cost or market, less liabilities (not including the amount borrowed) valued at the time the borrowing is made and (ii) additional amounts for temporary or emergency purposes not exceeding 5% of its total assets.

4. No Fund may pledge, mortgage or hypothecate its assets other than to secure borrowings permitted by investment limitation 3 above (collateral arrangements with respect to margin requirements for options and futures transactions are not deemed to be pledges or hypothecations for this purpose).

5. No Fund may make loans of securities to other persons in excess of 33 1/3% of a Fund's total assets, provided that the Funds may invest without limitation in short-term debt obligations (including repurchase agreements) and publicly-distributed debt obligations.

6. No Fund may underwrite securities of other issuers, except insofar as a Fund may be deemed an underwriter under the 1933 Act in selling portfolio securities.

7. No Fund (except SA Real Estate Securities Fund) may purchase or sell real estate or any interest therein, including interests in real estate limited partnerships, except securities issued by companies (including real estate investment trusts) that invest in real estate or interests therein.

8. No Fund may purchase securities on margin, except for the use of short-term credit necessary for the clearance of purchases and sales of portfolio securities, but the Funds may make margin deposits in connection with transactions in options, futures and options on futures.

9. No Fund may invest in commodities or commodity futures contracts, provided that this limitation shall not prohibit the purchase or sale by a Fund of foreign currency forward exchange, financial futures contracts and options on financial futures contracts, foreign currency futures contracts, and options on securities, foreign currencies and securities indices, as permitted by the Funds' Prospectuses.

Non-Fundamental Limitations. Additional investment limitations adopted by each Fund, which may be changed by the Board of Trustees without shareholder approval, provide that a Fund may not:

1. Invest more than 15% of its net assets (taken at market value at the time of purchase) in securities, which cannot be readily sold or disposed of within the ordinary course of business within seven days at approximately the value at which the Fund has valued the investment;

2. Make investments for the purpose of exercising control or management; or

3. Invest in other investment companies, except as permitted under the 1940 Act and the rules, regulations, and exemptive orders thereunder.

Below are additional non-fundamental policies adopted by the Funds:

The SA U.S. Fixed Income Fund must under normal circumstances invest at least 80% of its net assets (taken at market value at the time of purchase) in U.S. issued fixed income securities.

The SA Global Fixed Income Fund must under normal circumstances invest at least 80% of its net assets (taken at market value at the time of purchase) in fixed income securities.

The SA U.S. Core Market Fund and SA U.S. Value Fund must under normal circumstances invest at least 80% of their respective net assets (taken at market value at the time of purchase) in U.S. securities.

The SA U.S. Small Company Fund must under normal circumstances invest at least 80% of its net assets (taken at market value at the time of purchase) in the securities of U.S. small cap companies.

The SA International Small Company Fund must under normal circumstances invest, through its investments in the International Small Company Portfolio of DFA Investment Dimensions Group Inc. (the "DFA Portfolio"), and indirectly, each investment company series in which the DFA Portfolio invests (each, an "Underlying DFA Fund"), at least 80% of its net assets (taken at market value at the time of purchase) in securities of small companies.

The SA Emerging Markets Value Fund must under normal circumstances invest at least 80% of its net assets (taken at market value at the time of purchase) in emerging markets investments that are defined in the Prospectus as Approved Market Securities.

The SA Real Estate Securities Fund must under normal circumstances invest at least 80% of its net assets (taken at market value at the time of purchase) in the securities of companies in the real estate industry.

None of the above fundamental or non-fundamental limitations is intended to prevent any Fund from investing all or substantially all of its investable assets in the shares of another registered, open-end investment company in a master-feeder relationship in accordance with the terms and conditions of the 1940 Act and the rules thereunder.

If a percentage limitation is satisfied at the time of investment, a later increase or decrease in such percentage resulting from a change in the value of a Fund's assets will not constitute a violation of such limitation, except that any borrowing by a Fund that exceeds the fundamental investment limitations stated above must be reduced to meet such limitations within the period required by the 1940 Act (currently three days). Otherwise, a Fund may continue to hold a security even though it causes the Fund to exceed a percentage limitation because of fluctuation in the value of the Fund's assets.

POLICIES ON DISCLOSURE OF PORTFOLIO HOLDINGS

The Adviser and the Trust's Board of Trustees have adopted a Policy on Disclosure of Portfolio Holdings (the "Disclosure Policy"), which is intended to protect the confidentiality of the Funds' portfolio holdings information and to prevent the selective disclosure and misuse of such information. Divulging non-public portfolio holdings information to third parties is permissible only when a Fund has a legitimate business purpose for doing so and only if the recipients of such information are subject to a duty of confidentiality, including a duty not to trade on the non-public information.

General Rule

No information concerning the portfolio holdings of any Fund may be disclosed to any third party except as provided below.

Individuals Empowered to Authorize Disclosure

The Trust's Chief Compliance Officer may authorize the disclosure of non-public information concerning the portfolio holdings of the Funds as further provided below.

The Adviser is responsible for administering the release of the Funds' portfolio holdings information. Until particular portfolio holdings information has been made publicly available, and except as otherwise permitted by the Disclosure Policy, no such information may be provided to any party without the written approval of the Trust's Chief Compliance Officer, which approval is subject to the conditions described below. It is prohibited for the Trust, the Adviser, the Adviser's affiliates or any other person to receive compensation in connection with their disclosure of the Funds' portfolio holdings information.

Disclosure to Service Providers

Any and all current non-public portfolio information as frequently as daily as part of the legitimate business activities of the Funds may be disclosed to the Trust's service providers who generally need access to such information in the performance of their contractual duties and responsibilities, subject to duties of confidentiality imposed by law and/or contract. Such service providers may include, without limitation, the Adviser and the Sub-Adviser, distributor, custodian, fund accountants, administrator, sub-administrator, securities lending agent, transfer agent, independent public accountants, proxy voting firm, financial printer and counsel to the Trust and the non-interested Trustees of the Board. The Board of Trustees has determined that disclosure of portfolio holdings information to such service providers fulfills a legitimate business purpose and is in the best interest of the Funds' shareholders. The Trust's Chief Compliance Officer may determine to add authorized recipients only if he or she first determines that the standards under the Disclosure Policy have been met prior to such disclosure. The Adviser will monitor a recipient's use of non-public portfolio holdings information and, when appropriate, use its best efforts to enforce any agreements or law relating to the use of such information.

Publicly Available Information

Each Fund will publicly disclose its portfolio holdings in accordance with regulatory requirements, such as the requirement to file periodic portfolio disclosure with the SEC. A Fund's portfolio holdings information is publicly available at the time such information is filed with the SEC.

The Adviser may publicly disclose all month-end portfolio holdings of all Funds after a 30-day delay. For example, the December 31st portfolio holdings may be publicly disclosed on January 30th. Any period of delay

that ends on a weekend or other non-business day may be extended to the next following business day (but may not be accelerated to an earlier day). It is the responsibility of the Adviser to monitor regulatory guidance to ensure it uses permissible means to publicly disclose the Funds' portfolio holdings information.

The Adviser may provide portfolio holdings information to rating agencies such as Morningstar, Inc. and Lipper, Inc., and the independent financial advisors that utilize the Adviser's services, through a password-protected website. These arrangements to provide information to the rating agencies and financial representatives must be in accordance with the minimum 30-day disclosure delay.

Analytical Information

The Adviser may distribute the following information concerning each Fund's month-end portfolio holdings prior to the 30-day delay period for disclosure of portfolio holdings; provided that (a) at least 15 calendar days have elapsed since the month-end to which the information relates and (b) the information has been made publicly available via the Funds' website or otherwise (but not earlier than the 15 calendar day restriction).

- Top Ten Holdings. Top ten holdings and the percentage of the Fund's total net assets that such aggregate holdings represent.
- Sector Holdings. Sector information and the percentage of the Fund's total net assets held in each sector.
- Other Portfolio Characteristic Data. Any other analytical data that does not identify any specific portfolio holding. Examples of permitted data include total net assets, number of holdings, market capitalization, P/E ratio, R^2 and beta.

Press Interviews, Broker Discussions, etc.

Officers or employees of the Adviser or the Trust may disclose or confirm portfolio holdings information, including the ownership of any individual portfolio holding position to the media, brokers, shareholders, consultants or other interested persons only if such information previously has been made publicly available in accordance with the Disclosure Policy.

Confidential Dissemination of Portfolio Holdings

There are individuals and entities that may request information regarding the Funds' portfolio holdings earlier than the information becomes publicly available. The Trust's Chief Compliance Officer may, on a case-by-case basis, determine to permit such non-public disclosure of portfolio holdings information before the expiration of the applicable disclosure delay periods identified above; provided that (a) there is a legitimate business purpose for such disclosure and (b) the party receiving such information is subject to a duty to treat such information confidentially and a duty not to trade on such information. In determining whether there is a legitimate business purpose for making disclosure of a Fund's non-public portfolio holdings information, the Trust's Chief Compliance Officer should consider whether the disclosure is in the best interests of Fund shareholders and whether any conflicts of interest exist. The recipient must sign a written confidentiality agreement, or the Adviser must provide a written notice to the recipient, providing that the non-public portfolio holdings information (a) must be kept confidential, (b) may not be used to trade such portfolio holdings or to purchase or redeem shares of the Fund and (c) may not be disseminated or used for any purpose other than that referenced in the written agreement or notice.

Additional Restrictions

Notwithstanding anything herein to the contrary, the Trust's Chief Compliance Officer may, on a case-by-case basis, impose additional restrictions on the dissemination of the Funds' portfolio holdings information beyond the restrictions found in the Disclosure Policy.

Waivers of Restrictions

The Disclosure Policy may not be waived, and no exceptions to the Disclosure Policy may be made, without the consent of the Trust's Chief Compliance Officer. Any such consents to waivers or exceptions shall be documented.

Conflicts of Interest

The Trust's Chief Compliance Officer and the Adviser will monitor and review any potential conflicts of interest between the Funds' shareholders and affiliated persons of the Trust or the Adviser, including any of the Funds' service providers, that may arise from the potential release of the Funds' non-public portfolio holdings information. Such potential conflicts of interest will be addressed by the Trust's Chief Compliance Officer based on the best interests of the Funds' shareholders.

Board of Trustees Review

The Board of Trustees oversees the implementation of the Disclosure Policy and shall receive reports from the Trust's Chief Compliance Officer relating to (1) the addition of any new service provider or other third party as an authorized recipient of a Fund's non-public portfolio holdings, (2) any material violations of the Disclosure Policy (3) any waivers of or exceptions to the Disclosure Policy, and (4) any potential conflicts of interest and the resolution of such matters.

Disclosures Required by Law

Nothing contained in the Disclosure Policy is intended to prevent the disclosure of portfolio holdings information as may be required by applicable law. For example, the Adviser, the Trust, or any of their affiliates or service providers may file any report required by applicable law (such as Schedules 13D, 13G and 13F), respond to requests from regulators and comply with any valid subpoena.

MANAGEMENT OF THE TRUST

BOARD OF THE TRUST

Board Composition and Leadership Structure. The Board is responsible for managing the business and affairs of the Trust. The Board meets at least quarterly to review the investment performance of each Fund and other matters, including policies and procedures with respect to compliance with regulatory and other requirements. During the fiscal year ended June 30, 2018, the Board held five meetings, and each Board member attended 100% of such meetings and of meetings of the committees on which he served during the periods that he served.

The Board has three members, none of whom are "interested persons" of the Adviser, including its affiliates, the Sub-Adviser or the Trust (the "Independent Trustees"). The Independent Trustees interact directly with the senior management of the Adviser and the Sub-Adviser at scheduled meetings and at special meetings as appropriate. The Independent Trustees regularly discuss matters outside of the presence of management and are advised by their own experienced independent legal counsel. The Board's independent legal counsel participates in Board meetings and interacts with the Adviser. Each Independent Trustee is also a member of the Audit Committee and the Governance and Nominating Committee, and from time to time one or more Independent Trustees may be designated, formally or informally, to take the lead in addressing with management or the Board's independent legal counsel matters or issues of concern to the Board. The Board and its committees have the ability to engage other experts as appropriate.

The Board has appointed Bryan W. Brown to act as Chairman of the Board. The Chairman's primary responsibilities are (i) to participate in the preparation of the agenda for meetings of the Board; (ii) to preside at all meetings of the Board; (iii) to act as the Board's liaison with management between meetings of the Board; and (iv) to act as the primary contact for Board communications. The Chairman may perform such other functions as may be requested by the Board from time to time. Except for any duties specified herein or pursuant to the Trust's Declaration of Trust or By-laws, the designation as Chairman does not impose on such Independent Trustee any duties, obligations or liability that is greater than the duties, obligations or liability imposed on such person as a member of the Board generally.

The Board has determined that its leadership structure is appropriate in light of the services that the Adviser, the Adviser's affiliates and the Sub-Adviser provide to the Trust and potential conflicts of interest that could arise from these relationships. The Board evaluates its performance on an annual basis.

Board's Oversight Role in Management. The Board's role in management of the Trust is oversight. As is the case with virtually all investment companies (as distinguished from operating companies), service providers to the

Trust have the responsibility for the day-to-day management of the Funds, which includes the responsibility for risk management (including management of investment performance and investment risk, valuation risk, issuer and counterparty credit risk, compliance risk and operational risk). As part of its oversight, the Board, acting at its scheduled meetings, or the Chairman, acting between Board meetings, regularly interacts with and receives reports from senior personnel of the Adviser, Sub-Adviser and other service providers, the Trust's and the Adviser's Chief Compliance Officer and portfolio management personnel. The Board also receives periodic presentations from senior personnel of the Adviser or its affiliates and the Sub-Adviser regarding risk management generally, as well as periodic presentations regarding specific operational, compliance or investment areas. The Board also receives reports from counsel to the Trust or counsel to the Adviser and the Board's own independent legal counsel regarding regulatory compliance and governance matters. The Board has adopted policies and procedures designed to address certain risks to the Funds. In addition, the Adviser, the Sub-Adviser and other service providers to the Funds have adopted a variety of policies, procedures and controls designed to address particular risks to the Funds. Different processes, procedures and controls are employed with respect to different types of risks. However, it is not possible to eliminate all of the risks applicable to the Funds. The Board's oversight role does not make the Board a guarantor of the Funds' investments or activities.

Information About Each Board Member's Experience, Qualifications, Attributes or Skills. Board members of the Trust, together with information as to their positions with the Trust, principal occupations and other board memberships for the past five years, are shown below.

Name, Address[1] and Year of Birth	Position(s) Held with Trust and Length of Time Served[2]	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Trustee	Other Trusteeships/ Directorships Held
Trustees:				
Bryan W. Brown Year of Birth: 1945	Trustee (since April 1999) Chairman (since December 2004)	Self-Employed Management Consultant (financial and technological systems) (since 1992); Chief Financial Officer, Bioexpertise, Inc. (physician's web-based continuing education) (2003-2014); Chief Financial Officer, ONTHERIX, INC. (a pharmaceutical development company) (2008-2014); Treasurer, Kilohana Martial Arts Association (since July 2018); Chief Financial Officer, DISK-IOPS (a patent licensing company in the high-density data storage) (2009-2013).	10	Director/Officer, Friends of the California Air & Space Center (aviation museum) (1999-2010).
Charles M. Roame Year of Birth: 1965	Trustee (since June 2012)	Managing Partner, Tiburon Strategic Advisors (provider of strategy consulting and other strategic services to financial services firms) (since 1998).	10	Director, Edelman Financial Services (provider of investment advisory services) (since January 2014); Director, Envestnet, Inc. (provider of wealth management solutions) (since August 2011).

Name, Address[1] and Year of Birth	Position(s) Held with Trust and Length of Time Served [2]	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Trustee	Other Trusteeships/ Directorships Held
Harold M. Shefrin Year of Birth: 1948	Trustee (since April 1999)	Faculty member, Santa Clara University (since 1978).	10	Trustee, Litman Gregory Funds Trust (4 portfolios) (since February 2005).

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(1) The address of each Trustee is: LWI Financial Inc., 10 Almaden Blvd., 15th Floor, San Jose, CA 95113.

(2) Each Trustee serves for the lifetime of the Trust or until he dies, resigns, or is removed.

The Board believes that the significance of each Board member's experience, qualifications, attributes or skills is an individual matter (meaning that experience that is important for one Board member may not have the same value for another) and that these factors are best evaluated at the board level, with no single Board member, or particular factor, being indicative of Board effectiveness. However, the Board believes that Board members need to have the ability to critically review, evaluate, question and discuss information provided to them, and to interact effectively with Trust management, service providers and counsel, in order to exercise effective business judgment in the performance of their duties; the Board believes that its members satisfy this standard. Information about each Board member below describes some of the specific experiences, qualifications, attributes or skills that each Board member possesses, which the Board believes has prepared them to be effective Board members.

- Bryan W. Brown – Mr. Brown is a self-employed management consultant for financial and technological systems since 1992. In addition to that role he has served as the Chief Financial Officer for various companies in the biotechnology, pharmaceutical and life science industries.
- Charles M. Roame – Mr. Roame has worked as a strategic consultant to financial service companies for approximately 20 years. He also serves on the Board of Directors of Edelman Financial Services, Envestnet, Inc., and has served on the boards of other financial services companies.
- Harold M. Shefrin – Mr. Shefrin has served as a Professor of Finance at Santa Clara University since 1978. He also serves on the Board of Trustees of another mutual fund complex.

ADDITIONAL INFORMATION ABOUT THE BOARD AND ITS COMMITTEES

The Board has an Audit Committee consisting of all of the Independent Trustees. The Audit Committee operates pursuant to a written Audit Committee Charter. The principal functions of the Audit Committee are to: oversee the Trust's accounting and financial reporting processes and its internal control over financial reporting; oversee the quality and integrity of the Trust's financial statements and the independent audit thereof; approve prior to appointment the Trust's independent auditors, and in connection therewith, evaluate the independence of the independent auditors; review with the independent auditors the scope and results of the annual audit; and review the performance and approve all fees charged by the independent auditors for audit, audit-related and other professional services. The Audit Committee held two meetings during the fiscal year ended June 30, 2018.

The Board has a Governance and Nominating Committee consisting of all of the Independent Trustees. The Governance and Nominating Committee operates pursuant to a written Governance and Nominating Committee Charter. The principal functions of the Governance and Nominating Committee are to: annually evaluate the performance of the Board and its various committees; periodically review the composition, responsibilities and functions of the Board and each Board committee; recommend the selection and nomination of candidates for Independent Trustees, whether proposed to be appointed by the Board or to be elected by shareholders; nominate candidates for Chairman of the Board and for the various committees for selection by the Board; and review at least every two years the compensation paid to Independent Trustees. The Governance and Nominating Committee does not consider nominees recommended by the Funds' shareholders. The Governance and Nominating Committee held one meeting during the fiscal year ended June 30, 2018.

COMPENSATION TABLE

For their services as Trustees, each Independent Trustee receives a $96,000 annual retainer fee, as well as reimbursement for expenses incurred in connection with attendance at Board and Committee meetings. The Chairman of the Board receives an additional $9,600 per year in compensation from the Trust. Prior to January 1, 2018, each Independent Trustee received an $90,000 annual retainer fee, as well as reimbursement for expenses incurred in connection with attendance at Board and Committee meetings, and the Chairman of the Board received an additional $9,000 per year in compensation from the Trust. Trustees who are "interested persons" of the Trust (of which there currently are none) and the executive officers of the Trust receive no compensation from the Trust for their respective services as trustees and officers. The following table summarizes the compensation paid by the Trust to each Independent Trustee in the fiscal year ended June 30, 2018.

Name of Trustee	Compensation from the Trust	Pension or Retirement Benefits	Aggregate Compensation from the Fund Complex[1]
Bryan W. Brown	$102,300	None	$102,300
Harold M. Shefrin	$93,000	None	$93,000
Charles M. Roame	$93,000	None	$93,000

(1) At June 30, 2018, the Fund Complex consisted of the ten SA Funds.

TRUSTEE OWNERSHIP OF FUND SHARES

As of September 30, 2018, the Trustees and officers of the Trust, as a group, owned less than 1% of the outstanding shares of each of the Funds.

The tables below show the dollar range of shares of each SA Fund as well as the dollar range of shares of all of these Funds beneficially owned by each Trustee as of December 31, 2017.

Dollar Range of Equity Securities in the SA Funds

Name of Trustee	SA U.S. Fixed Income Fund	SA Global Fixed Income Fund	SA U.S. Core Market Fund	SA U.S. Value Fund	SA U.S. Small Company Fund
Bryan W. Brown	None	$10,001 - $50,000	$50,001 - $100,000	$10,001 - $50,000	$10,001 - $50,000
Harold M. Shefrin	Over $100,000	Over $100,000	Over $100,000	Over $100,00	$50,001 - $100,000
Charles M. Roame	$10,001 - $50,000	$10,001 - $50,000	Over $100,000	Over $100,000	Over $100,000

Name of Trustee	SA International Value Fund	SA International Small Company Fund	SA Emerging Markets Value Fund	SA Real Estate Securities Fund	SA Worldwide Moderate Growth Fund
Bryan W. Brown	$50,001 - $100,000	$10,001 - $50,000	$10,001 - $50,000	$10,001 - $50,000	None
Harold M. Shefrin	Over $100,000	$50,001 - $100,000	$50,001 - $100,000	$10,001 - $50,000	None
Charles M. Roame	$10,001 - $50,000	$50,001 - $100,000	$50,001 - $100,000	$50,001 - $100,000	$10,001 - $50,000

Name of Trustee	Aggregate Dollar Range of Equity Securities in the Trust and All Registered Investment Companies in the Family of Investment Companies Overseen by the Trustees
Bryan W. Brown	Over $100,000

Harold M. Shefrin	Over $100,000
Charles M. Roame	Over $100,000

As of December 31, 2017, no Trustee or any of their immediate family members owned beneficially or of record any securities of, or had any direct or indirect material interest in, the Adviser, the Sub-Adviser or the Distributor or any person controlling, controlled by or under common control with such persons. Mr. Roame is a director of Envestnet, Inc., which provides back-office technology platform services to the Adviser. Mr. Roame is also the managing partner of Tiburon Strategic Advisors ("Tiburon"). The Adviser has purchased off-the-shelf research reports from and attended conferences sponsored by Tiburon. The aggregate fees paid by the Adviser to Tiburon during the two most recently completed calendar years did not exceed $120,000.

OFFICERS OF THE TRUST

Name, Address[(1)] and Year of Birth	Position(s) Held with Trust and Length of Time Served [(2)]	Principal Occupation(s) During Past 5 Years
Alexander B. Potts Year of Birth: 1967	President and Chief Executive Officer (since January 2009).	President and Chief Executive Officer, LWI Financial Inc. and Loring Ward Securities Inc. (since January 2009); President and Chief Executive Officer, Loring Ward Holdings, Inc. (since January 2008); President and Chief Executive Officer, Loring Ward Group Inc. (2009 – 2016); President and Chief Executive Officer, The Wealth Management Alliance LLC (since July 2013).
Michael Clinton Year of Birth: 1966	Chief Financial and Accounting Officer and Treasurer (since March 2009).	Chief Financial Officer and Treasurer, LWI Financial Inc. and Loring Ward Securities Inc. (since March 2009); Chief Financial Officer and Treasurer, Loring Ward Holdings, Inc. (since March 2009); Chief Financial Officer and Treasurer, Chief Operating Officer, Loring Ward Group Inc. (2009 – 2016); Chief Operating Officer, Loring Ward Holdings, Inc. (2009 – 2016); Chief Financial Officer and Treasurer, The Wealth Management Alliance LLC (since July 2013).
Deborah Djeu Year of Birth: 1962	Vice President, Chief Compliance Officer and Anti-Money Laundering Compliance Officer (since March 2016).	Chief Compliance Officer, Chief Legal Officer, and Corporate Secretary, ASA Gold and Precious Metals Ltd. (2012-2015); Chief Compliance Officer, LWI Financial and The Wealth Management Alliance LLC (since September 2015); Chief Compliance Officer, Loring Ward Securities Inc. (since June 2016).
Marcy Tsagarakis Year of Birth: 1971	Secretary (since June 2006).	Vice President, Fund Administration, LWI Financial Inc. (since 2005).

(1) The address of each officer is: LWI Financial Inc., 10 Almaden Blvd., 15th Floor, San Jose, CA 95113.

(2) The Trust's officers are appointed annually by the Board.

CODES OF ETHICS

The Trust, the Adviser and the Sub-Adviser have each adopted a code of ethics under Rule 17j-1 of the 1940 Act. These code of ethics permits, subject to certain conditions, personnel of each of those entities to invest in securities that may be purchased or held by the Funds. The Distributor relies on the principal underwriters exception under Rule 17j-1(c)(3), specifically where the Distributor is not affiliated with the Trust or the Adviser, and no officer, director or general partner of the Distributor serves as an officer, director or general partner of the

Trust or the Adviser. Each code of ethics, filed as an exhibit to the registration statement, of which this SAI is a part, may be examined at the office of the SEC in Washington, D.C. or on the Internet at the SEC's website at http://www.sec.gov.

PROXY VOTING POLICIES

Allocation Fund

As owners of certain of the SA Funds, the Allocation Fund, the Adviser, or the Trust (on behalf of the Allocation Fund) will vote proxies in the same proportion as the vote of all other holders of such SA Funds.

SA Funds

The Trust has adopted proxy voting policies and procedures that delegate to the Sub-Adviser (Dimensional) the authority to vote proxies for the SA Funds, subject to the oversight of the Trustees. A copy is provided in Appendix A to this SAI.

The Sub-Adviser has adopted certain Proxy Voting Policies and Procedures (the "Voting Policies") and Proxy Voting Guidelines (the "Voting Guidelines") for voting proxies on behalf of its clients. The Voting Guidelines are largely based on those developed by Institutional Shareholder Services, Inc. ("ISS"), an independent third party service provider, except with respect to certain matters for which Dimensional has modified the standard ISS voting guidelines. A concise summary of the Voting Guidelines is provided in Appendix B to this SAI.

The Investment Committee at Dimensional is generally responsible for overseeing Dimensional's proxy voting process. The Investment Committee has formed a Corporate Governance Committee (the "Committee") composed of certain officers, directors and other personnel of Dimensional and has delegated to its members the authority to (i) oversee the voting of proxies, (ii) make determinations as to how to vote certain specific proxies, (iii) verify the on-going compliance with the Voting Policies, and (iv) review the Voting Policies from time to time and recommend changes to the Investment Committee. The Committee may designate one or more of its members to oversee specific, ongoing compliance with respect to the Voting Policies and may designate other personnel of Dimensional to vote proxies on behalf of its clients, including all authorized traders of Dimensional.

Dimensional votes (or refrains from voting) proxies in a manner consistent with the best interests of its clients as understood by Dimensional at the time of the vote. Generally, Dimensional analyzes proxy statements on behalf of its clients in accordance with the Voting Policies and the Voting Guidelines. Most proxies that Dimensional receives will be voted in accordance with the Voting Guidelines. Since most proxies are voted in accordance with the Voting Guidelines, it normally will not be necessary for Dimensional to make an actual determination of how to vote a particular proxy, thereby largely eliminating conflicts of interest for Dimensional during the proxy voting process. However, the Voting Policies do address the procedures to be followed if a conflict of interest arises between the interests of Dimensional's clients and the interests of Dimensional or its affiliates. If a Committee member has actual knowledge of a material conflict of interest and recommends a vote contrary to the Voting Guidelines (or in the case where the Voting Guidelines do not prescribe a particular vote and the proposed vote is contrary to the recommendation of ISS), the Committee member will bring the vote to the Committee which will (a) determine how the vote should be cast keeping in mind the principle of preserving shareholder value, or (b) determine to abstain from voting, unless abstaining would be materially adverse to the interest of the client. To the extent the Committee makes a determination regarding how to vote or to abstain for a proxy on behalf of a client in the circumstances described in this paragraph, Dimensional will report annually on such determinations to the client, as applicable.

Dimensional will usually vote proxies in accordance with the Voting Guidelines. The Voting Guidelines provide a framework for analysis and decision making; however, the Voting Guidelines do not address all potential issues. In order to be able to address all the relevant facts and circumstances related to a proxy vote, Dimensional reserves the right to vote counter to the Voting Guidelines if, after a review of the matter, Dimensional believes that the best interests of the client would be served by such a vote. In such a circumstance, the analysis will be documented in writing and periodically presented to the Committee. To the extent that the Voting Guidelines do not cover potential voting issues, Dimensional will vote on such issues in a manner that is consistent with the spirit of the Voting Guidelines and that Dimensional believes would be in the best interests of the client.

Dimensional votes (or refrains from voting) proxies in a manner that Dimensional determines is in the best interests of a client and which seeks to maximize the value of that client's investments. In some cases,

Dimensional may determine that it is in the best interests of a client to refrain from exercising proxy voting rights. Dimensional may determine that voting is not in the best interest of a client and refrain from voting if the costs, including the opportunity costs, of voting would, in the view of Dimensional, exceed the expected benefits of voting. For securities on loan, Dimensional will balance the revenue-producing value of loans against the difficult-to-assess value of casting votes. It is Dimensional's belief that the expected value of casting a vote generally will be less than the securities lending income, either because the votes will not have significant economic consequences or because the outcome of the vote would not be affected by Dimensional recalling loaned securities in order to ensure they are voted. Dimensional does intend to recall securities on loan if it determines that voting the securities is likely to materially affect the value of the client's investment and that it is in the client's best interests to do so. In cases where Dimensional does not receive a solicitation or enough information within a sufficient time (as reasonably determined by Dimensional) prior to the proxy-voting deadline, Dimensional may be unable to vote.

With respect to non-U.S. securities, it is typically both difficult and costly to vote proxies due to local regulations, customs and other requirements or restrictions. Dimensional does not vote proxies of non-U.S. companies if Dimensional determines that the expected economic costs of voting outweigh the anticipated economic benefit to a client associated with voting. Dimensional determines whether to vote proxies of non-U.S. companies on a portfolio-by-portfolio basis, and generally implements uniform voting procedures for all proxies of companies in a country. Dimensional periodically reviews voting logistics, including costs and other voting difficulties, on a portfolio by portfolio and country by country basis, in order to determine if there have been any material changes that would affect Dimensional's decision of whether or not to vote. In the event Dimensional is made aware of and believes that an issue to be voted is likely to materially affect the economic value of a client, that its vote is reasonably likely to influence the ultimate outcome of the contest and that the expected benefits of voting the proxies exceed the costs, Dimensional will make every reasonable effort to vote such proxies.

Dimensional has retained ISS to provide certain services with respect to proxy voting. ISS provides information on shareholder meeting dates and proxy materials; translates proxy materials printed in a foreign language; provides research on proxy proposals and voting recommendations in accordance with the Voting Guidelines; effects votes on behalf of Dimensional's clients; and provides reports concerning the proxies voted. In addition, Dimensional may retain the services of supplemental third party proxy service providers to provide research on proxy proposals and voting recommendations for certain shareholder meetings, as identified in the Voting Guidelines. Although Dimensional may consider the recommendations of third party service providers on proxy issues, Dimensional remains ultimately responsible for all proxy voting decisions.

With respect to voting by SA International Small Company Fund of shares it holds in the DFA Portfolio, on any matter on which a vote of shareholders of the DFA Portfolio is sought and with respect to which the Fund is entitled to vote, the Trust will either seek instructions from the Fund's shareholders with regard to the voting of all proxies with respect to shares of the DFA Portfolio and vote such proxies only in accordance with such instructions, or vote the shares of the DFA Portfolio held by the Fund in the same proportion as the vote of all other holders of shares of the DFA Portfolio. Each investor in the DFA Portfolio will be entitled to vote in proportion to its relative beneficial interest in the portfolio. Because there are other investors in the DFA Portfolio, there can be no assurance that any issue that receives a majority of the votes cast by SA International Small Company Fund shareholders will receive a majority of votes cast by all DFA Portfolio investors; indeed, if other investors hold a majority interest in the DFA Portfolio, they could have voting control of the DFA Portfolio.

When applicable, information regarding how the Funds voted proxies relating to their portfolio securities during the most recent 12-month period ended June 30 is available on or about August 31st (1) without charge, upon request, by calling the Funds at (844) 366-0905 and (2) on the SEC's website at http://www.sec.gov.

CONTROL PERSONS AND PRINCIPAL HOLDERS OF SECURITIES

As of October 1, 2018, the persons shown in the table below were known to the SA Funds to own, beneficially or of record, more than 5% of the outstanding shares of a SA Funds. The nature of ownership for each position listed is "of record."

FUND	SHARE CLASS	NAME AND ADDRESS	PERCENTAGE OF OWNERSHIP
SA U.S. Fixed Income Fund	Investor Class	Pershing LLC [1]	43.60%

FUND	SHARE CLASS	NAME AND ADDRESS	PERCENTAGE OF OWNERSHIP
		Charles Schwab & Co., Inc. [2]	35.40%
	Select Class	Pershing LLC [1]	41.65%
		Charles Schwab & Co., Inc. [2]	38.56%
SA Global Fixed Income Fund	Investor Class	Pershing LLC [1]	43.39%
		Charles Schwab & Co., Inc. [2]	36.24%
	Select Class	Pershing LLC [1]	41.65%
		Charles Schwab & Co., Inc. [2]	38.56%
SA U.S. Core Market Fund	Investor Class	Pershing LLC [1]	42.28%
		Charles Schwab & Co., Inc. [2]	30.11%
		TD Ameritrade Inc. [3]	6.94%
	Select Class	Pershing LLC [1]	39.44%
		Charles Schwab & Co., Inc. [2]	36.35%
		National Financial Services, LLC. [4]	5.11%
SA U.S. Value Fund	Investor Class	Pershing LLC [1]	42.54%
		Charles Schwab & Co., Inc. [2]	31.57%
		TD Ameritrade Inc. [3]	7.24
	Select Class	Pershing LLC [1]	40.89%
		Charles Schwab & Co., Inc. [2]	35.17%
		National Financial Services, LLC. [4]	5.28%
SA U.S. Small Company Fund	Investor Class	Pershing LLC [1]	41.46%
		Charles Schwab & Co., Inc. [2]	33.06%
		TD Ameritrade Inc. [3]	6.99%
	Select Class	Pershing LLC [1]	40.37%
		Charles Schwab & Co., Inc. [2]	36.70%
SA International Value Fund	Investor Class	Pershing LLC [1]	43.68%
		Charles Schwab & Co., Inc. [2]	33.28%
		TD Ameritrade Inc. [3]	5.50%
	Select Class	Pershing LLC [1]	40.43%
		Charles Schwab & Co., Inc. [2]	36.09%
		National Financial Services, LLC. [4]	5.06%
SA International Small Company Fund	Investor Class	Pershing LLC [1]	42.86%
		Charles Schwab & Co., Inc. [2]	31.79%
		TD Ameritrade Inc. [3]	6.60%
	Select Class	Pershing LLC [1]	43.93%
		Charles Schwab & Co., Inc. [2]	38.01%
SA Emerging Markets Value Fund	Investor Class	Pershing LLC [1]	45.39%
		Charles Schwab & Co., Inc. [2]	31.33%
		TD Ameritrade Inc. [3]	6.27%
	Select Class	Pershing LLC [1]	41.62%
		Charles Schwab & Co., Inc. [2]	32.72%

FUND	SHARE CLASS	NAME AND ADDRESS	PERCENTAGE OF OWNERSHIP
		National Financial Services, LLC.(4)	6.40%
SA Real Estate Securities Fund	Investor Class	Pershing LLC (1)	45.35%
		Charles Schwab & Co., Inc. (2)	30.74%
		TD Ameritrade Inc. (3)	7.22%
	Select Class	Pershing LLC (1)	41.1%
		Charles Schwab & Co., Inc. (2)	33.82%
		National Financial Services, LLC.(4)	5.89%
SA Worldwide Moderate Growth Fund	N/A	Charles Schwab & Co., Inc. (2)	36.20%
		Pershing LLC (1)	24.78%
		TD Ameritrade Inc. (3)	21.55%

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(1) 1 Pershing Plaza
Jersey City, NJ 07399-2052

(2) Special Custody Account for the Exclusive Benefit of Customers
Attn: Mutual Funds
211 Main St.
San Francisco, CA 94105-1905

(3) PO Box 2226
Omaha, NE 68103-2226

(4) 200 Liberty Street
New York, NY 10281

INVESTMENT ADVISORY AND OTHER SERVICES

The Trust has no employees. To conduct its day-to-day activities, the Trust has hired a number of service providers. Each service provider performs a specific function on behalf of the Trust, as described below.

INVESTMENT ADVISER AND SUB-ADVISER

The Trust, on behalf of the Allocation Fund, has entered into an Investment Advisory and Administrative Services Agreement with the Adviser. The Trust, on behalf of the SA Funds, has entered into a separate Investment Advisory and Administrative Services Agreement with the Adviser (each such agreement, an "Investment Advisory Agreement" and together, the "Investment Advisory Agreements"). The Adviser is an indirect, wholly-owned subsidiary of Loring Ward Holdings Inc., a U.S. company based in San Jose, California. Loring Ward Holdings Inc. is controlled by Eli Reinhard through his sole ownership interest in Arcadia Loring Ward, LLC and Mr. Reinhard's role as the trustee of nine separate trusts administered for the benefit of Mr. Reinhard's family, each of which has an ownership interest in Loring Ward Holdings Inc.

Each Investment Advisory Agreement has an initial term of two years from its effective date with respect to a Fund and continues in effect with respect to such Fund (unless terminated sooner) if its continuance is specifically approved annually by (a) the vote of a majority of the Independent Trustees, cast in person at a meeting called for the purpose of voting on the approval, and (b) either (i) the vote of a majority of the outstanding voting securities of the affected Fund, or (ii) the vote of a majority of the Board of Trustees. Each Investment Advisory Agreement is terminable with respect to a Fund by a vote of the Board of Trustees or by the holders of a majority of the outstanding voting securities of that Fund, at any time without penalty, on 60 days' written notice to the Adviser. The Adviser may also terminate its advisory relationship with respect to a Fund without penalty on 60 days' written notice to the Trust, as applicable. Each Investment Advisory Agreement terminates automatically in the event of its assignment (as defined in the 1940 Act).

Allocation Fund

Pursuant to the Investment Advisory Agreement for the Allocation Fund, the Adviser is responsible for the management of all assets of the Allocation Fund, including allocation decisions among the SA Funds in which the Allocation Fund invests.

The management fee for the Allocation Fund has two components: For the advisory services provided, the Allocation Fund is not obligated to pay a management fee for assets invested in the SA Funds, any other investment companies advised or sub-advised by the Adviser, money market funds or held in cash or cash equivalents. For its investment advisory services related to any other assets, the Adviser is entitled to receive from the Allocation Fund a fee computed daily and payable monthly at an annual rate of: 0.25% of the average daily net assets of the Allocation Fund's assets invested in such investments.

The shareholder servicing fee for the Allocation Fund has two components: For the shareholder services provided, the Allocation Fund is not obligated to pay a shareholder servicing fee for assets invested in the SA Funds, any other investment companies advised or sub-advised by the Adviser, money market funds or held in cash or cash equivalents. For its shareholder services related to any other assets, the Adviser is entitled to receive from the Allocation Fund a fee computed daily and payable monthly at an annual rate of: 0.25% of the average daily net assets of the Allocation Fund's assets invested in such investments.

The administration fee for the Allocation Fund has two components: For the administrative services provided, the Allocation Fund is not obligated to pay an administration fee for assets invested in the SA Funds, any other investment companies advised or sub-advised by the Adviser, money market funds or held in cash or cash equivalents. For its administrative services related to any other assets, the Adviser is entitled to receive from the Allocation Fund a fee computed daily and payable monthly at an annual rate of: 0.10% of the average daily net assets of the Allocation Fund's assets invested in such investments.

The Adviser has contractually agreed, pursuant to a Fee Waiver and Expense Reimbursement Letter Agreement (the "Allocation Fund Fee Waiver Agreement"), to waive the fees payable to it under the Investment Advisory Agreement for the Allocation Fund and/or to reimburse the operating expenses allocated to the Allocation Fund so that the Allocation Fund's total annual operating expenses (excluding interest, taxes, brokerage commissions, acquired fund fees and expenses and extraordinary expenses) do not exceed the total annual acquired fund fees and expenses related to the Allocation Fund's investments in the SA Funds, any other investment companies advised or sub-advised by the Adviser, or any money market fund. The Allocation Fund Fee Waiver Agreement will remain in effect until July 1, 2025, at which time it may be continued, modified or eliminated and net expenses will be adjusted as necessary.

SA Funds

Pursuant to the Investment Advisory Agreement for the SA Funds, the Adviser supervises and monitors the implementation of the SA Funds' investment programs by the Sub-Adviser. The Investment Advisory Agreement for the SA Funds was amended effective January 1, 2018.

For its investment advisory services to the SA Funds, the Adviser is entitled to receive from each SA Fund a fee computed daily and payable monthly at the annual rate set forth below:

Fund	Annual Fee Rate (as a percentage of average daily net assets)	Effective January 1, 2018 Annual Fee Rate (as a percentage of average daily net assets)
SA U.S. Fixed Income Fund	0.15%	0.15%
SA Global Fixed Income Fund	0.25%	0.25%
SA U.S. Core Market Fund	0.45%	0.40%
SA U.S. Value Fund	0.45%	0.40%
SA U.S. Small Company Fund	0.45%	0.40%
SA International Value Fund	0.50%	0.45%
SA International Small Company Fund	0.50%	0.25%
SA Emerging Markets Value Fund	0.50%	0.45%
SA Real Estate Securities Fund	0.35%	0.35%

With respect to the SA Funds, the Adviser and the Trust have entered into an Investment Sub-Advisory Agreement (the "Sub-Advisory Agreement") with the Sub-Adviser, which was amended effective January 1, 2018.

Dimensional Holdings Inc. ("Dimensional Holdings") is the general partner of the Sub-Adviser, and directly and indirectly, owns more than 97% of the partnership interest of the Sub-Adviser. David G. Booth is the Executive Chairman of Dimensional Holdings and may be deemed a controlling person of the Sub-Adviser as a shareholder of more than 25% but less than 50% of Dimensional Holding's outstanding stock.

The Sub-Advisory Agreement has an initial term of two years from its effective date with respect to a SA Fund and continues in effect with respect to such SA Fund (unless terminated sooner) if its continuance is specifically approved annually by (a) the vote of a majority of the Independent Trustees, cast in person at a meeting called for the purpose of voting on the approval, and (b) either (i) the vote of a majority of the outstanding voting securities of the affected Fund, or (ii) the vote of a majority of the Board of Trustees. The Sub-Advisory Agreement is terminable by a vote of the Board of Trustees, or with respect to a SA Fund, by the holders of a majority of the outstanding voting securities of that Fund, at any time without penalty, on 60 days' written notice to the Sub-Adviser. The Adviser and the Sub-Adviser may also terminate the Sub-Advisory Agreement as to all SA Funds on not less than one year's written notice to the Trust. The Sub-Advisory Agreement terminates automatically in the event of its assignment (as defined in the 1940 Act).

Under the terms of the Sub-Advisory Agreement, the Sub-Adviser provides sub-advisory services to each SA Fund. Subject to the supervision of the Adviser, the Sub-Adviser is responsible for the management of all assets of the SA Funds, including decisions regarding purchases and sales of portfolio securities by the SA Funds. The Sub-Adviser is also responsible for arranging the execution of portfolio management decisions, including the selection of brokers to execute trades and the negotiation of brokerage commissions in connection therewith.

For the sub-advisory services it provides to each SA Fund (other than SA International Small Company Fund, as further described below), the Sub-Adviser is entitled to a fee computed daily and payable monthly at an annual rate based on each SA Fund's average daily net assets as set forth below. (The Trust pays to the Adviser the fees payable to the Sub-Adviser. The Adviser in turn pays these fees to the Sub-Adviser.) The Sub-Adviser receives investment management fees from the DFA Portfolio in which the SA International Small Company Fund invests for investment management services provided to that DFA Portfolio, as well as investment management fees from the DFA Portfolio's Underlying DFA Funds for investment management services provided to those Underlying DFA Funds. In order to prevent duplication of advisory fees to the Sub-Adviser, the Sub-Adviser has agreed that it will not receive a sub-advisory fee for its services to SA International Small Company Fund. In addition, the Sub-Adviser will not receive any sub-advisory fee for its sub-advisory services to SA U.S. Core Market Fund with respect to that Fund's assets invested in the U.S. Micro Cap Portfolio. For its investment management services with respect to the U.S. Micro Cap Portfolio, the Sub-Adviser receives an investment management fee from the U.S. Micro Cap Portfolio.

Fund	**Annual Fee Rate (as a percentage of average daily net assets)**	**Effective January 1, 2018 Annual Fee Rate (as a percentage of average daily net assets)**
SA U.S. Fixed Income Fund	0.05%	0.03%
SA Global Fixed Income Fund	0.05%	0.03%
SA U.S. Core Market Fund	0.0462%	0.03%
SA U.S. Value Fund	0.10%	0.10%
SA U.S. Small Company Fund	0.35%	0.25%
SA International Value Fund	0.20%	0.20%
SA Emerging Markets Value Fund	0.50%	0.47%
SA Real Estate Securities Fund	0.15%	0.10%

As announced by the Trust on October 15, 2018, Loring Ward Holdings Inc., the parent company of the Adviser, has agreed to be acquired by Focus Financial Partners Inc. ("Focus"), a partnership of independent fiduciary wealth management firms that includes The Buckingham Family of Financial Services (the "Transaction"). Following the closing of the Transaction, the Adviser will join with an existing Focus subsidiary, BAM Advisor Services, LLC ("BAM"), which is part of The Buckingham Family of Financial Services. The closing of the Transaction is expected to be completed in the fourth quarter of this calendar year; however, the closing of the Transaction is subject to certain conditions, and there can be no assurance that the Transaction will be completed as planned or that the necessary conditions will be satisfied. If successful, the closing of the Transaction will result in a change of control of the Adviser (the "Change of

Control"). Consistent with applicable requirements under the 1940 Act, the Investment Advisory Agreements and the Sub-Advisory Agreement (collectively, the "Advisory Agreements"), each contain a provision that each Advisory Agreement will automatically terminate in the event of its "assignment" (as defined in the 1940 Act). The Change of Control will cause the assignment of each of the Advisory Agreements and result in the automatic termination of each of the Advisory Agreements.

The Transaction is not expected to result in any material change in the day-to-day management of the Funds. The Adviser's business is expected to continue to operate under BAM using the Loring Ward name. The Board of Trustees of the Funds (the "Board" or "Board of Trustees") will consider the approval of an interim investment advisory agreement with BAM and interim sub-advisory agreement with the Sub-Adviser (collectively, the "Interim Advisory Agreements") with respect to the Funds that will take effect immediately upon the closing of the Transaction. In reliance upon applicable rules under the 1940 Act, BAM and Sub-Adviser will be permitted to provide investment advisory services to the Funds under the Interim Advisory Agreements for up to 150 days following the closing of the Transaction, and may do so without having received the prior approval of shareholders of the Funds. The terms and conditions of the Interim Advisory Agreements are identical in all material respects to the relevant current Advisory Agreements, including the rate of the investment advisory and sub-advisory fees for each of the Funds. Each Interim Advisory Agreement may be terminated prior to the completion of its 150 day term, including in the event that shareholders of each Fund approve the New Advisory Agreements (defined below).

At an in-person meeting to be held prior to the anticipated closing of the Transaction, the Board will consider the approval of new investment advisory agreements with BAM and sub-advisory agreements with Sub-Adviser (the "New Advisory Agreements") with respect to the Funds. If approved by the Board, the New Advisory Agreements would also need to be approved by shareholders of each Fund at a special meeting of shareholders, at which the Funds' shareholders will be asked to consider the approval of the New Advisory Agreements (among other items, if any, as described in a forthcoming proxy statement). The terms and conditions of the New Advisory Agreements are expected to be identical in all material respects to the Advisory Agreements, including the rate of the investment advisory and sub-advisory fees for each of the Funds. Under both the Interim Advisory Agreements and the New Advisory Agreements, there will not be any material changes to the Funds' respective investment objectives and principal investment strategies.

Fee Waiver and Expense Reimbursement

The Adviser has contractually agreed, pursuant to a Fee Waiver and Expense Reimbursement Letter Agreement (the "SA Funds Fee Waiver Agreement"), which was amended effective January 1, 2018, to waive the fees payable to it under the Investment Advisory Agreement and/or to reimburse the operating expenses allocated to a SA Fund to the extent each SA Fund's Investor Class shares' total annual operating expenses (excluding interest, taxes, brokerage commissions, acquired fund fees and expenses, and extraordinary expenses) exceed, in the aggregate, the rate per annum, as set forth below. The SA Funds Fee Waiver Agreement will remain in effect until October 28, 2021, at which time it may be continued, modified or eliminated and net expenses will be adjusted as necessary. The Adviser has also contractually agreed, pursuant to the SA Funds Fee Waiver Agreement, to waive the fees payable to it under the Investment Advisory Agreement and/or reimburse the total annual operating expenses allocated to a SA Fund with the effect that (1) the Select Class shares' total annual operating expenses (excluding interest, taxes, brokerage commissions, acquired fund fees and expenses, and extraordinary expenses) are 0.20% lower than the Investor Class shares' total annual operating expenses after fee waiver and/or expense reimbursement; and (2) the Select Class shares' total annual operating expenses (excluding interest, taxes, brokerage commissions, acquired fund fees and expenses and extraordinary expenses) will not exceed, in the aggregate, the rate per annum, as set forth below.

Fund Expense Limitation
(Shown is the resulting ratio of total annual fund operating expenses expressed as a percentage)

Fund	Investor Class June 30, 2016 through July 1, 2017	Investor Class July 1, 2017 through December 31, 2017	Select Class July 1, 2017 through December 31, 2017	Investor Class Effective January 1, 2018	Select Class Effective January 1, 2018
SA U.S. Fixed Income Fund	0.65%	0.65%	0.45%	0.65%	0.45%
SA Global Fixed Income	0.80%	0.80%	0.60%	0.75%	0.55%

Fund					
SA U.S. Core Market Fund	1.00%	1.00%	0.80%	0.90%	0.70%
SA U.S. Value Fund	1.05%	1.05%	0.85%	1.00%	0.80%
SA U.S. Small Company Fund	1.20%	1.20%	1.00%	1.15%	0.95%
SA International Value Fund	1.20%	1.20%	1.00%	1.15%	0.95%
SA International Small Company Fund	1.10%	1.10%	0.90%	0.75%	0.55%
SA Emerging Markets Value Fund	1.40%	1.40%	1.20%	1.35%	1.15%
SA Real Estate Securities Fund	1.00%	1.00%	0.80%	0.95%	0.75%

Set forth below are the gross advisory and sub-advisory fees paid by the SA Funds and the advisory and sub-advisory fees waived or reimbursed for the periods indicated.

	Fiscal Year Ended June 30, 2018		**Fiscal Year Ended June 30, 2017**		**Fiscal Year Ended June 30, 2016**	
Fund	**Gross Advisory/ Sub-Advisory Fees**	**Advisory/ Sub-Advisory Fees Waived/ Reimbursed**	**Gross Advisory/ Sub-Advisory Fees**	**Advisory/ Sub-Advisory Fees Waived/ Reimbursed**	**Gross Advisory/ Sub-Advisory Fees**	**Advisory/ Sub-Advisory Fees Waived/ Reimbursed**
SA U.S. Fixed Income Fund	$1,161,421	$4,309	$1,222,803	$0	$1,218,351	$0
SA Global Fixed Income Fund	$2,107,960	$25,193	$2,174,145	$0	$2,222,048	$0
SA U.S. Core Market Fund	$3,560,035	$17,436	$3,485,860	$0	$3,294,837	$0
SA U.S. Value Fund	$3,150,736	$17,556	$3,059,847	$0	$2,813,808	$0
SA U.S. Small Company Fund	$3,056,677	$159,209	$3,169,298	$296,402	$2,933,634	$310,516
SA International Value Fund	$5,140,859	$19,231	$4,728,002	$0	$4,424,156	$0
SA International Small Company Fund	$1,385,339	$21,188	$1,650,353	$0	$1,582,796	$0
SA Emerging Markets Value Fund	$2,146,512	$536,623	$1,883,366	$481,743	$1,519,204	$480,239
SA Real Estate Securities Fund	$814,901	$110,048	$870,356	$94,818	$846,891	$108,097
SA Worldwide Moderate Growth Fund[(1)]	-	$192,541	$0	$115,006	$0	$143,595

[(1)] The SA Worldwide Moderate Growth Fund does not pay Sub-Advisory Fees.

Pursuant to the Investment Advisory Agreements, the Adviser oversees the administration of the Trust's business and affairs and provides certain services required for effective administration of the Trust. For the administrative services provided, the Adviser is entitled to a fee from each SA Fund computed daily and payable monthly at the annual rate of 0.10% of the average daily net assets of each SA Fund.

Set forth below are the fees paid by the SA Funds to the Adviser, in its capacity as the administrator, for the periods indicated. Because the Allocation Fund is invested in the SA Funds, no fee is charged to the Allocation Fund for administrative services.

Fund	Fiscal Year Ended June 30, 2018	Fiscal Year Ended June 30, 2017	Fiscal Year Ended June 30, 2016
SA U.S. Fixed Income Fund	$611,315	$611,401	$609,176
SA Global Fixed Income Fund	$726,891	$724,715	$740,683
SA U.S. Core Market Fund	$772,373	$705,232	$666,529
SA U.S. Value Fund	$600,594	$556,336	$511,601
SA U.S. Small Company Fund	$422,552	$396,162	$366,704
SA International Value Fund	$761,903	$675,429	$632,022
SA International Small Company Fund	$369,482	$330,071	$316,559
SA Emerging Markets Value Fund	$223,864	$188,337	$151,920
SA Real Estate Securities Fund	$171,398	$174,071	$169,378

The Adviser and the Trust have received exemptive relief from the SEC that permits the Adviser to enter into investment sub-advisory agreements with sub-advisers without obtaining shareholder approval. The Adviser, subject to the review and approval of the Board of Trustees of the Trust, is permitted to appoint sub-advisers for the Funds and supervise and monitor the performance of each sub-adviser. The exemptive relief also permits the Adviser, subject to approval by the Board, to terminate and replace sub-advisers or amend sub-advisory agreements without shareholder approval when the Adviser and the Trustees believe such action will benefit a Fund and its shareholders. As of the date of this SAI, only SA U.S. Fixed Income Fund, SA Emerging Markets Value Fund and SA Real Estate Securities Fund may rely on this exemptive relief. The other Funds may not rely on this exemptive relief and must obtain shareholder approval to take such actions.

The following individuals are affiliated persons of the Trust and of the Adviser: Alexander B. Potts, Michael Clinton, Deborah Djeu and Marcy Tsagarakis. The capacities in which each such individual is affiliated with the Trust and the Adviser is set forth above under “Trustees and Officers.”

DISTRIBUTOR

Foreside Financial Services, LLC (the “Distributor”) is the distributor (also known as principal underwriter) of the shares of the Funds and is located at Three Canal Plaza, Suite 100, Portland, Maine 04101. The Distributor is a registered broker-dealer and is a member of the Financial Industry Regulatory Authority, Inc. (“FINRA”). The Distributor is not affiliated with the Adviser or any other service provider for the Trust.

Under a Distribution Agreement with the Trust, the Distributor acts as the agent of the Trust in connection with the continuous offering of shares of the Funds. The Distributor continually distributes shares of the Funds on a best efforts basis. The Distributor has no obligation to sell any specific quantity of Fund shares. The Distributor and its officers have no role in determining the investment policies or which securities are to be purchased or sold by the Trust.

The Distributor may enter into agreements with selected broker-dealers, banks or other financial intermediaries for distribution of shares of the Funds. With respect to certain financial intermediaries and related fund “supermarket” platform arrangements, the Funds and/or the Adviser, rather than the Distributor, typically enters into such agreements. These financial intermediaries may charge a fee for their services and may receive shareholder service or other fees from parties other than the Distributor. These financial intermediaries may otherwise act as processing agents and are responsible for promptly transmitting purchase, redemption and other requests to the Funds.

Investors who purchase shares through financial intermediaries will be subject to the procedures of those intermediaries through which they purchase shares, which may include charges, investment minimums, cutoff times and other restrictions in addition to, or different from, those listed herein. Information concerning any charges or services will be provided to investors by the financial intermediary through which they purchase shares. Investors purchasing shares of the Funds through financial intermediaries should acquaint themselves with their financial intermediary’s procedures and should read the Prospectus in conjunction with any materials and information provided by their financial intermediary. The financial intermediary, and not its investors, will be

the shareholder of record, although investors may have the right to vote shares depending upon their arrangement with the intermediary.

The Distributor does not receive compensation from the Funds for its distribution services. The Adviser pays the Distributor a fee for fund distribution services and for licensing of registered employees but pays no other fees for other distribution-related services (including Rule 12b-1 fees).

Prior to October 29, 2018. Loring Ward Securities, Inc. acted as the distributor for the Trust. Loring Ward Securities, Inc. also did not receive compensation from the Funds for distribution of the Funds' shares.

SHAREHOLDER SERVICING AGENT

Under a Shareholder Service Agreement with the Trust, the Adviser acts as a Shareholder Servicing Agent and performs various services for each Fund's Investor Class and Select Class shares, which may include, among other things, maintaining a toll-free telephone number for shareholders of each Fund to use to obtain up-to-date account information; making available to shareholders quarterly and other reports with respect to the performance of each Fund; if requested by independent advisers, arranging for the purchase, exchange, redemption, or transfer of Fund shares in conjunction with the shareholder's custodian of record and/or maintaining a technological platform whereby shareholders can access up-to-date information related to their respective holdings in a Fund; addressing shareholder communications brought to the Adviser's attention; and providing shareholders with such information regarding the operations and affairs of each Fund, and their investment in its shares, as the shareholders or the Trust may reasonably request. For these services, the Adviser is paid a service fee that is calculated daily and paid monthly at the annual rate of 0.25% and 0.05% of the average daily net assets of each SA Fund's Investor Class and Select Class shares, respectively. Each Fund's Select Class shares do not receive the same shareholder services that each Fund's Investor Class shares receive, and therefore do not pay the same fees under the Shareholder Service Agreement. In addition, because the Allocation Fund is invested in the SA Funds, no fee is charged to the Allocation Fund for shareholder servicing. The reports and other information mentioned above are available to shareholders and may be obtained by calling (844) 366-0905.

The table below sets forth the fees paid by the SA Fund's Select Class and Investor Class shares to the Shareholder Servicing Agent for the periods indicated. The Funds' Select Class shares commenced operations on or about July 1, 2017 so there is no information for Select Class shares to be presented as of the fiscal year ended June 30, 2017 or June 30, 2016.

Fund	Select Class Fiscal Year Ended June 30, 2018	Investor class Fiscal Year Ended June 30, 2018	Investor Class Fiscal Year Ended June 30, 2017	Investor Class Fiscal Year Ended June 30, 2016
SA U.S. Fixed Income Fund	$62,438	$1,216,096	$1,528,504	$1,522,939
SA Global Fixed Income Fund	$72,979	$1,452,331	$1,811,788	$1,851,707
SA U.S. Core Market Fund	$78,074	$1,540,565	$1,763,080	$1,666,322
SA U.S. Value Fund	$60,109	$1,200,939	$1,390,840	$1,279,004
SA U.S. Small Company Fund	$42,595	$843,405	$990,406	$916,761
SA International Value Fund	$76,754	$1,520,986	$1,688,572	$1,580,056
SA International Small Company Fund	$34,629	$750,557	$825,176	$791,398
SA Emerging Markets Value Fund	$24,221	$438,553	$470,842	$379,801
SA Real Estate Securities Fund	$18,011	$338,438	$435,178	$423,446

SUB-ADMINISTRATOR

State Street Bank and Trust Company ("State Street"), whose principal business address is 801 Pennsylvania Avenue, Kansas City, MO 64105, serves as the sub-administrator for the Trust, pursuant to a Second Amended and Restated Sub-Administration Agreement with State Street (the "Sub-Administration Agreement"), with the Adviser and the Trust.

Under the Sub-Administration Agreement, State Street has agreed to oversee the computation of each Fund's net asset value, net income and realized capital gains, if any; furnish statistical and research data, clerical services, and stationery and office supplies; prepare and file various reports with the appropriate regulatory agencies; and prepare various materials required by the SEC. For providing these services, State Street receives a fee calculated daily and paid monthly at an annual rate based on the aggregate average daily net assets of the Trust as follows: 0.02% of the first $1.5 billion of net assets and 0.0175% of net assets over $1.5 billion. There is a minimum annual charge of $70,000 per Fund except for SA International Small Company Fund and SA Worldwide Moderate Growth Fund, which are subject to a minimum annual fee of $50,000.

Fees are calculated for the fund complex and then allocated to the Funds based upon each Fund's total net assets, which may cause a Fund to pay less than the minimum annual charge.

The table below sets forth the fees paid by the SA Funds to State Street, in its capacity as the sub-administrator, for the periods indicated.

Fund	Fiscal Year Ended June 30, 2018	Fiscal Year Ended June 30, 2017	Fiscal Year Ended June 30, 2016
SA U.S. Fixed Income Fund	$112,095	$112,748	$112,711
SA Global Fixed Income Fund	$133,232	$133,500	$136,902
SA U.S. Core Market Fund	$142,612	$129,790	$123,147
SA U.S. Value Fund	$111,207	$102,634	$94,639
SA U.S. Small Company Fund	$77,364	$73,235	$68,001
SA International Value Fund	$141,267	$124,269	$116,965
SA International Small Company Fund	$68,637.00	$60,830	$59,037
SA Emerging Markets Value Fund	$41,754	$34,949	$28,528
SA Real Estate Securities Fund	$31,293	$32,372	$31,592
SA Worldwide Moderate Growth Fund	$5,882	$3,875	$1,047

CUSTODIAN

State Street, John Adams Building, 1776 Heritage Drive, North Quincy, MA 02171 is the custodian of each Fund's assets pursuant to a Custodian Contract with the Trust. State Street is also the custodian with respect to the custody of foreign securities held by the Funds. Under the Custodian Contract, State Street (i) holds and transfers portfolio securities of each Fund, (ii) accepts receipts and makes disbursements of money on behalf of each Fund, (iii) collects and receives all income and other payments and distributions on each Fund's securities and (iv) makes periodic reports to the Board of Trustees concerning the Funds' operations.

TRANSFER AND DIVIDEND-DISBURSING AGENT

The Trust has hired DST Systems, Inc. ("DST"), 333 West 11th Street, Kansas City, MO, 64105 to serve as the transfer and dividend-disbursing agent for the Funds. In addition, the Trust and/or the Distributor have entered into arrangements whereby authorized intermediaries administer omnibus accounts for indirect shareholders of the Funds. The Trust and/or the Adviser may pay certain such intermediaries for these services.

COUNSEL

The law firm of Dechert LLP, One Bush Street, Suite 1600, San Francisco, CA 94104, has passed upon certain legal matters in connection with the shares offered by the Funds and serves as counsel to the Trust.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

PricewaterhouseCoopers LLP, Three Embarcadero Center, San Francisco, California 94111, serves as the independent registered public accounting firm for the Trust, providing audit services for the Funds' annual financial statements.

PORTFOLIO MANAGERS

Allocation Fund

The Allocation Fund is collectively managed by the Investment Committee of the Adviser, portfolio managers and trading personnel. The portfolio managers implement the policies and procedures established by the Investment Committee of the Adviser. The portfolio managers also make daily investment decisions regarding the Allocation Fund based on the parameters established by the Investment Committee. The portfolio managers named below coordinate the efforts with respect to the day-to-day management of the Allocation Fund.

Sheldon McFarland, Vice President of Portfolio Strategy & Research

Jonathan Scheid, CFA, Vice President of Portfolio Strategy & Education

Investments in the Allocation Fund

As of September 30, 2018, Sheldon McFarland, Jonathan Scheid and their immediate families did not own shares of the Allocation Fund.

Description of Compensation Structure

Portfolio managers receive a base salary and bonus. Compensation of a portfolio manager is determined by the Adviser and is based on a portfolio manager's experience, responsibilities, the perception of the quality of his or her work efforts and other subjective factors. The compensation of portfolio managers is not directly based upon the performance of the Allocation Fund or other accounts that the portfolio managers manage or on the value of assets held in the Allocation Fund or certain of the SA Funds. The Adviser reviews the compensation of each portfolio manager annually and may make modifications in compensation as it deems necessary to reflect changes in the market. Each portfolio manager's compensation consists of the following:

Base salary. Each portfolio manager is paid a base salary. The Adviser considers the factors described above to determine each portfolio manager's base salary.

Annual Bonus. Each portfolio manager may receive a bonus that is determined by the Adviser based on the factors described above.

Portfolio managers may be awarded the right to purchase restricted shares of the stock of Loring Ward Holdings Inc. as determined from time to time by the Board of Directors of Loring Ward Holdings Inc. or its delegees. Portfolio managers also participate in benefit and retirement plans and other programs available generally to all employees.

Other Managed Accounts

In addition to the Allocation Fund, each portfolio manager manages (1) other U.S. registered investment companies advised or sub-advised by the Adviser, (2) other pooled investment vehicles that are not U.S. registered mutual funds and/or (3) other accounts managed for organizations and individuals. The following table sets forth information regarding the total accounts for which each portfolio manager has the primary responsibility for coordinating the day-to-day management responsibilities.

Name of Portfolio Manager	Number of Accounts Managed and Total Assets by Category as of September 30, 2018
Sheldon McFarland	No other accounts managed.
Jonathan Scheid	No other accounts managed.

Potential Conflicts of Interest

Actual or apparent conflicts of interest may arise when a portfolio manager has the primary day-to-day responsibilities with respect to the Allocation Fund and other accounts. Other accounts include registered mutual funds (other than the Funds covered by this SAI), other unregistered pooled investment vehicles, and/or other accounts managed for organizations and individuals (collectively, "Accounts"). Potential conflicts of interest may arise for a portfolio manager that is responsible for the management of multiple Accounts. Such Accounts may have similar investment objectives to the Allocation Fund, and therefore may purchase, hold, or sell securities that may also be held by the Allocation Fund. Management of multiple independent Accounts with similar investment objectives and/or security positions has the potential to require disparate commitments of time by a portfolio manager across the Accounts, and to result in different asset allocation decisions by a portfolio manager.

Because most Accounts managed by the portfolio managers utilize the same or similar investment strategy as the investment strategy applied to the Allocation Fund, the Adviser believes that the potential conflicts of interest described above have been reasonably mitigated. Most Accounts managed by the portfolio managers are managed using the same investment models that are used in connection with the management of the Allocation Fund. The Adviser's overall investment philosophy is generally applicable to all Accounts it manages. Furthermore, the Adviser has in place policies and procedures reasonably designed to identify, address, and mitigate potential conflicts of interest. The Adviser's Code of Ethics also addresses potential conflicts of interest as they relates to the personal securities transactions of the Adviser's employees, supervised persons, and portfolio managers. However, there is no guarantee that these procedures will detect each and every situation in which a conflict arises.

SA Funds

In accordance with the team approach used to manage the SA Funds, the portfolio managers and portfolio traders implement the policies and procedures established by the Investment Committee of Dimensional. The portfolio managers and portfolio traders also make daily investment decisions regarding the SA Funds including running buy and sell programs based on the parameters established by the Investment Committee. The portfolio managers named below coordinate the efforts of all other portfolio managers or trading personnel with respect to the day-to-day management of each category of SA Funds indicated.

Domestic Equity Funds (includes SA U.S. Core Market Fund, SA U.S. Value Fund, SA U.S. Small Company Fund and SA Real Estate Securities Fund)	Joseph H. Chi, Jed S. Fogdall, Lukas J. Smart, and Joel P. Schneider
International Equity Funds (includes SA International Value Fund, SA International Small Company Fund and SA Emerging Markets Value Fund)	Joseph H. Chi, Jed S. Fogdall, Arun C. Keswani, Daniel C. Ong, Mary T. Phillips, Mitchell Firestein, and Bhanu P. Singh
Fixed Income Funds (includes SA U.S. Fixed Income Fund and SA Global Fixed Income Fund)	Joseph F. Kolerich and David A. Plecha

Investments in Each SA Fund

As of June 30, 2018, Joseph H. Chi, Jed S. Fogdall, Joseph F. Kolerich, David A. Plecha, Bhanu P. Singh, Joel P. Schneider, Lukas J. Smart, Daniel C. Ong, Mary T. Phillips, Mitchell Firestein, and Arun C. Keswani and their immediate families did not own shares of any SA Fund.

Description of Compensation Structure

Portfolio managers receive a base salary and bonus. Compensation of a portfolio manager is determined by Dimensional and is based on a portfolio manager's experience, responsibilities, the perception of the quality of his or her work efforts and other subjective factors. The compensation of portfolio managers is not directly based upon the performance of the SA Funds or other accounts that the portfolio managers manage or on the value of assets held in the Funds' portfolios. Dimensional reviews the compensation of each portfolio manager annually

and may make modifications in compensation as its Compensation Committee deems necessary to reflect changes in the market. Each portfolio manager's compensation consists of the following:

Base salary. Each portfolio manager is paid a base salary. Dimensional considers the factors described above to determine each portfolio manager's base salary.

Semi-Annual Bonus. Each portfolio manager may receive a semi-annual bonus. The amount of the bonus paid to each portfolio manager is based on the factors described above.

Portfolio managers may be awarded the right to purchase restricted equity interest of Dimensional as determined from time to time by the Board of Directors of Dimensional's general partner or its delegates. Portfolio managers also participate in benefit and retirement plans and other programs available generally to all employees.

In addition, portfolio managers are given the option of participating in Dimensional's Long Term Incentive Plan. The level of participation for eligible employees may be dependent on the overall level of compensation, among other considerations. Participation in this program is not based on or related to the performance of any individual strategies or any particular client accounts.

Other Managed Accounts

In addition to the SA Funds, each portfolio manager manages (1) other U.S. registered investment companies advised or sub-advised by Dimensional, (2) other pooled investment vehicles that are not U.S. registered mutual funds and (3) other accounts managed for organizations and individuals. The following table sets forth information regarding the total accounts for which each portfolio manager has the primary responsibility for coordinating the day-to-day management responsibilities.

Name of Portfolio Manager	Number of Accounts Managed and Total Assets by Category as of June 30, 2018
Joseph H. Chi	119 U.S. registered mutual funds with approximately $417,673 million in total assets under management. 22 unregistered pooled investment vehicles with approximately $17,669 million in total assets under management, of which 1 account with approximately $187 million in assets is subject to a performance fee. 85 other accounts with approximately $31,643 million in total assets under management, of which 6 accounts with approximately $3,056 million in assets are each subject to a performance fee.
Jed S. Fogdall	119 U.S. registered mutual funds with approximately $417,673 million in total assets under management. 22 unregistered pooled investment vehicles with approximately $17,669 million in total assets under management, of which 1 account with approximately $187 million in assets is subject to a performance fee. 85 other accounts with approximately $31,643 million in total assets under management, of which 6 accounts with approximately $3,056 million in assets are each subject to a performance fee.

Name of Portfolio Manager	Number of Accounts Managed and Total Assets by Category as of June 30, 2018
Joseph F. Kolerich	66 U.S. registered mutual funds with approximately $112,982 million in total assets under management. 4 unregistered pooled investment vehicles with approximately $2,521 million in total assets under management, of which 0 account with $0 in assets is subject to a performance fee. 11 other accounts with approximately $3,359 million in total assets under management, of which 0 accounts with $0 in assets is subject to a performance fee.
David A. Plecha	66 U.S. registered mutual funds with approximately $112,982 million in total assets under management. 4 unregistered pooled investment vehicles with approximately $2,521 million in total assets under management, of which 0 accounts with $0 in assets is subject to a performance fee. 11 other accounts with approximately $3,359 million in total assets under management, of which 0 accounts with $0 in assets is subject to a performance fee.
Bhanu P.Singh	46 U.S. registered mutual funds with approximately $192,868 million in total assets under management. 1 unregistered pooled investment vehicles with approximately $46 million in total assets under management, of which 0 accounts with $0 in assets is subject to a performance fee. 1 other accounts with approximately $135 million in total assets under management, of which 0 accounts with $0 in assets is subject to a performance fee.
Joel P. Schneider	27 U.S. registered mutual funds with approximately $68,351 million in total assets under management. 9 unregistered pooled investment vehicles with approximately $6,552 million in total assets under management, of which 1 account with approximately $187 million in assets is subject to a performance fee. 24 other accounts with approximately $5,817 million in total assets under management, of which 0 accounts with $0 in assets is subject to a performance fee.
Lukas J. Smart	35 U.S. registered mutual funds with approximately $142,182 million in total assets under management. 9 unregistered pooled investment vehicles with approximately $2,667 million in total assets under management, of which 0 accounts with $0 in assets is subject to a performance fee. 10 other accounts with approximately $8,832 million in total assets under management, of which 1 account with approximately $45 million in assets is subject to a performance fee.

Name of Portfolio Manager	Number of Accounts Managed and Total Assets by Category as of June 30, 2018
Daniel C. Ong	6 U.S. registered mutual funds with approximately $32,640 million in total assets under management. 1 unregistered pooled investment vehicles with approximately $302 million in total assets under management, of which 0 accounts with $0 in assets is subject to a performance fee. 5 other accounts with approximately $3,436 million in total assets under management, of which 1 accounts with approximately 446 million in assets is subject to a performance fee.
Mary T. Phillips	61 U.S. registered mutual funds with approximately $206,687 million in total assets under management. 2 unregistered pooled investment vehicles with approximately $2,051 million in total assets under management, of which 0 accounts with $0 in assets is subject to a performance fee. 6 other accounts with approximately $1,288 million in total assets under management, of which 0 accounts with $0 in assets are each subject to a performance fee.
Mitchell Firestein	4 U.S. registered mutual funds with approximately $31,702 million in total assets under management. 2 unregistered pooled investment vehicles with approximately $418 million in total assets under management, of which 0 accounts with $0 in assets is subject to a performance fee. 11 other accounts with approximately $5,782 million in total assets under management, of which 2 accounts with approximately $614 million in assets are each subject to a performance fee
Arun C. Keswani	15 U.S. registered mutual funds with approximately $48,341 million in total assets under management. 0 unregistered pooled investment vehicles with approximately $0 in total assets under management, of which 0 accounts with $0 in assets is subject to a performance fee. 13 other accounts with approximately $5,348 million in total assets under management, of which 2 accounts with $846 million in assets are each subject to a performance fee.

Potential Conflicts of Interest

Actual or apparent conflicts of interest may arise when a portfolio manager has the primary day-to-day responsibilities with respect to more than one SA Fund and other accounts. Other accounts include registered mutual funds (other than the Funds covered by this SAI), other unregistered pooled investment vehicles, and other accounts managed for organizations and individuals (collectively, “Accounts”). An Account may have similar investment objectives to a SA Fund, or may purchase, sell or hold securities that are eligible to be purchased, sold or held by a SA Fund. Actual or apparent conflicts of interest include:

Time Management. The management of multiple SA Funds and/or Accounts may result in a portfolio manager devoting unequal time and attention to the management of each SA Fund and/or Account. Dimensional seeks to manage such competing interests for the time and attention of portfolio managers by having portfolio managers focus on a particular investment discipline. Most Accounts managed by a portfolio manager are managed using the same investment approaches that are used in connection with the management of the SA Funds.

Investment Opportunities. It is possible that at times identical securities will be held by more than one SA Fund and/or Account. However, positions in the same security may vary, and the length of time that any SA Fund or Account may choose to hold its investment in the same security may likewise vary. If a portfolio manager identifies a limited investment opportunity that may be suitable for more than one SA Fund or Account, a SA Fund may not be able to take full advantage of that opportunity due to an allocation of filled purchase or sale orders across all eligible SA Funds and Accounts. To deal with these situations, Dimensional has adopted procedures for allocating portfolio transactions across multiple SA Funds and Accounts.

Broker Selection. With respect to securities transactions for the SA Funds, Dimensional determines which broker to use to execute each order, consistent with its duty to seek best execution of the transaction. However, with respect to certain Accounts (such as separate accounts), Dimensional may be limited by the client with respect to the selection of brokers or may be instructed to direct trades through a particular broker. In these cases, Dimensional or its affiliates may place separate, non-simultaneous transactions for a SA Fund and another Account that may temporarily affect the market price of the security or the execution of the transaction, or both, to the detriment of the SA Fund or the Account.

Performance-Based Fees. For some Accounts, Dimensional may be compensated based on the profitability of the Account, such as by a performance-based management fee. These incentive compensation structures may create a conflict of interest for Dimensional with regard to the SA Funds and Accounts where Dimensional is paid based on a percentage of assets because the portfolio manager may have an incentive to allocate securities preferentially to the Accounts where Dimensional might share in investment gains.

Investment in an Account. A portfolio manager or his/her relatives may invest in an Account that he or she manages, and a conflict may arise because he or she may have an incentive to treat the Account in which the portfolio manager or his/her relatives invest preferentially as compared to the SA Funds and other Accounts for which they have portfolio management responsibilities.

Dimensional has adopted certain compliance procedures that are reasonably designed to address these types of conflicts. However, there is no guarantee that such procedures will detect each and every situation in which a conflict arises.

BROKERAGE ALLOCATIONS AND OTHER PRACTICES

The following discussion relates to the policies of the SA Funds with respect to brokerage commissions. The Allocation Fund does not incur any brokerage costs in connection with their purchases or redemption of shares of the SA Funds.

Subject to the general supervision of the Board, the Sub-Adviser makes decisions with respect to, and places orders for, all purchases and sales of portfolio securities for the SA Funds.

Brokerage firms are typically paid an agency commission when they buy or sell equity securities for the SA Funds. The pre-negotiated commission rates may vary among different brokers due to various factors.

Over-the-counter issues, including corporate debt and government securities, are normally traded on a “net” basis (*i.e.*, without commission) through dealers, or otherwise involve transactions directly with the issuer of an instrument. With respect to over-the-counter transactions, the Sub-Adviser will normally deal directly with dealers who make a market in the instruments involved except in those circumstances where more favorable prices and execution are available elsewhere. The cost of foreign and domestic securities purchased from and sold to dealers includes a dealer’s mark-up or markdown.

The Sub-Adviser will place portfolio transactions with a view to receiving the best price and execution.

Transactions may be placed with brokers who provide the Sub-Adviser with investment research, such as reports concerning individual issuers, industries and general economic and financial trends, and other research services. The Sub-Advisory Agreement permits the Sub-Adviser to cause the SA Funds to pay a broker or dealer that furnishes brokerage and research services a higher commission than that which might be charged by another broker or dealer for effecting the same transaction, provided that the Sub-Adviser determines in good faith that such commission is reasonable in relation to the value of the brokerage and research services provided by such broker or dealer, viewed in terms of either the particular transaction or the overall responsibilities of the Sub-Adviser to the SA Funds.

Supplementary research information so received is in addition to, and not in lieu of, services required to be performed by the Sub-Adviser and does not reduce the sub-advisory fees payable to the Sub-Adviser. It is possible that certain of the supplementary research or other services received will primarily benefit one or more other investment companies or other accounts for which the Sub-Adviser exercises investment discretion. Conversely, a SA Fund may be the primary beneficiary of the research or services received as a result of portfolio transactions effected for such other account or investment company.

Investment decisions for each SA Fund and for other investment accounts managed by the Sub-Adviser are made independently of each other in light of differing conditions. However, the same investment decision may be made for two or more of such accounts. In such cases, simultaneous transactions are inevitable. Purchases or sales are then averaged as to price and allocated as to amount in a manner deemed equitable to each such account. While in some cases this practice could have a detrimental effect on the price or value of the security as far as a SA Fund is concerned, in other cases it is believed to be beneficial to a SA Fund. To the extent permitted by law, the Sub-Adviser may aggregate the securities to be sold or purchased for a SA Fund with those to be sold or purchased for other investment companies or accounts in executing transactions.

Portfolio securities will not be purchased from or sold to the Adviser, the Sub-Adviser, the Distributor or any affiliated person (as defined in the 1940 Act) of the foregoing entities except to the extent permitted by SEC exemptive orders or by applicable law. A SA Fund will not purchase securities during the existence of any underwriting or selling group relating to such securities of which the Adviser, Sub-Adviser or any affiliated person (as defined in the 1940 Act) thereof is a member except pursuant to procedures adopted by the Trust's Board of Trustees in accordance with Rule 10f-3 under the 1940 Act.

The table below sets forth the aggregate dollar amount of brokerage commissions paid by the SA Funds for the periods indicated:

Fund	Fiscal Year Ended June 30, 2018	Fiscal Year Ended June 30, 2017	Fiscal Year Ended June 30, 2016
SA U.S. Fixed Income Fund	$0	$0	$0
SA Global Fixed Income Fund	$0	$0	$0
SA U.S. Core Market Fund	$15,421	$23,371	$33,063
SA U.S. Value Fund	$30,968	$37,352	$53,515
SA U.S. Small Company Fund	$36,379	$31,706	$31,318
SA International Value Fund	$109,439	$89,093	$115,709
SA International Small Company Fund	$0	$0	$0
SA Emerging Markets Value Fund	$43,675	$45,036	$36,407
SA Real Estate Securities Fund	$3,050	$4,747	$6,401
SA Worldwide Moderate Growth Fund	-	$0	N/A

Any substantial increases or decreases in the amount of brokerage commissions paid by certain SA Funds from year to year indicated in the foregoing table resulted from increases or decreases in the amount of securities that were bought and sold by those Funds.

The Trust is required to identify the amount of transactions and related commissions for any brokerage transaction directed to a broker for research services during the last fiscal year. For the fiscal year ended June 30, 2018, the Trust did not have any brokerage transactions directed to brokers for research services.

The Trust is required to identify the securities of its or its parent companies' regular brokers or dealers (as defined in Rule 10b-1 under the 1940 Act) held by the Funds as of the close of their most recent fiscal year and state the value of such holdings. As of June 30, 2018, the Trust held securities of the following regular brokers or dealers.

	Market Value
SA U.S. Fixed Income Fund	
Citigroup Global Markets Inc.	$3,808,799
JP Morgan Chase	$1,844,891
Morgan Stanley	$5,491,458
Wells Fargo Securities LLC	$4,869,843
SA U.S. Core Market Fund	
JP Morgan Chase	$7,533,139
Wells Fargo Securities LLC	$5,026,856
Citigroup Global Markets Inc.	$1,708,601
Morgan Stanley	$1,123,427
BNY Brokerage, Inc.	$1,015,178
Jefferies Financial Group, Inc.	$117,611
MarketAxess Holdings, Inc.	$257,218
Bank of America Corp	$2,965,616
SA U.S. Value Fund	
JP Morgan Chase	$21,210,327
Citigroup Global Markets Inc.	$9,234,291
Wells Fargo Securities LLC	$23,365,742
BNY Brokerage, Inc.	$4,464,649
Morgan Stanley	$5,047,961
Jefferies Financial Group, Inc.	$159,021
Bank of America Corp	$15,177,609
SA U.S. Small Company Fund	
Investment Technology Group, Inc.	$197,715
Virtu Financial, Inc.	$135,379
SA International Value Fund	
Daiwa Securities Group, Inc.	$1,388,689
Societe Generale SA	$3,077,854

PORTFOLIO TURNOVER

Portfolio turnover may vary from year to year, as well as within a year. High turnover rates may result in comparatively greater brokerage expenses.

The table below sets forth the portfolio turnover rates of each SA Fund for the periods noted.

Fund	Fiscal Year Ended June 30, 2018	Fiscal Year Ended June 30, 2017
SA U.S. Fixed Income Fund	107%	115%
SA Global Fixed Income Fund	46%	41%
SA U.S. Core Market Fund	6%	8%
SA U.S. Value Fund	19%	16%
SA U.S. Small Company Fund	16%	12%
SA International Value Fund	21%	17%
SA International Small Company Fund	6%	N/A
SA Emerging Markets Value Fund	18%	21%

Fund	Fiscal Year Ended June 30, 2018	Fiscal Year Ended June 30, 2017
SA Real Estate Securities Fund	6%	7%
SA Worldwide Moderate Growth Fund	20%	11%

The SA U.S. Fixed Income Fund is expected to have high portfolio turnover rate due to the relatively short maturities of the securities to be acquired.

INFORMATION CONCERNING SHARES

The Trust is a Delaware statutory trust. Under the Trust's Declaration of Trust, the beneficial interest in the Trust may be divided into an unlimited number of full and fractional transferable shares. The Declaration of Trust authorizes the Board of Trustees to classify or reclassify any unissued shares of the Trust into one or more classes by setting or changing, in any one or more respects, their respective designations, preferences, conversion or other rights, voting powers, restrictions, limitations, qualifications and terms and conditions of redemption.

The Trust's Board of Trustees has adopted a Multi-Class Plan pursuant to Rule 18f-3 under the 1940 Act. Under the Multi-Class Plan, shares of each class of each Fund represent an equal pro rata interest in such Fund and, generally, have identical voting, dividend, liquidation, and other rights, preferences, powers, restrictions, limitations, qualifications and terms and conditions, except that: (a) each class has a different designation/name; (b) each class of shares bears any class-specific expenses allocated to it; and (c) each class has exclusive voting rights on any matter submitted to shareholders that relates solely to its distribution or service arrangements, and each class has separate voting rights on any matter submitted to shareholders in which the interests of one class differ from the interests of any other class.

Each class may, at the Board of Trustee's discretion, pay a different share of distribution or shareholder servicing expenses (but not including advisory or custodial fees or other expenses related to the management of a Fund's assets) if the distribution or shareholder servicing expenses are actually incurred in a different amount by that class, or if the class receives services of a different kind or to a different degree than the other classes. All other expenses are allocated to each class on the basis of the net asset value of that class in relation to the net asset value of the particular Fund. In addition, each class may have different exchange and conversion features.

Pursuant to the 18f-3 Plan, the Trust's Board of Trustees has authorized the issuance of an unlimited number of Select Class shares and Investor Class shares of beneficial interest in the Trust, representing interests in ten separate series, each of which is a Fund with the exception of SA Worldwide Moderate Growth Fund, which currently only offers a single share class.

Investor Class shares are sold at NAV without a sales charge. As discussed above, Investor Class shares are subject to a fee under the Shareholder Service Agreement between the Trust and the Adviser. The minimum initial purchase amount of Investor Class shares is generally $100,000 aggregated across all of the SA Funds with no minimum for any individual fund and with no minimum for subsequent investments. In the Adviser's discretion, the minimum initial purchase amount may be applied across all assets of the investor under administration with the investment advisor or may be reduced.

Select Class shares are sold at NAV without a sales charge. As discussed above, Select Class shares are subject to a fee under the Shareholder Service Agreement between the Trust and the Adviser. Select Class shares are available to investors that invest through the Adviser's Strategist Program and certain registered investment companies at the discretion of the Adviser. In addition, Select Class shares are available to certain Turn-Key Asset Management Program participants who: invest through a unified managed account program sponsored by the Adviser and who invest at least $500,000 in a model portfolio that includes one or more of the Funds; or investors who are clients of investment advisors whose clients invest in aggregate at least $20 million in the Funds and other accounts managed by the Adviser. The Adviser may automatically convert Investor Class shares to Select Class shares when investment level thresholds are achieved. The minimum initial purchase amount of Select Class shares is generally $100,000 across all of the SA Funds with no minimum for subsequent investments. In the Adviser's discretion, the minimum initial purchase amount may be applied across all assets of the investor under administration with the investment advisor or may be reduced.

In the event of a liquidation or dissolution of the Trust, shareholders of a particular Fund would be entitled to receive the assets available for distribution belonging to such Fund, and a proportionate distribution, based upon the relative net asset values of the Funds, of any general assets not belonging to any particular Fund that are available for distribution. Shareholders of a Fund are entitled to participate in the net distributable assets of the particular Fund involved in liquidation, based on the number of shares of the Fund that are held by each shareholder.

Shares of the Trust have non-cumulative voting rights and, accordingly, the holders of a plurality of the Trust's outstanding shares may elect all of the Trustees. Shares have no preemptive rights and only such conversion and exchange rights as the Board may grant in its discretion. When issued for payment as described in the Prospectuses, shares will be fully paid and non-assessable by the Trust.

Shareholder meetings to elect Trustees will not be held unless and until such time as determined by the Trust or required by law. At that time, the Trustees then in office will call a shareholders' meeting to elect Trustees. Except as set forth above, the Trustees will continue to hold office and may appoint successor Trustees. Meetings of the shareholders shall be called by the Trustees upon the written request of shareholders owning at least 10% of the outstanding shares entitled to vote.

PURCHASE, REDEMPTION AND PRICING OF SHARES

PURCHASE AND REDEMPTION INFORMATION

Purchases and redemptions are discussed in the Funds' Prospectuses, and such information is incorporated herein by reference. As stated in the Funds' Prospectuses, each of the Funds, with the exception of the Allocation Fund that only offers a single share class, currently offer investors a choice of two classes of shares: Select Class and Investor Class. Purchases by the Allocation Fund of SA Funds receive Select Class shares. Shares held by the Allocation Fund prior to January 1, 2018 were converted (via an inter-class tax free exchange) into Select Class shares on the first business day of 2018.

The Funds will be open on days that the New York Stock Exchange (the "NYSE") is open and will generally be closed on days the NYSE is closed. As of the date of this SAI, the NYSE is scheduled to be open Monday through Friday throughout the year except for days closed to recognize New Year's Day, Martin Luther King, Jr. Day, Washington's Birthday, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. Purchase and redemption requests will not be processed on days the Funds are closed.

Retirement Plans. Shares of any Fund may be purchased in connection with various types of tax-advantaged retirement plans, including individual retirement accounts ("IRAs"), Roth IRAs, 401(k) plans and simplified employee pension IRAs. An individual or organization considering the establishment of a retirement plan should consult with an attorney and/or an accountant with respect to the terms and tax aspects of the plan. An annual custodial fee is also charged on certain retirement plans. This custodial fee is generally due by December 15 of each year and may be paid by check or shares liquidated from a shareholder's account.

In-Kind Purchases. Payment for shares may, in the discretion of the Adviser or Sub-Adviser, be made in the form of securities that are permissible investments for the Funds as described in the Prospectuses. For further information about this form of payment, please contact the Adviser. In connection with an in-kind securities payment, a Fund will require, among other things, that the securities (a) meet the investment objectives and policies of the Funds, (b) are acquired for investment and not for resale, (c) are liquid securities that are not restricted as to transfer either by law or liquidity of markets, (d) have a value that is readily ascertainable by a listing on a nationally recognized securities exchange and (e) are valued on the day of purchase in accordance with the pricing methods used by the Fund. The Fund must also receive satisfactory assurances that (i) it will have good and marketable title to the securities received by it and (ii) the securities are in proper form for transfer to the Fund.

Redemption In-Kind. Redemption proceeds are normally paid in cash; however, each Fund reserves the right to pay the redemption price in whole or part by a distribution in-kind of securities from the portfolio of the particular Fund, in lieu of cash. Redemption in-kind will be made in conformity with applicable rules of the SEC taking such securities at the same value employed in determining net asset value and selecting the securities in a manner the Board of Trustees determines to be fair and equitable. The Trust has elected to be governed by Rule 18f-1 under the 1940 Act, under which the Fund is obligated to redeem shares for any one shareholder in cash only up to the lesser of $250,000 or 1% of the class' net asset value during any 90-day period. If shares are redeemed in kind,

the redeeming shareholder might incur transaction costs in converting the assets into cash. In addition, redemption in portfolio securities generally will be a taxable event which will generate a capital gain or loss, and special rules may apply when determining gain or loss. See “Distributions and Taxes – Taxes on Distributions” in each Prospectus, and “Taxes – Taxation on Disposition of Shares” in this SAI.

Other Redemption Information. The Funds reserve the right to suspend or postpone redemptions during any period when (i) trading on the NYSE is restricted by applicable rules and regulations of the SEC, (ii) the NYSE is closed for other than customary weekend and holiday closings, (iii) the SEC has by order permitted such suspension or postponement for the protection of the shareholders or (iv) an emergency exists, making disposal of portfolio securities or valuation of net assets of a Fund not reasonably practicable.

The Funds may involuntarily redeem an investor’s shares if the total net asset value of such investor’s holding in the Funds is less than $5,000, provided that involuntary redemptions will not result from fluctuations in the value of an investor’s shares. A notice of redemption, sent by first-class mail to the investor’s address of record, will fix a date not less than 60 days after the mailing date, and shares will be redeemed at the net asset value at the close of business on that date unless sufficient additional shares are purchased to bring the aggregate account value up to $5,000 or more. A check for the redemption proceeds payable to the investor will be mailed to the investor at the address of record.

Abandoned Property. It is the responsibility of a shareholder to ensure that the Trust maintains a correct address for the shareholder’s account(s). An incorrect address may cause a shareholder’s account statements and other mailings to be returned to the Trust. If the Trust is unable to locate the shareholder, then it will determine whether the shareholder’s account has legally been abandoned. The Trust is legally obligated to escheat (or transfer) abandoned property to the appropriate state’s unclaimed property administrator in accordance with statutory requirements. The shareholder’s last known address of record determines which state has jurisdiction.

TAXES

The following section summarizes certain federal income and excise tax considerations generally affecting the Funds and their shareholders that are not described in the Prospectuses. No attempt is made to present a detailed explanation of the tax treatment of the Funds or their shareholders, and the discussion here and in the Prospectuses is not intended as a substitute for careful tax planning. This discussion is based upon provisions of the Code, the regulations promulgated thereunder, and judicial and administrative authorities as of the date of this SAI, all of which are subject to change, which may be retroactive. Prospective investors should consult their own tax advisors with regard to the federal tax consequences of the purchase, ownership, and disposition of Fund shares, as well as the tax consequences thereof arising under the laws of any state, locality, foreign country or other taxing jurisdiction.

TAX STATUS OF THE FUNDS

Each Fund (which is treated as a separate corporation for federal tax purposes) intends to continue to qualify to be taxed each taxable year as a regulated investment company under Subchapter M of Chapter 1 of Subtitle A of the Code (“RIC”). As such, a Fund will not be subject to federal income tax on its net investment income and realized net capital gains that it distributes as dividends to its shareholders, provided that it distributes at least 90% of its investment company taxable income (if any) -- consisting generally of taxable net investment income plus the excess of net short-term capital gain over net long-term capital loss (“net short-term capital gain”), if any, all determined without regard to any deductions for dividends paid -- for the taxable year (the “Distribution Requirement”) as well as satisfies certain other requirements of the Code that are described below. Distributions of investment company taxable income made during a taxable year or, under specified circumstances, within twelve months after the close of a taxable year will satisfy the Distribution Requirement for that year.

In addition to satisfying the Distribution Requirement, each Fund must derive at least 90% of its gross income each taxable year from (a) dividends, interest, payments with respect to certain securities loans, and gains from the sale or other disposition of stock, securities, or foreign currencies or other income (including gains from options, futures, or forward contracts) derived with respect to its business of investing in stock, securities, or those currencies or (b) net income from an interest in a "qualified publicly traded partnership" ("QPTP") (the “Income Requirement”).

Moreover, at the close of each quarter of its taxable year, (1) at least 50% of the value of a Fund's assets must consist of cash and cash items, government securities, securities of other RICs and securities of other issuers limited, in respect of any one issuer, to not more than 5% of the value of its total assets and not more than 10% of the outstanding voting securities of such issuer (equity securities of QPTPs being considered voting securities for these purposes), and (2) no more than 25% of the value of a Fund's total assets may be invested in (a) the securities (other than government securities or securities of other RICs) of any one issuer, (b) the securities (other than securities of other RICs) of two or more issuers the Fund controls that are determined to be engaged in the same, similar or related trades or businesses, or (c) the securities of one or more QPTPs (the "Diversification Requirements"). A QPTP is defined as a publicly traded partnership (generally, a partnership the interests in which are "traded on an established securities market" or are "readily tradable on a secondary market (or the substantial equivalent thereof)") other than a partnership at least 90% of the gross income of which satisfies the Income Requirement.

If, for any taxable year, any Fund did not qualify for treatment as a RIC, all of its taxable income generally would be subject to tax at regular corporate rates without any deduction for distributions to its shareholders. In that event, all distributions, including distributions of net capital gain (as defined below), would be taxable to the shareholders as ordinary income to the extent of the Fund's current and accumulated earnings and profits (except that, for individual shareholders and certain other non-corporate shareholders (each, an "individual shareholder"), the part thereof that is QDI, see below, would be subject to federal income tax at the rates for net capital gain – generally, a maximum of either 15% or 20%, depending on whether the taxpayer's income exceeds certain threshold amounts; those distributions also would be eligible for the dividends-received deduction available to certain corporate shareholders under certain circumstances.

Although each Fund expects to continue to qualify for treatment as a RIC and thereby be relieved of all or substantially all federal income tax, a Fund may be subject to the tax laws of states or localities in which its offices are maintained, in which its agents or independent contractors are located, or in which it is otherwise deemed to be conducting business.

Amounts not distributed on a timely basis in accordance with a calendar year distribution requirement are subject to a nondeductible 4% excise tax (the "Excise Tax"). To prevent imposition of the Excise Tax, a Fund must distribute dividends to shareholders in respect of each calendar year of an amount at least equal to the sum of (1) 98% of its ordinary income (taking into account certain deferrals and elections) for the calendar year, (2) 98.2% of its capital gains in excess of its capital losses (adjusted for certain ordinary losses, as prescribed by the Code) for the one-year period ending on October 31 of the calendar year, and (3) any ordinary income and capital gains for previous years that were not distributed during those years and on which the Fund did not pay any U.S. federal corporate income tax. Each Fund intends to make its distributions in accordance with this requirement so as to avoid liability for the Excise Tax. However, each Fund reserves the right to retain a portion of its earnings and to be subject to excise tax on such earnings.

TAXATION OF FUND DISTRIBUTIONS

Each Fund may report distributions of investment income it derives from dividends of most U.S. corporations (excluding, in general, most dividends from REITs) and some foreign corporations as QDI, provided that certain holding period and other requirements are met by the Fund. Fund dividends reported as QDI will be taxed in the hands of an individual shareholder at the rates applicable to net capital gain (described above), provided the shareholder meets the same holding period and other requirements with respect to the shares on which the Fund dividends were paid.

In the case of corporate shareholders, Fund distributions for any taxable year generally will qualify for the dividends-received deduction to the extent of the amount of dividends the Fund received from domestic corporations for the taxable year and if certain holding period requirements are met.

Distributions of (1) interest income a Fund earns from investments in debt securities and (2) any net short-term capital gain generally will be taxable to its shareholders as ordinary income and will not be eligible for the maximum rates applicable to QDI or the dividends-received deduction available to corporations.

Each Fund intends to distribute to its shareholders any excess of net long-term capital gain over net short-term capital loss ("net capital gain") for each taxable year. Such a distribution is taxable to shareholders as gain from the sale or exchange of a capital asset held for more than one year, subject to the maximum federal income tax

rates of 15% and 20% described above for an individual shareholder, regardless of the length of time the shareholder has held his or her Fund shares and regardless of whether the distribution is paid in cash or reinvested in shares. Capital gain distributions are not eligible for the dividends-received deduction.

A distribution will be treated as paid (and received by shareholders) on December 31 if it is declared by a Fund in October, November or December with a record date in such a month and paid by the Fund during the following January. Such distributions will be taxable to shareholders in the calendar year in which the distributions are declared, rather than in the calendar year in which the distributions are received.

Shareholders of a Fund will be advised annually as to the federal income tax character of distributions the Fund made. After calendar year-end, however, REITs can and often do change the category (*e.g.*, ordinary income dividend, capital gain distribution or return of capital) of the distributions they have made during that year, which would result at that time in SA Real Estate Securities Fund's also having to re-categorize some of the distributions it made to its shareholders. Those changes would be reflected in that Fund's Forms 1099. Although those forms generally will be distributed in February of each year, that Fund may, in one or more years, request from the Internal Revenue Service (the "Service") an extension of time to distribute those forms until mid-March to enable it to receive the latest information it can from the REITs in which it invests and thereby accurately report that information to its shareholders on a single form (rather than having to send them amended forms).

Dividends a Fund pays to a nonresident alien individual, foreign corporation or partnership, or foreign trust or estate (each, a "foreign shareholder"), other than (1) dividends paid to a foreign shareholder whose ownership of the Fund's shares is effectively connected with a U.S. trade or business the shareholder conducts and (2) capital gain distributions paid to a nonresident alien individual who is physically present in the United States for no more than 182 days during the taxable year, generally will be subject to a federal withholding tax of 30% (or lower treaty rate). A Fund is generally able to report distributions of "interest-related dividends" and "short-term capital gain dividends," in writing to its shareholders as exempt from that withholding tax. "Interest-related dividends" are dividends that are attributable to "qualified net interest income" (*i.e.*, "qualified interest income," which generally consists of certain original issue discount ("OID"), interest on obligations "in registered form," and interest on deposits, less allocable deductions). "Short-term capital gain dividends" are dividends that are attributable to "qualified short-term gains" (*i.e.*, net short-term capital gain, computed with certain adjustments). However, distributions that are derived from any dividends on corporate stock or from ordinary income other than U.S. source interest are still subject to withholding. There can be no assurance as to the amount of distributions that would not be subject to withholding when paid to foreign persons.

SA Real Estate Securities Fund (and the Allocation Fund indirectly through its investment in that Fund) may invest in the securities of corporations that invest in U.S. real property, including U.S. REITs. Under the Foreign Investment in Real Property Tax Act of 1980 ("FIRPTA"), a non-U.S. shareholder is subject to withholding tax in respect of a disposition of a U.S. real property interest and any gain from such disposition is subject to U.S. federal income tax as if such person were a U.S. person. Such gain is sometimes referred to as "FIRPTA gain." If the SA Real Estate Securities Fund is a "U.S. real property holding corporation" and is not domestically controlled, any gain realized on the sale or exchange of Fund shares by a foreign shareholder that owns at any time during the five-year period ending on the date of disposition more than 5% of a class of Fund shares would be FIRPTA gain. The SA Real Estate Securities Fund will be a "U.S. real property holding corporation" if, in general, 50% or more of the fair market value of its assets consists of U.S. real property interests, including stock of certain U.S. REITs.

The Code provides a look-through rule for distributions of FIRPTA gain by a RIC if all of the following requirements are met: (i) the RIC is classified as a "qualified investment entity" (which includes a RIC if, in general more than 50% of the RIC's assets consists of interest in REITs and U.S. real property holding corporations); and (ii) a foreign shareholder owns more than 5% of the Fund's shares at any time during the one-year period ending on the date of the distribution. If these conditions are met, Fund distributions to a non-U.S. shareholder to the extent derived from gain from the disposition of a U.S. real property interest, may also be treated as FIRPTA gain and therefore subject to U.S. federal income tax, and requiring that a shareholder file a nonresident U.S. income tax return. Also, such gain may be subject to a 30% branch profits tax in the hands of a non-U.S. shareholder that is a corporation. Even if a non-U.S. shareholder does not own more than 5% of the Fund's shares, Fund distributions that are attributable to gain from the sale or disposition of a U.S. real property interest will be taxable as ordinary dividends subject to withholding at a 30% or lower treaty rate.

The Funds are required to withhold U.S. tax (at a 30% rate) on payments of taxable dividends and (effective January 1, 2019) redemption proceeds and certain capital gain dividends made to certain non-U.S. entities that fail to comply (or be deemed compliant) with extensive new reporting and withholding requirements designed to inform the U.S. Department of the Treasury of U.S.-owned foreign investment accounts. Shareholders may be requested to provide additional information to the Funds to enable the Funds to determine whether withholding is required.

TAXATION OF DISPOSITION OF SHARES

On a redemption or exchange of Fund shares, a shareholder will realize a taxable gain or loss depending on his or her basis in the shares. Such gain or loss will be treated as capital gain or loss if the shares are capital assets in the shareholder's hands and will be long-term or short-term, depending on the shareholder's holding period for the shares. Any loss realized on a redemption or exchange will be disallowed to the extent the shares that are disposed of are replaced (including through reinvestment of distributions) within a period of 61 days beginning 30 days before and ending 30 days after the disposition. In such a case, the basis in the shares acquired will be adjusted to reflect the disallowed loss. Any loss a shareholder realizes on the sale of Fund shares held for six months or less will be treated as a long-term capital loss to the extent of any distributions of net capital gain with respect to those shares.

A shareholder's basis in shares of a Fund that he or she acquired after December 31, 2011 ("Covered Shares"), will be determined in accordance with the Fund's default method, which is average basis, unless the shareholder affirmatively elects in writing (which may be electronic) to use a different acceptable basis determination method, such as a specific identification method. The basis determination method a Fund shareholder elects (or the default method) may not be changed with respect to a redemption of Covered Shares after the settlement date of the redemption.

In addition to the requirement to report the gross proceeds from the sale of Fund shares, each Fund (or its administrative agent) also must report to the Service and furnish to its shareholders the basis information for Covered Shares and indicate whether they had a short-term (one year or less) or long-term (more than one year) holding period. Fund shareholders should consult with their tax advisors to determine the best Service-accepted basis determination method for their tax situation and to obtain more information about how the basis reporting law applies to them.

TAXATION OF FOREIGN INVESTMENTS

Dividends and interest a Fund receives, and gains it realizes, on foreign securities may be subject to income, withholding, or other taxes foreign countries and U.S. possessions impose ("foreign taxes") that would reduce the yield and/or total return on its investments. Tax conventions between certain countries and the United States may reduce or eliminate foreign taxes, however, and many foreign countries do not impose taxes on capital gains in respect of investments by foreign investors.

In the cases of the SA Worldwide Moderate Growth Fund, SA Global Fixed Income Fund, SA International Value Fund, SA Emerging Markets Value Fund and SA International Small Company Fund (each, an "International Fund"), if more than 50% of the value of its total assets (in the last Fund's case, indirectly through its share of the DFA Portfolio's indirect investments in the Underlying DFA Funds' assets) at the close of any taxable year consists of stock or securities of foreign corporations, or if at least 50% of the value of a Fund's assets at the close of each quarter of its taxable year consists of interests in Underlying Funds that are regulated investment companies, it will be eligible to, and may, file an election with the Service that would enable its shareholders, in effect, to benefit from any foreign tax credit or deduction available with respect to any foreign taxes it directly or indirectly (through the DFA Portfolio and the Underlying DFA Funds) pays. Pursuant to the election, an International Fund would treat those taxes as dividends paid to its shareholders and each shareholder (1) would be required to include in gross income, and treat as paid by the shareholder, the shareholder's proportionate share of those taxes, (2) would be required to treat that share of those taxes and of any dividend the International Fund paid that represents income from foreign or U.S. possessions sources ("foreign-source income") as the shareholder's own income from those sources and (3) could either use the foregoing information in calculating the foreign tax credit against the shareholder's federal income tax or, alternatively, deduct the foreign taxes deemed paid by the shareholder in computing taxable income. If an International Fund makes this election, it will report to its shareholders shortly after each taxable year their respective shares of the foreign taxes and foreign-source

income it directly or indirectly paid and earned, respectively. Each of SA International Value Fund and SA Emerging Markets Value Fund has, for prior taxable years, filed this election with the Service.

Individuals who have no more than $300 ($600 for married persons filing jointly) of creditable foreign taxes included on Forms 1099 and all of whose foreign source income is "qualified passive income" may elect each year to be exempt from the extremely complicated foreign tax credit limitation, in which event they would be able to claim a foreign tax credit without having to file the detailed Form 1116 that otherwise is required. A shareholder will not be entitled to credit or deduct its allocable portions of foreign taxes an International Fund directly or indirectly paid if the shareholder has not held Fund shares for at least 16 days during the 30-day period beginning 15 days before the ex-distribution date for those shares. The minimum holding period will be extended if the shareholder's risk of loss with respect to those shares is reduced by reason of holding an offsetting position. No deduction for foreign taxes may be claimed by a shareholder who does not itemize deductions. A foreign shareholder may not deduct or claim a credit for foreign taxes in determining its federal income tax liability unless International Fund dividends paid to it are effectively connected with its conduct of a U.S. trade or business.

A Fund may invest in shares of one or more passive foreign investment companies ("PFICs") either directly or, in the case of SA International Small Company Fund, indirectly through the DFA Portfolio and the Underlying DFA Funds and the Allocation Fund, indirectly through other Funds. In general, a foreign corporation (other than a "controlled foreign corporation") is a PFIC if at least one-half of its assets produce or are held for the production of passive income or 75% or more of its gross income for the taxable year is passive. Under certain circumstances, a Fund will be subject to federal income tax on a portion of any "excess distribution" it receives, directly or indirectly, on the stock of a PFIC or of any gain on its direct or indirect disposition of that stock (collectively, "PFIC income"), plus an interest charge thereon, even if the Fund distributes the PFIC income as a dividend to its shareholders. The balance of the PFIC income will be included in the Fund's investment company taxable income and, accordingly, will not be taxable to the extent it distributes that income to its shareholders. Excess distributions are characterized as ordinary income even though, absent application of the PFIC rules, certain excess distributions might have been classified as capital gain. Moreover, Fund distributions thereof will not be eligible for the maximum federal income tax rates on individual shareholder's QDI described above.

Each Fund may be eligible to elect alternative tax treatment with respect to PFIC stock. If a Fund (which term, for purposes of this and the following paragraph and the first sentence of the paragraph after that, includes the DFA Portfolio and an Underlying DFA Fund, where applicable) elects to treat a PFIC as a "qualified electing fund" ("QEF"), then in lieu of the foregoing tax and interest obligation, the Fund would be required to include in income each taxable year its *pro rata* share of the QEF's annual ordinary earnings and net capital gain – which the Fund likely would have to distribute to satisfy the Distribution Requirement and avoid imposition of the Excise Tax – even if the QEF did not distribute those earnings and gain to the Fund. In most instances it will be very difficult, if not impossible, to make this election because of certain requirements thereof.

A Fund also may alternatively elect to "mark to market" its stock in any PFIC. "Marking-to-market," in this context, means including in ordinary income each taxable year the excess, if any, of the fair market value of the stock over the adjusted basis therein as of the end of that taxable year. Pursuant to the election, a deduction (as an ordinary, not a capital, loss) also would be allowed for the excess, if any, of the holder's adjusted basis in PFIC stock over the fair market value thereof as of the taxable year-end, but only to the extent of any net mark-to-market gains with respect to that stock included in income for prior taxable years under the election. The adjusted basis in each PFIC's stock subject to the election would be adjusted to reflect the amounts of income included and deductions taken thereunder.

Because the application of the PFIC rules may affect, among other things, the character of gains and the amount of gain or loss and the timing of the recognition of income with respect to PFIC stock, and may subject a Fund itself to tax on certain income from PFIC stock, the amount that must be distributed to shareholders and will be taxed to shareholders as ordinary income or long-term capital gain may be increased or decreased substantially as compared to a fund that did not invest in PFIC stock. Furthermore, investors should be aware that a Fund may not be able, at the time it acquires a foreign corporation's shares, to ascertain whether the corporation is a PFIC and that a foreign corporation may become a PFIC after a Fund acquires shares therein. Each Fund reserves the right to make such investments as a matter of its investment policy.

Gains or losses (1) from the disposition of foreign currencies, including forward contracts, (2) except in certain circumstances, from options and forward contracts on foreign currencies (and on financial instruments involving foreign currencies) and from notional principal contracts (*e.g.*, swaps, caps, floors, and collars) involving payments denominated in foreign currencies, (3) on the disposition of each foreign-currency-denominated debt

security that are attributable to fluctuations in the value of the foreign currency between the dates of acquisition and disposition of the security, and (4) that are attributable to exchange rate fluctuations between the time a Fund accrues interest, dividends or other receivables or expenses or other liabilities denominated in a foreign currency and the time it actually collects the receivables or pays the liabilities, generally will be treated as ordinary income or loss. These gains or losses will increase or decrease the amount of a Fund's investment company taxable income to be distributed to its shareholders as ordinary income, rather than affecting the amount of its net capital gain.

TAXATION OF REAL ESTATE INVESTMENTS

SA Real Estate Securities Fund (and the Allocation Fund indirectly through its investment in that Fund) may invest in REITs that (1) hold residual interests in real estate mortgage investment conduits ("REMICs") or (2) engage in mortgage securitization transactions that cause the REITs to be taxable mortgage pools ("TMPs") or have a qualified REIT subsidiary that is a TMP. A portion of the net income allocable to REMIC residual interest holders may be an "excess inclusion." The Code authorizes the issuance of regulations dealing with the taxation and reporting of excess inclusion income of REITs and RICs that hold residual REMIC interests and of REITs, or qualified REIT subsidiaries, which are TMPs. Although those regulations have not yet been issued, the U.S. Treasury Department and the Service have issued a notice (the "Notice") announcing that, pending the issuance of further guidance, the Service would apply the principles in the following paragraphs to all excess inclusion income, whether from REMIC residual interests or TMPs.

The Notice provides that a REIT must (1) determine whether it or its qualified REIT subsidiary (or a part of either) is a TMP and, if so, calculate the TMP's excess inclusion income under a "reasonable method," (2) allocate its excess inclusion income to its shareholders generally in proportion to dividends paid, (3) inform shareholders that are not "disqualified organizations" (*i.e.*, governmental units and tax-exempt entities that are not subject to the unrelated business income tax) of the amount and character of the excess inclusion income allocated thereto, (4) pay tax (at the highest federal income tax rate imposed on corporations) on the excess inclusion income allocated to its disqualified organization shareholders and (5) apply the withholding tax provisions with respect to the excess inclusion part of dividends paid to foreign persons without regard to any treaty exception or reduction in tax rate. Excess inclusion income allocated to certain tax-exempt entities (including qualified retirement plans, IRAs, and public charities) constitutes unrelated business taxable income to them.

A RIC with excess inclusion income is subject to rules identical to those in clauses (2) through (5) above (substituting "that are nominees" for "that are not 'disqualified organizations'" in clause (3) and inserting "record shareholders that are" after "its" in clause (4)). The Notice further provides that a RIC is not required to report the amount and character of the excess inclusion income allocated to its shareholders that are not nominees, except that (1) a RIC with excess inclusion income from all sources that exceeds 1% of its gross income must do so and (2) any other RIC must do so by taking into account only excess inclusion income allocated to the RIC from REITs the excess inclusion income of which exceeded 3% of its dividends. The SA Real Estate Securities Fund will not invest directly in REMIC residual interests and does not intend to invest in REITs that, to its knowledge, invest in those interests or are TMPs or have a qualified REIT subsidiary that is a TMP.

TAXATION OF OTHER FUND INVESTMENTS

Certain Financial Instruments. Special rules govern the federal income tax treatment of financial instruments in which some Funds may invest. These rules may have a particular impact on the amount of income or gain that a Fund must distribute to its shareholders to comply with the Distribution Requirement and on the income or gain qualifying under the Income Requirement.

Original Issue Discount. Each Fund may acquire debt securities with OID, which represents the difference between the original issue price of the debt instrument and its stated redemption price at maturity. OID is required to be accrued on a daily basis and is considered interest income for federal income tax purposes. Therefore, it is subject to the Distribution Requirement for a Fund, even if the Fund receives no corresponding payment on the discounted security during the Fund's taxable year. Because each Fund annually must distribute substantially all of its investment company taxable income, including any accrued OID, to satisfy the Distribution Requirement and avoid imposition of the Excise Tax, a Fund may be required in a particular taxable year to distribute as a dividend an amount that is greater than the total amount of cash it actually receives. Those distributions will be made from a Fund's cash assets or from the proceeds of sales of its portfolio securities, if necessary. A Fund may realize capital gains or losses from those sales, which would increase or decrease its investment company taxable income and/or net capital gain.

Market Discount. Some Funds may acquire debt securities at a discount in excess of the OID thereon or at a discount to the stated redemption price at maturity (for debt securities without OID). This discount is called "market discount." Market discount is permitted to be recorded daily or at the time of disposition of the debt security. If market discount is to be recognized at the time of disposition of the debt security, accrued market discount is recognized to the extent of gain on the disposition.

Hedging Transactions. The premium a Fund receives for selling a put or call option is not included in income at the time of receipt. If the option expires, the premium will be a short-term capital gain to the Fund. If the Fund enters into a closing transaction, the difference between the amount it paid to close out its position and the premium it receives will be a short-term capital gain or loss. If a call option written by a Fund is exercised, thereby requiring the Fund to sell the underlying security, the premium will increase the amount realized on the sale of that security, and any resulting gain or loss will be a capital gain or loss and will be long-term or short-term depending on the Fund's holding period for the security. With respect to a put or call option that is purchased by a Fund, if the option is sold, any resulting gain or loss will be a capital gain or loss and will be long-term or short-term, depending on the Fund's holding period for the option. If the option expires, the resulting loss will be treated similarly. If the option is exercised, the cost of the option, in the case of a call option, will be added to the basis in the purchased security and, in the case of a put option, will reduce the amount realized on the underlying security in determining gain or loss.

Some futures contracts, foreign currency contracts, and "nonequity" options (*i.e.*, certain listed options, such as those on a "broad-based" securities index) – but not including any "securities futures contract" that is not a "dealer securities futures contract" (both as defined in the Code) or any interest rate, currency, basis, commodity, equity, equity index, or credit default swap, interest rate cap or floor or similar agreement -- in which a Fund may invest may be "section 1256 contracts." Section 1256 contracts a Fund holds at the end of each taxable year (and generally for purposes of the Excise Tax, on October 31 of each year) are "marked-to-market" (that is, treated as having been sold at that time for their fair market value) for federal tax purposes, with the result that unrealized gains or losses are treated as though they were realized. Gains or losses on section 1256 contracts (including deemed sales) are generally characterized as 60% long-term and 40% short-term capital gains or losses; however, certain foreign currency gains or losses arising from section 1256 contracts are generally characterized as ordinary income or loss. These rules may operate to increase the amount that a Fund must distribute to satisfy the Distribution Requirement (*i.e.*, with respect to the portion treated as short-term capital gain), which will be taxable to its shareholders as ordinary income when distributed to them, and to increase the net capital gain a Fund recognizes, without in either case increasing the cash available to it. A Fund may elect not to have the foregoing rules apply to any "mixed straddle" (that is, a straddle the Fund clearly identifies in accordance with applicable regulations, at least one (but not all) of the positions of which are section 1256 contracts), although doing so may have the effect of increasing the relative portion of net short-term capital gain (taxable as ordinary income) and thus increasing the amount of dividends it must distribute.

Generally, hedging transactions a Fund undertakes, if any, may result in "straddles" for federal income tax purposes. The straddle rules may affect the timing, amount and character of gains (or losses) a Fund realizes. In addition, losses a Fund realizes on positions that are part of a straddle may be deferred under the straddle rules, rather than being taken into account in calculating the taxable income for the taxable year in which the losses are realized. Hedging transactions may increase the amount of net short-term capital gain realized by a Fund that is taxed as ordinary income when distributed to its shareholders. If a Fund makes one or more elections available under the Code, the amount, character and timing of the recognition of gains or losses from the affected straddle positions will be determined under rules that vary according to the election(s) made. The rules applicable under certain of the elections may operate to accelerate the recognition of gains, or defer the recognition of losses, from the affected straddle positions. Because only a few regulations implementing the straddle rules have been promulgated, the tax consequences of hedging transactions to the Funds are not entirely clear.

Because application of the straddle rules may affect the character of gains or losses, defer losses and/or accelerate the recognition of gains or losses from the affected straddle positions, the amount that must be distributed to Fund shareholders, and that will be taxed to them as ordinary income or long-term capital gains, may be increased or decreased substantially as compared to a fund that did not engage in straddles.

The Diversification Requirements may limit the extent to which the Funds will be able to engage in transactions in options, futures or forward contracts.

Constructive Sales. Certain rules may affect the timing and character of gains recognized by a Fund if the Fund engages in a transaction that either reduces or eliminates its risk of loss with respect to certain appreciated financial positions – generally, an interest (including an interest through an option, futures or forward contract, or short sale). If a Fund has an "appreciated financial position" with respect to any stock, debt instrument (other than "straight debt"), or partnership interest the fair market value of which exceeds its adjusted basis – and enters into a "constructive sale" of the position, the Fund will be treated as having made an actual sale thereof, with the result that it will recognize gain at that time. A constructive sale generally consists of a short sale, an offsetting notional principal contract or a futures or forward contract a Fund or a related person enters into with respect to the same or substantially identical property. In addition, if the appreciated financial position is itself a short sale or such a contract, acquisition of the underlying property or substantially identical property will be deemed a constructive sale. The foregoing will not apply, however, to any Fund transaction during any taxable year that otherwise would be treated as a constructive sale if the transaction is closed within 30 days after the end of that year and the Fund holds the appreciated financial position unhedged for 60 days after that closing (*i.e.*, at no time during that 60-day period is the Fund's risk of loss regarding that position reduced by reason of certain specified transactions with respect to substantially identical or related property, such as having an option to sell, being contractually obligated to sell, making a short sale or granting an option to buy substantially identical stock or securities).

Capital Loss Carryovers. The Funds utilize the provisions of the federal income tax law that provide for the carryover of capital losses from prior taxable years, offsetting such losses against any future realized capital gains. Net capital losses recognized in taxable years beginning after December 22, 2010 ("post-enactment"), may be carried over indefinitely, and their character is retained as short-term and/or long-term capital losses. For taxable years beginning before December 23, 2010, net capital losses were eligible to be carried forward eight years and treated as short-term capital losses ("pre-enactment"). The Act requires that post-enactment net capital losses be used before pre-enactment net capital losses. As a result of this ordering rule, pre-enactment capital loss carryovers may be more likely to expire unused.

As of June 30, 2018, the post-enactment accumulated short-term and long-term capital loss carryovers for the Funds were as follows (amounts designated as "—" are $0 or have been rounded to $0):

Fund	Short-Term Losses	Long-Term Losses
SA Emerging Markets Value Fund	$ —	$2,531,848
SA U.S. Fixed Income Fund	$2,603,751	$1,026,712

Fund of Funds Structure. A Fund will not be able to offset gains distributed by one Underlying Fund in which it invests against losses in another Underlying Fund in which the Fund invests. Redemptions of shares in an Underlying Fund, including those resulting from changes in the allocation among Underlying Funds, could also cause additional distributable gains to shareholders of a Fund. A portion of any such gains may be short-term capital gains that would be distributable as ordinary income to shareholders of the Fund. Further, a portion of losses on redemptions of shares in the Underlying Funds may be deferred under the wash sale rules. As a result of these factors, the use of the fund of funds structure by a Fund could therefore affect the amount, timing and character of distributions to shareholders.

FINANCIAL STATEMENTS

Shareholders will receive annual audited financial statements and semi-annual unaudited financial statements. The Trust's June 30, 2018 financial statements and the report thereon of PricewaterhouseCoopers LLP from the Trust's June 30, 2018 annual report (as filed with the SEC on September 5, 2018, pursuant to Section 30(b) of the 1940 Act and Rule 30b2-1 thereunder) are incorporated herein by reference.

SA FUNDS – INVESTMENT TRUST

Proxy Voting

Adopted: July 1, 2003
Amended: November 30, 2011; June 12, 2014; June 9, 2015

The Board the Trust hereby adopts the following policy and procedures with respect to voting proxies relating to portfolio securities held by certain of the Trust's Funds:

1. Policy

   It is the policy of the Board to delegate the responsibility for voting proxies relating to portfolio securities held by the Funds to the Sub-Adviser, subject to the Board's continuing oversight (the "Policy").

2. Fiduciary Duty

   The right to vote a proxy with respect to portfolio securities held by the Funds is an asset of the Trust. The Sub-Adviser, to which the authority to vote on behalf of the Funds is delegated, acts as a fiduciary of the Trust and must vote proxies in a manner consistent with the best interest of the Funds. Every reasonable effort shall be made by the Sub-Adviser to vote each Fund's proxies. However, the Sub-Adviser shall not be required to vote a proxy if it is not practicable to do so, or if it determines that the potential costs involved with voting a proxy outweighs the potential benefits to a Fund.

3. Proxy Voting Services

   The Sub-Adviser may engage an independent proxy voting service to assist it in the voting of each Fund's proxies. Such a service would be responsible for coordinating with the Trust's custodian to ensure that all applicable proxy solicitation materials received by the custodian are processed in a timely fashion.

4. Conflicts of Interest

   The proxy voting guidelines of the Sub-Adviser shall address the procedures it would follow with respect to conflicts of interest.

5. Procedures

   The following are the procedures adopted by the Board for the administration of the Policy:

   a. Review of Sub-Adviser Proxy Voting Procedures. The Sub-Adviser shall present to the Board its policies, procedures and other guidelines for voting proxies at least annually, and must notify the Board promptly of material changes to any of these documents.

   b. Voting Record Reporting. No less than annually, the Sub-Adviser shall report to the Board with respect to proxies voted on behalf of the Funds. A copy of the proxy voting record for the Funds shall be provided to the Board upon request. With respect to those proxies that the Sub-Adviser has identified as involving a conflict of interest, the Sub- Adviser shall report to the Board the nature of the conflict of interest and how that conflict was resolved with respect to the voting of the proxy.

   c. Voting Proxies of Underlying Funds of a Fund of Funds. With respect to voting proxies relating to the shares of an underlying fund (an "Underlying Fund") held by a Fund of Funds in reliance on Section 12(d)(1)(G) of the Act where the Underlying Fund has shareholders other than the Fund of Funds which are not other Fund of Funds, the Fund of Funds will vote proxies relating to shares of the Underlying Fund in the same proportion as the vote of all other holders of such Underlying Fund shares.

6. Revocation

   The delegation by the Board of the authority to vote proxies relating to portfolio securities of the Funds is entirely voluntary and may be revoked by the Board, in whole or in part, at any time.

7. Annual Filing

   The Sub-Administrator shall file an annual report on behalf of the Trust of each proxy voted with respect to portfolio securities of the Funds during the twelve-month period ended June 30 on Form N-PX not later than August 31 of each year.

EXHIBIT A
PROXY VOTING GUIDELINES

APPENDIX

Effective February 20, 2018

PROXY VOTING POLICIES AND PROCEDURES

DIMENSIONAL FUND ADVISORS LP
DIMENSIONAL FUND ADVISORS LTD.
DFA AUSTRALIA LIMITED
DIMENSIONAL FUND ADVISORS PTE. LTD.
DIMENSIONAL JAPAN LTD.

Introduction

Dimensional Fund Advisors LP ("Dimensional") is an investment adviser registered with the U.S. Securities and Exchange Commission ("SEC") pursuant to the Investment Advisers Act of 1940 (the "Advisers Act"). Dimensional is the parent or indirect parent company of Dimensional Fund Advisors Ltd. ("DFAL"), DFA Australia Limited ("DFAA"), Dimensional Fund Advisors Pte. Ltd. ("DFAP") and Dimensional Japan Ltd. ("DFAJ") (Dimensional, DFAL, DFAA, DFAP and DFAJ are collectively referred to as the "Advisors"). DFAL and DFAA are also registered as investment advisers under the Advisers Act.

The Advisors provide investment advisory or subadvisory services to various types of clients, including registered funds, unregistered commingled funds, defined benefit plans, defined contribution plans, private and public pension funds, foundations, endowment funds and other types of investors. These clients frequently give the Advisors the authority and discretion to vote proxies relating to the underlying securities beneficially held by such clients. Also, a client may, at times, ask an Advisor to share its proxy voting policies, procedures, and guidelines without the client delegating full voting discretion to the Advisor. Depending on the client, an Advisor's duties may include making decisions regarding whether and how to vote proxies as part of an investment manager's fiduciary duty under the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

The following Proxy Voting Policies and Procedures (the "Policy") address the Advisors' objectives for voting proxies received by the Advisors on behalf of client accounts or funds to the extent that relationships with such clients are subject to the Advisers Act or ERISA or the clients are registered investment companies under the Investment Company Act of 1940 (the "40 Act"), including The DFA Investment Trust Company, DFA Investment Dimensions Group Inc., Dimensional Investment Group Inc. and Dimensional Emerging Markets Value Fund (together, the "Dimensional Investment Companies"). The Advisors believe that this Policy is reasonably designed to meet their goal of seeking to vote (or refrain from voting) proxies in a manner consistent with applicable legal standards and in the best interests of clients, as understood by the Advisors at the time of the vote.

Exhibit A to this Policy includes a summary of the Advisors' current Proxy Voting Guidelines and will change from time to time (the "Guidelines"). The Investment Committee of Dimensional has determined that, in general, voting proxies pursuant to the Guidelines should be in the best interests of clients. Therefore, an Advisor will usually instruct voting of proxies in accordance with the Guidelines. The Guidelines provide a framework for analysis and decision making, but do not address all potential issues. In order to be able to address all the relevant facts and circumstances related to a proxy vote, the Advisors reserve the right to instruct votes counter to the Guidelines if, after a review of the matter, an Advisor believes that a client's best interests would be served by such a vote. In such circumstance, the analysis will be documented in writing and periodically presented to the Committee (as hereinafter defined). To the extent that the Guidelines do not cover potential voting issues, an Advisor may consider the spirit of the Guidelines and instruct the vote on such issues in a manner that the Advisor believes would be in the best interests of the client.

The Advisors may, but will not ordinarily, take social concerns into account in voting proxies with respect to securities held by clients, including those held by socially screened portfolios or accounts. The Advisors will ordinarily take environmental concerns into account in voting proxies with respect to securities held by certain sustainability screened portfolios or accounts, to the extent permitted by applicable law and guidance.

The Advisors have retained certain third party proxy service providers ("Proxy Advisory Firms") to provide information on shareholder meeting dates and proxy materials, translate proxy materials printed in a foreign language, provide research on proxy proposals, operationally process votes in accordance with the Guidelines on

behalf of the clients for whom the Advisors have proxy voting responsibility, and provide reports concerning the proxies voted ("Proxy Voting Services"). Although the Advisors retain third-party service providers for proxy issues, the Advisors remain responsible for proxy voting decisions. The Advisors use commercially reasonable efforts to oversee any directed delegation to Proxy Advisory Firms, upon which the Advisors rely to carry out the Proxy Voting Services. In the event that the Guidelines are not implemented precisely as the Advisors intend because of the actions or omissions of any Proxy Advisory Firms, custodians or sub-custodians or other agents, or any such persons experience any irregularities (e.g., misvotes or missed votes), then such instances will not necessarily be deemed by the Advisors as a breach of this Policy.

Prior to the selection of any new Proxy Advisory Firms and annually thereafter or more frequently if deemed necessary by Dimensional, the Corporate Governance Committee (as defined below) will consider whether the Proxy Advisory Firm: (i) has the capacity and competency to adequately analyze proxy issues and (ii) can make its recommendations in an impartial manner and in consideration of the best interests of the Advisors' clients. Such considerations may include some or all of the following: (i) periodic sampling of votes cast by the Proxy Advisory Firm to review that the Guidelines adopted by the Advisors are being followed, (ii) onsite visits to the Proxy Advisory Firm office and/or discussions with the Proxy Advisory Firm to determine whether the Proxy Advisory Firm continues to have the capacity and competency to carry out its proxy obligations to the Advisors, (iii) a review of the Proxy Advisory Firm's policies and procedures, with a particular focus on those relating to identifying and addressing conflicts of interest and monitoring that current and accurate information is used in creating recommendations, (iv) requesting the Proxy Advisory Firm to notify the Advisors if there is a change in the Proxy Advisory Firm's material policies and procedures, particularly with respect to conflicts, or material business practices (e.g., entering or exiting new lines of business), and reviewing any such change, and (v) in case of an error made by the Proxy Advisory Firm, discussing the error with the Proxy Advisory Firm and determining whether appropriate corrective and preventive action is being taken.

Procedures for Voting Proxies

The Investment Committee at Dimensional is generally responsible for overseeing each Advisor's proxy voting process. The Investment Committee has formed a Corporate Governance Committee (the "Corporate Governance Committee" or the "Committee") composed of certain officers, directors and other personnel of the Advisors and has delegated to its members authority to (i) oversee the voting of proxies and the Proxy Advisory Firms, (ii) make determinations as to how to instruct the vote on certain specific proxies, (iii) verify ongoing compliance with this Policy and (iv) review this Policy from time to time and recommend changes to the Investment Committee. The Committee may designate one or more of its members to oversee specific, ongoing compliance with respect to this Policy and may designate personnel of each Advisor to instruct the vote on proxies on behalf of an Advisor's clients, such as authorized traders of the Advisors (collectively, "Authorized Persons"). The Committee may recommend changes to this Policy to seek to act in a manner consistent with the best interests of the clients.

Generally, the Advisors analyze relevant proxy materials on behalf of their clients and seek to instruct the vote (or refrain from voting) proxies in accordance with this Policy and the Guidelines. Therefore, an Advisor typically will not instruct votes differently for different clients unless a client has expressly directed the Advisor to vote differently for such client's account. In the case of separate accounts, where an Advisor has contractually agreed to follow a client's individualized proxy voting guidelines, the Advisor will seek to instruct such vote on the client's proxies pursuant to the client's guidelines.

Each Advisor seeks to vote (or refrain from voting) proxies for its clients in a manner that the Advisor determines is in the best interests of its clients and which seeks to maximize the value of the client's investments. When voting (or electing to refrain from voting) proxies for clients subject to ERISA, each Advisor shall seek to consider those factors that may affect the value of the ERISA client's investment and not subordinate the interests of the client's participants and beneficiaries on their retirement income to unrelated objectives. In some cases, the Advisor may determine that it is in the best interests of clients to refrain from exercising the clients' proxy voting rights. The Advisor may determine that voting is not in the best interests of a client and refrain from voting if the costs, including the opportunity costs, of voting would, in the view of the Advisor, exceed the expected benefits of voting to the client. For securities on loan, the Advisor will balance the revenue-producing value of loans against the difficult-to-assess value of casting votes. It is the Advisors' belief that the expected value of casting a vote generally will be less than the securities lending income, either because the votes will not have significant economic consequences or because the outcome of the vote would not be affected by an Advisor recalling loaned securities for voting. Each Advisor does intend to recall securities on loan if, based upon information in the Advisor's possession, it determines that voting the securities is likely to materially affect the value of a client's investment and that it is in the client's best interests to do so.

In cases where an Advisor does not receive a solicitation or enough information within a sufficient time (as reasonably determined by the Advisor) prior to the proxy-voting deadline, the Advisor or its service provider may be unable to vote.

Generally, the Advisors do not intend to invest to seek to change or influence control of a company and do not intend to engage in shareholder activism with respect to a pending vote. If an issuer's management, shareholders or proxy solicitors contact an Advisor with respect to a pending vote, a member of the Committee (or its delegee) may listen to such party and discuss this Policy with such party.

International Proxy Voting

While the Advisors utilize the Policy and Guidelines for both their international and domestic portfolios and clients, there are some significant differences between voting U.S. company proxies and voting non-U.S. company proxies. For U.S. companies, it is usually relatively easy to vote proxies, as the proxies are typically received automatically and may be voted by mail or electronically. In most cases, the officers of a U.S. company soliciting a proxy act as proxies for the company's shareholders.

With respect to non-U.S. companies, however, it is typically both difficult and costly to vote proxies due to local regulations, customs or other requirements or restrictions, and such circumstances and expected costs may outweigh any anticipated economic benefit of voting. The major difficulties and costs may include: (i) appointing a proxy; (ii) obtaining reliable information about the time and location of a meeting; (iii) obtaining relevant information about voting procedures for foreign shareholders; (iv) restrictions on trading securities that are subject to proxy votes (share-blocking periods); (v) arranging for a proxy to vote locally in person; (vi) fees charged by custody banks for providing certain services with regard to voting proxies; and (vii) foregone income from securities lending programs. The Advisors do not intend to vote proxies of non-U.S. companies if they determine that the expected costs of voting outweigh any anticipated economic benefit to the client of voting.[1] The Advisors intend to make their determination on whether to vote proxies of non-U.S. companies on a client by client basis, and generally seek to implement uniform voting procedures for all proxies of companies in each country. The Advisors periodically review voting logistics, including costs and other voting difficulties, on a client by client and country by country basis, in order to determine if there have been any material changes that would affect the Advisors' determinations and procedures.[2] In the event an Advisor is made aware of and believes that an issue to be voted is likely to materially affect the economic value of a portfolio, that its client's vote is reasonably likely to influence the ultimate outcome of the contest, and that the expected benefits to the client of voting the proxies exceed the expected costs, the Advisor will seek to make reasonable efforts to vote such proxies.

Conflicts of Interest

Occasions may arise where an Authorized Person, the Committee, an Advisor, or an affiliated person of an Advisor may have a conflict of interest in connection with the proxy voting process. A conflict of interest may exist, for example, if an Advisor is actively soliciting investment advisory business from the company soliciting the proxy. However, proxies that the Advisors receive on behalf of their clients generally will be voted in accordance with the predetermined Guidelines. Therefore, proxies voted typically should not be affected by any conflicts of interest.

In the limited instances where (i) an Authorized Person is considering voting a proxy contrary to the Guidelines (or in cases for which the Guidelines do not prescribe a particular vote and the proposed vote is contrary to the recommendation of Institutional Shareholder Services, Inc., a Proxy Advisory Firm ("ISS")), and (ii) the Authorized Person believes a potential conflict of interest exists, the Authorized Person will disclose the potential conflict to a member of the Committee. Such disclosure will describe the proposal to be voted upon and disclose

[1] As the SEC has stated, "There may even be times when refraining from voting a proxy is in the client's best interest, such as when the adviser determines that the cost of voting the proxy exceeds the expected benefit to the client…For example, casting a vote on a foreign security may involve additional costs such as hiring a translator or traveling to the foreign country to vote the security in person." *See Proxy Voting by Investment Advisers*, Release No. IA-2106 (Jan. 31, 2003). Additionally, the Department of Labor has stated that it "recognizes that in some special cases voting proxies may involve out of the ordinary costs or unusual requirements, for example in the case of voting proxies on shares of certain foreign corporations. Thus, in such cases, a fiduciary should consider whether the plan's vote, either by itself or together with the votes of other shareholders, is expected to have an effect on the value of the plan's investment that warrants the additional cost of voting." *See Preamble to Department of Labor Interpretive Bulletin* 2016-1, 81 FR 95883 (December 29, 2016).

[2] If a client does not share with its Advisor information regarding the cost of voting proxies for certain non-US companies or in certain countries, the Advisor will presume, in making its determinations, that the costs incurred by the client for voting those proxies are similar to those incurred by voting for a Dimensional Investment Company.

any potential conflict of interest including but not limited to any potential personal conflict of interest (e.g., familial relationship with company management) the Authorized Person may have relating to the proxy vote, in which case the Authorized Person will remove himself or herself from the proxy voting process.

If the Committee member has actual knowledge of a conflict of interest and recommends a vote contrary to the Guidelines (or in the case where the Guidelines do not prescribe a particular vote and the proposed vote is contrary to the recommendation of ISS), the Committee member will bring the vote to the Committee, which will (a) determine how the vote should be cast, keeping in mind the principle of preserving shareholder value or (b) determine to abstain from voting, unless abstaining would be materially adverse to the Client's interest. To the extent the Committee makes a determination regarding how to vote or to abstain for a proxy on behalf of a Dimensional Investment Company in the circumstances described in this paragraph, the Advisor will report annually on such determinations to the respective Board of Directors/Trustees of the Dimensional Investment Company.

Availability of Proxy Voting Information and Recordkeeping

Each Advisor will inform those clients for which it has voting authority how to obtain information from the Advisor about how it voted with respect to client securities. The Advisor will provide those clients with a summary of its proxy voting guidelines, process and policies and will inform the clients how they can obtain a copy of the complete Policy upon request. If an Advisor is registered under the Advisers Act, the Advisor will also include such information described in the preceding two sentences in Part 2A of its Form ADV.

Recordkeeping

The Advisors will also keep records of the following items: (i) their proxy voting guidelines, policies and procedures; (ii) proxy statements received regarding client securities (unless such statements are available on the SEC's Electronic Data Gathering, Analysis, and Retrieval (EDGAR) system); (iii) records of votes they cast on behalf of clients, which may be maintained by a Proxy Advisory Firm if it undertakes to provide copies of those records promptly upon request; (iv) records of written client requests for proxy voting information and an Advisor's responses (whether a client's request was oral or in writing); (v) any documents prepared by an Advisor that were material to making a decision how to vote, or that memorialized the basis for the decision; (vi) a record of any testing conducted on any Proxy Advisory Firm's votes; and (vii) a copy of each version of the Proxy Advisory Firm's policies and procedures provided to the Advisors. The Advisors will maintain these records in an easily accessible place for at least *six years* from the end of the fiscal year during which the last entry was made on such records. For the first *two years*, each Advisor will store such records at one of its principal offices.

Disclosure

Dimensional shall disclose in the statements of additional information of the Dimensional Investment Companies a summary of procedures which Dimensional uses to determine how to vote proxies relating to portfolio securities of the Dimensional Investment Companies. The disclosure will include a description of the procedures used when a vote presents a conflict of interest between shareholders and Dimensional, DFA Securities LLC ("DFAS") or an affiliate of Dimensional or DFAS.

The semi-annual reports of the Dimensional Investment Companies shall indicate that the procedures are available: (i) by calling Dimensional collect; or (ii) on the SEC's website. If a request for the procedures is received, the requested description must be sent within three business days by a prompt method of delivery.

Dimensional, on behalf of each Dimensional Investment Company it advises, shall file its proxy voting record with the SEC on Form N-PX no later than August 31 of each year, for the twelve-month period ending June 30 of the current year. Such filings shall contain all information required to be disclosed on Form N-PX.

APPENDIX

U.S. PROXY VOTING CONCISE GUIDELINES

Effective for Meetings on or after February 1, 2018

The proxy voting process as described in this Policy and the Guidelines seeks to ensure that proxy votes are cast in the best interests of the Advisors' clients, as understood by the Advisors at the time of the vote. In order to provide greater analysis on certain shareholder meetings, the Advisors have elected to receive research reports for meetings from Institutional Shareholder Services, Inc., a third party service provider, as well as certain other third party proxy service providers, such as Glass Lewis, in the following circumstances: (1) where an Advisor's clients have a significant aggregate holding in the issuer and the meeting agenda contains proxies concerning: Anti-takeover Defenses or Voting Related Issues, Mergers and Acquisitions or Reorganizations or Restructurings, Capital Structure Issues, Compensation Issues or a proxy contest; or (2) where the Advisor in its discretion, has deemed that additional research is warranted.

Board of Directors:

Voting on Director Nominees in Uncontested Elections

Generally vote FOR director nominees, except under the following circumstances:

1. Accountability

Vote AGAINST[3] or WITHHOLD from the entire board of directors (except new nominees[4], who should be considered CASE-BY-CASE) for the following:

Problematic Takeover Defenses

Classified Board Structure:

1.1. The board is classified, and a continuing director responsible for a problematic governance issue at the board/committee level that would warrant a withhold/against vote recommendation is not up for election. All appropriate nominees (except new) may be held accountable.

Director Performance Evaluation:

1.2. The board lacks accountability and oversight, coupled with sustained poor performance relative to peers and/or industry groups. Take into consideration the company's total shareholder return and financial/operational performance over short- to long-term time horizons. Problematic provisions include but are not limited to:

- A classified board structure;
- A supermajority vote requirement;

[3] In general, companies with a plurality vote standard use "Withhold" as the contrary vote option in director elections; companies with a majority vote standard use "Against". However, it will vary by company and the proxy must be checked to determine the valid contrary vote option for the particular company.

[4] A "new nominee" is any current nominee who has not already been elected by shareholders and who joined the board after the problematic action in question transpired. If it cannot be determined whether the nominee joined the board before or after the problematic action transpired, the nominee will be considered a "new nominee" if he or she joined the board within the 12 months prior to the upcoming shareholder meeting.

- Either a plurality vote standard in uncontested director elections or a majority vote standard with no plurality carve-out for contested elections;
- The inability of shareholders to call special meetings;
- The inability of shareholders to act by written consent;
- A multi-class capital structure; and/or
- A non–shareholder-approved poison pill.

Poison Pills[5]:

1.3. The company's poison pill has a "dead-hand" or "modified dead-hand" feature. Vote AGAINST or WITHHOLD from nominees every year until this feature is removed;

1.4. The board adopts a poison pill with a term of more than 12 months ("long-term pill"), or renews any existing pill, including any "short-term" pill (12 months or less), without shareholder approval. A commitment or policy that puts a newly adopted pill to a binding shareholder vote may potentially offset an adverse vote recommendation. Review such companies with classified boards every year, and such companies with annually elected boards at least once every three years, and vote AGAINST or WITHHOLD votes from all nominees if the company still maintains a non-shareholder-approved poison pill; or

1.5. The board makes a material adverse change to an existing poison pill without shareholder approval.

Vote CASE-BY-CASE on all nominees if:

1.6. The board adopts a poison pill with a term of 12 months or less ("short-term pill") without shareholder approval, taking into account the following factors:

- The date of the pill's adoption relative to the date of the next meeting of shareholders—i.e. whether the company had time to put the pill on ballot for shareholder ratification given the circumstances;
- The issuer's rationale;
- The issuer's governance structure and practices; and
- The issuer's track record of accountability to shareholders.

Restricting Binding Shareholder Proposals:

Generally vote against or withhold from members of the governance committee if:

1.7. The company's charter imposes undue restrictions on shareholders' ability to amend the bylaws. Such restrictions include, but are not limited to: outright prohibition on the submission of binding shareholder proposals, or share ownership requirements or time holding requirements in excess of SEC Rule 14a-8. Vote against on an ongoing basis.

Problematic Audit-Related Practices

Generally vote AGAINST or WITHHOLD from the members of the Audit Committee if:

1.8. The non-audit fees paid to the auditor are excessive (see discussion under "Auditor Ratification");

1.9. The company receives an adverse opinion on the company's financial statements from its auditor; or

1.10. There is persuasive evidence that the Audit Committee entered into an inappropriate indemnification agreement with its auditor that limits the ability of the company, or its shareholders, to pursue legitimate legal recourse against the audit firm.

[5] The Advisor may vote AGAINST or WITHHOLD from an individual director if the director also serves as a director for another company that has (i) adopted a poison pill for any purpose other than protecting such other company's net operating losses, or (ii) failed to eliminate a poison pill following a proxy contest in which a majority of directors were replaced.

Vote CASE-BY-CASE on members of the Audit Committee and potentially the full board if:

1.11. Poor accounting practices are identified that rise to a level of serious concern, such as: fraud; misapplication of GAAP; and material weaknesses identified in Section 404 disclosures. Examine the severity, breadth, chronological sequence and duration, as well as the company's efforts at remediation or corrective actions, in determining whether WITHHOLD/AGAINST votes are warranted.

Problematic Compensation Practices/Pay for Performance Misalignment

In the absence of an Advisory Vote on Executive Compensation ballot item or in egregious situations, vote AGAINST or WITHHOLD from the members of the Compensation Committee and (potentially the full board) if:

1.12. There is a significant misalignment between CEO pay and company performance (pay for performance);

1.13. The company maintains significant problematic pay practices;

1.14. The board exhibits a significant level of poor communication and responsiveness to shareholders;

1.15. The company fails to include a Say on Pay ballot item when required under SEC provisions, or under the company's declared frequency of say on pay; or

1.16. The company fails to include a Frequency of Say on Pay ballot item when required under SEC provisions.

Vote CASE-BY-CASE on Compensation Committee members (or, in exceptional cases, the full board) and the Management Say-on-Pay proposal if:

1.17. The company's previous say-on-pay proposal received the support of less than 70 percent of votes cast, taking into account:

- The company's response, including:
  - Disclosure of engagement efforts with major institutional investors regarding the issues that contributed to the low level of support;
  - Specific actions taken to address the issues that contributed to the low level of support;
  - Other recent compensation actions taken by the company;
- Whether the issues raised are recurring or isolated;
- The company's ownership structure; and
- Whether the support level was less than 50 percent, which would warrant the highest degree of responsiveness.

Unilateral Bylaw/Charter Amendments

1.18. Generally vote AGAINST or WITHHOLD from directors individually, committee members, or the entire board (except new nominees, who should be considered CASE-BY-CASE) if the board amends the company's bylaws or charter without shareholder approval in a manner that materially diminishes shareholders' rights or that could adversely impact shareholders, considering the following factors, as applicable:

- The board's rationale for adopting the bylaw/charter amendment without shareholder ratification;
- Disclosure by the company of any significant engagement with shareholders regarding the amendment;
- The level of impairment of shareholders' rights caused by the board's unilateral amendment to the bylaws/charter;
- The board's track record with regard to unilateral board action on bylaw/charter amendments or other entrenchment provisions;
- The company's ownership structure;
- The company's existing governance provisions;

- The timing of the board's amendment to the bylaws/charter in connection with a significant business development; and
- Other factors, as deemed appropriate, that may be relevant to determine the impact of the amendment on shareholders.

Unless the adverse amendment is reversed or submitted to a binding shareholder vote, in subsequent years vote CASE-BY-CASE on director nominees. Generally vote AGAINST (except new nominees, who should be considered CASE-BY-CASE) if the directors:

- Classified the board;
- Adopted supermajority vote requirements to amend the bylaws or charter; or
- Eliminated shareholders' ability to amend bylaws.

1.19. For newly public companies, generally vote AGAINST or WITHHOLD from directors individually, committee members, or the entire board (except new nominees, who should be considered CASE-BY-CASE) if, prior to or in connection with the company's public offering, the company or its board adopted bylaw or charter provisions materially adverse to shareholder rights,[6] considering the following factors:
The level of impairment of shareholders' rights caused by the provision;
- The disclosed rationale for adopting the provision;
- The ability to change the governance structure in the future (e.g., limitations on shareholders' right to amend the bylaws or charter, or supermajority vote requirements to amend the bylaws or charter);
- The ability of shareholders to hold directors accountable through annual director elections, or whether the company has a classified board structure; and,
- A public commitment to put the provision to a shareholder vote within three years of the date of the initial public offering.

Unless the adverse provision is reversed or submitted to a vote of public shareholders, vote CASE-BY-CASE on director nominees in subsequent years.

Governance Failures

Under extraordinary circumstances, vote AGAINST or WITHHOLD from directors individually, committee members, or the entire board, due to:

1.20. Material failures of governance, stewardship, risk oversight[7], or fiduciary responsibilities at the company;

1.21. Failure to replace management as appropriate; or

1.22. Egregious actions related to a director's service on other boards that raise substantial doubt about his or her ability to effectively oversee management and serve the best interests of shareholders at any company.

2. Responsiveness

Vote CASE-BY-CASE on individual directors, committee members, or the entire board of directors (as appropriate) if:

2.1. The board failed to act on a shareholder proposal that received the support of a majority of the shares cast in the previous year. Factors that will be considered are:
- Disclosed outreach efforts by the board to shareholders in the wake of the vote;
- Rationale provided in the proxy statement for the level of implementation;

[6] Under the Advisors' guidelines, implementation of a multi-class voting structure prior to or in connection with the company's public offering will not, per se, warrant a vote AGAINST or WITHHOLD under this provision.

[7] Examples of failure of risk oversight include, but are not limited to: bribery; large or serial fines or sanctions from regulatory bodies; significant adverse legal judgments or settlements; hedging of company stock; or significant pledging of company stock.

- The subject matter of the proposal;
- The level of support for and opposition to the resolution in past meetings;
- Actions taken by the board in response to the majority vote and its engagement with shareholders;
- The continuation of the underlying issue as a voting item on the ballot (as either shareholder or management proposals); and
- Other factors as appropriate.

2.2. The board failed to act on takeover offers where the majority of shares are tendered;

2.3. At the previous board election, any director received more than 50 percent withhold/against votes of the shares cast and the company has failed to address the issue(s) that caused the high withhold/against vote;

2.4. The board implements an advisory vote on executive compensation on a less frequent basis than the frequency that received the majority of votes cast at the most recent shareholder meeting at which shareholders voted on the say-on-pay frequency; or

2.5. The board implements an advisory vote on executive compensation on a less frequent basis than the frequency that received a plurality, but not a majority, of the votes cast at the most recent shareholder meeting at which shareholders voted on the say-on-pay frequency, taking into account:

- The board's rationale for selecting a frequency that is different from the frequency that received a plurality;
- The company's ownership structure and vote results;
- ISS' analysis of whether there are compensation concerns or a history of problematic compensation practices; and
- The previous year's support level on the company's say-on-pay proposal.

3. Composition

Attendance at Board and Committee Meetings:

3.1. Generally vote AGAINST or WITHHOLD from directors (except new nominees, who should be considered CASE-BY-CASE[8]) who attend less than 75 percent of the aggregate of their board and committee meetings for the period for which they served, unless an acceptable reason for absences is disclosed in the proxy or another SEC filing. Acceptable reasons for director absences are generally limited to the following:

- Medical issues/illness;
- Family emergencies; and
- Missing only one meeting (when the total of all meetings is three or fewer).

3.2. If the proxy disclosure is unclear and insufficient to determine whether a director attended at least 75 percent of the aggregate of his/her board and committee meetings during his/her period of service, vote AGAINST or WITHHOLD from the director(s) in question.

Overboarded Directors:

Vote CASE-BY-CASE, considering relevant factors on individual directors (e.g., attendance or other board seats).

[8] For new nominees only, schedule conflicts due to commitments made prior to their appointment to the board are considered if disclosed in the proxy or another SEC filing.

4. Independence

Vote AGAINST or WITHHOLD from Inside Directors and Affiliated Outside Directors when:

4.1. The inside or affiliated outside director serves on any of the three key committees: audit, compensation, or nominating;

4.2. The company lacks an audit, compensation, or nominating committee so that the full board functions as that committee;

4.3. The company lacks a formal nominating committee, even if the board attests that the independent directors fulfill the functions of such a committee; or

4.4. Independent directors make up less than a majority of the directors.

Independent Chair (Separate Chair/CEO)

Generally vote with management on shareholder proposals requiring that the chairman's position be filled by an independent director.

Proxy Access[9]

Generally vote FOR management and shareholder proposals for proxy access with the following provisions:

Ownership threshold: maximum requirement not more than three percent (3%) of the voting power;
Aggregation: minimal or no limits on the number of shareholders permitted to form a nominating group;
Cap: cap on nominees of generally twenty-five percent (25%) of the board.

Review for reasonableness any other restrictions on the right of proxy access.

Generally vote AGAINST proposals that are more restrictive than these guidelines.

Proxy Contests—Voting for Director Nominees in Contested Elections[10]

Vote CASE-BY-CASE on the election of directors in contested elections, considering the following factors:

- Long-term financial performance of the company relative to its industry;
- Management's track record;
- Background to the contested election;
- Nominee qualifications and any compensatory arrangements;
- Strategic plan of dissident slate and quality of the critique against management;
- Likelihood that the proposed goals and objectives can be achieved (both slates); and
- Stock ownership positions.

In the case of candidates nominated pursuant to proxy access vote CASE-BY-CASE considering the same factors listed above – or additional factors which may be relevant, including those that are specific to the company, to the nominee(s) and/or to the nature of the election (such as whether or not there are more candidates than board seats).

[9] An Advisor generally does not consider the duration of required ownership in evaluating proxy access.
[10] See introductory information concerning proxies involving this issue and the supplementary actions the Advisor may take.

Shareholder Rights & Defenses[11]

Litigation Rights (including Exclusive Venue and Fee-Shifting Bylaw Provisions)[12]

Bylaw provisions impacting shareholders' ability to bring suit against the company may include exclusive venue provisions, which provide that the state of incorporation shall be the sole venue for certain types of litigation, and fee-shifting provisions that require a shareholder who sues a company unsuccessfully to pay all litigation expenses of the defendant corporation.

Vote CASE-BY-CASE on bylaws which impact shareholders' litigation rights, taking into account factors such as:

- The company's stated rationale for adopting such a provision;
- Disclosure of past harm from shareholder lawsuits in which plaintiffs were unsuccessful or shareholder lawsuits outside the jurisdiction of incorporation;
- The breadth of application of the bylaw, including the types of lawsuits to which it would apply and the definition of key terms; and
- Governance features such as shareholders' ability to repeal the provision at a later date (including the vote standard applied when shareholders attempt to amend the bylaws) and their ability to hold directors accountable through annual director elections and a majority vote standard in uncontested elections

Generally vote AGAINST bylaws that mandate fee-shifting whenever plaintiffs are not completely successful on the merits (i.e., in cases where the plaintiffs are partially successful).

Unilateral adoption by the board of bylaw provisions which affect shareholders' litigation rights will be evaluated under Unilateral Bylaw/Charter Amendments.

Poison Pills- Management Proposals to Ratify Poison Pill

Vote CASE-BY-CASE on management proposals on poison pill ratification, focusing on the features of the shareholder rights plan. Rights plans should contain the following attributes:

- No lower than a 20 percent trigger, flip-in or flip-over;
- A term of no more than three years;
- No dead-hand, slow-hand, no-hand or similar feature that limits the ability of a future board to redeem the pill;
- Shareholder redemption feature (qualifying offer clause); if the board refuses to redeem the pill 90 days after a qualifying offer is announced, 10 percent of the shares may call a special meeting or seek a written consent to vote on rescinding the pill.

In addition, the rationale for adopting the pill should be thoroughly explained by the company. In examining the request for the pill, take into consideration the company's existing governance structure, including: board independence, existing takeover defenses, and any problematic governance concerns.

[11] See introductory information concerning proxies involving this issue and the supplementary actions the Advisor may take.
[12] The Advisor may vote AGAINST or WITHHOLD from an individual director if the director has adopted a fee-shifting bylaw provision without a shareholder vote.

Poison Pills- Management Proposals to Ratify a Pill to Preserve Net Operating Losses (NOLs)

Vote AGAINST proposals to adopt a poison pill for the stated purpose of protecting a company's net operating losses (NOL) if the term of the pill would exceed the shorter of three years and the exhaustion of the NOL.
Vote CASE-BY-CASE on management proposals for poison pill ratification, considering the following factors, if the term of the pill would be the shorter of three years (or less) and the exhaustion of the NOL:

- The ownership threshold to transfer (NOL pills generally have a trigger slightly below 5 percent);
- The value of the NOLs;
- Shareholder protection mechanisms (sunset provision, or commitment to cause expiration of the pill upon exhaustion or expiration of NOLs);
- The company's existing governance structure including: board independence, existing takeover defenses, track record of responsiveness to shareholders, and any other problematic governance concerns; and
- Any other factors that may be applicable.

Shareholder Ability to Act by Written Consent

Generally vote AGAINST management and shareholder proposals to restrict or prohibit shareholders' ability to act by written consent.
Generally vote FOR management and shareholder proposals that provide shareholders with the ability to act by written consent, taking into account the following factors:

- Shareholders' current right to act by written consent;
- The consent threshold;
- The inclusion of exclusionary or prohibitive language;
- Investor ownership structure; and
- Shareholder support of, and management's response to, previous shareholder proposals.

Vote CASE-BY-CASE on shareholder proposals if, in addition to the considerations above, the company has the following governance and antitakeover provisions:

- An unfettered[13] right for shareholders to call special meetings at a 25 percent threshold;
- A majority vote standard in uncontested director elections;
- No non-shareholder-approved pill; and
- An annually elected board.

CAPITAL/RESTRUCTURING[14]

Common Stock Authorization

Vote FOR proposals to increase the number of authorized common shares where the primary purpose of the increase is to issue shares in connection with a transaction on the same ballot that warrants support.
Vote AGAINST proposals at companies with more than one class of common stock to increase the number of authorized shares of the class of common stock that has superior voting rights.
Vote AGAINST proposals to increase the number of authorized common shares if a vote for a reverse stock split on the same ballot is warranted despite the fact that the authorized shares would not be reduced proportionally.

[13] "Unfettered" means no restrictions on agenda items, no restrictions on the number of shareholders who can group together to reach the 10 percent threshold, and only reasonable limits on when a meeting can be called: no greater than 30 days after the last annual meeting and no greater than 90 prior to the next annual meeting.
[14] See introductory information concerning proxies involving this issue and the supplementary actions the Advisor may take.

Vote CASE-BY-CASE on all other proposals to increase the number of shares of common stock authorized for issuance. Take into account company-specific factors that include, at a minimum, the following:

- Past Board Performance:
    - The company's use of authorized shares during the last three years

- The Current Request:
    - Disclosure in the proxy statement of the specific purposes of the proposed increase;
    - Disclosure in the proxy statement of specific and severe risks to shareholders of not approving the request; and
    - The dilutive impact of the request as determined by an allowable increase calculated by ISS (typically 100 percent of existing authorized shares) that reflects the company's need for shares and total shareholder returns.

Apply the relevant allowable increase below in determining vote on requests to increase common stock that are for general corporate purposes (or to the general corporate purposes portion of a request that also includes a specific need):

A. Most companies: **100 percent** of existing authorized shares.
B. Companies with less than 50 percent of existing authorized shares either outstanding or reserved for issuance: **50 percent** of existing authorized shares.
C. Companies with one- and three-year total shareholder returns (TSRs) in the bottom 10 percent of the U.S. market as of the end of the calendar quarter that is closest to their most recent fiscal year end: **50 percent** of existing authorized shares.
D. Companies at which both conditions (B and C) above are both present: **25 percent** of existing authorized shares.

If there is an acquisition, private placement, or similar transaction on the ballot (not including equity incentive plans) that is receiving a FOR vote, the allowable increase will be the greater of (i) twice the amount needed to support the transactions on the ballot, and (ii) the allowable increase as calculated above.

Dual Class Structure

Generally vote AGAINST proposals to create a new class of common stock unless:

- The company discloses a compelling rationale for the dual-class capital structure, such as:
    - The company's auditor has concluded that there is substantial doubt about the company's ability to continue as a going concern;
    - The new class of shares will be transitory;
    - The new class is intended for financing purposes with minimal or no dilution to current shareholders in both the short term and long term; or
    - The new class is not designed to preserve or increase the voting power of an insider or significant shareholder.

Preferred Stock Authorization

Vote FOR proposals to increase the number of authorized preferred shares where the primary purpose of the increase is to issue shares in connection with a transaction on the same ballot that warrants support.

Vote AGAINST proposals at companies with more than one class or series of preferred stock to increase the number of authorized shares of the class or series of preferred stock that has superior voting rights.

Vote CASE-BY-CASE on all other proposals to increase the number of shares of preferred stock authorized for issuance. Take into account company-specific factors that include, at a minimum, the following:

- Past Board Performance:
    - The company's use of authorized preferred shares during the last three years;

- The Current Request:
    - Disclosure in the proxy statement of the specific purposes for the proposed increase;
    - Disclosure in the proxy statement of specific and severe risks to shareholders of not approving the request;
    - In cases where the company has existing authorized preferred stock, the dilutive impact of the request as determined by an allowable increase calculated by ISS (typically 100 percent of existing authorized shares) that reflects the company's need for shares and total shareholder returns; and
    - Whether the shares requested are blank check preferred shares that can be used for antitakeover purposes.

Mergers and Acquisitions

Vote CASE-BY-CASE on mergers and acquisitions. Review and evaluate the merits and drawbacks of the proposed transaction, balancing various and sometimes countervailing factors including:

- *Valuation* - Is the value to be received by the target shareholders (or paid by the acquirer) reasonable? While the fairness opinion may provide an initial starting point for assessing valuation reasonableness, emphasis is placed on the offer premium, market reaction and strategic rationale.
- *Market reaction* - How has the market responded to the proposed deal? A negative market reaction should cause closer scrutiny of a deal.
- *Strategic rationale* - Does the deal make sense strategically? From where is the value derived? Cost and revenue synergies should not be overly aggressive or optimistic, but reasonably achievable. Management should also have a favorable track record of successful integration of historical acquisitions.
- *Negotiations and process* - Were the terms of the transaction negotiated at arm's-length? Was the process fair and equitable? A fair process helps to ensure the best price for shareholders. Significant negotiation "wins" can also signify the deal makers' competency. The comprehensiveness of the sales process (*e.g.*, full auction, partial auction, no auction) can also affect shareholder value.
- *Conflicts of interest* - Are insiders benefiting from the transaction disproportionately and inappropriately as compared to non-insider shareholders? As the result of potential conflicts, the directors and officers of the company may be more likely to vote to approve a merger than if they did not hold these interests. Consider whether these interests may have influenced these directors and officers to support or recommend the merger.
- *Governance* - Will the combined company have a better or worse governance profile than the current governance profiles of the respective parties to the transaction? If the governance profile is to change for the worse, the burden is on the company to prove that other issues (such as valuation) outweigh any deterioration in governance.

COMPENSATION[15]

Executive Pay Evaluation

Underlying all evaluations are five global principles that most investors expect corporations to adhere to in designing and administering executive and director compensation programs:

1. Maintain appropriate pay-for-performance alignment, with emphasis on long-term shareholder value: This principle encompasses overall executive pay practices, which must be designed to attract, retain, and appropriately motivate the key employees who drive shareholder value creation over the long term. It will take into consideration, among other factors, the link between pay and performance; the mix between fixed and variable pay; performance goals; and equity-based plan costs;
2. Avoid arrangements that risk "pay for failure": This principle addresses the appropriateness of long or indefinite contracts, excessive severance packages, and guaranteed compensation;
3. Maintain an independent and effective compensation committee: This principle promotes oversight of executive pay programs by directors with appropriate skills, knowledge, experience, and a sound process for compensation decision-making (*e.g.*, including access to independent expertise and advice when needed);
4. Provide shareholders with clear, comprehensive compensation disclosures: This principle underscores the importance of informative and timely disclosures that enable shareholders to evaluate executive pay practices fully and fairly;
5. Avoid inappropriate pay to non-executive directors: This principle recognizes the interests of shareholders in ensuring that compensation to outside directors does not compromise their independence and ability to make appropriate judgments in overseeing managers' pay and performance. At the market level, it may incorporate a variety of generally accepted best practices.

Advisory Votes on Executive Compensation—Management Proposals (Management Say-on-Pay)

Vote CASE-BY-CASE on ballot items related to executive pay and practices, as well as certain aspects of outside director compensation.

Vote AGAINST Advisory Votes on Executive Compensation (Management Say-on-Pay—MSOP) if:

- There is a significant misalignment between CEO pay and company performance (pay for performance);
- The company maintains significant problematic pay practices;
- The board exhibits a significant level of poor communication and responsiveness to shareholders.

Vote AGAINST or WITHHOLD from the members of the Compensation Committee and potentially the full board if:

- There is no MSOP on the ballot, and an AGAINST vote on an MSOP is warranted due to a pay for performance misalignment, problematic pay practices, or the lack of adequate responsiveness on compensation issues raised previously, or a combination thereof;
- The board fails to respond adequately to a previous MSOP proposal that received less than 70 percent support of votes cast;

[15] See introductory information concerning proxies involving this issue and the supplementary actions the Advisor may take.

- The company has recently practiced or approved problematic pay practices, including option repricing or option backdating; or
- The situation is egregious.

Primary Evaluation Factors for Executive Pay

Pay-for-Performance Evaluation
In casting a vote on executive compensation proposals, an Advisor may consider the following:

1. Peer Group[16] Alignment:

    - The degree of alignment between the company's annualized TSR rank and the CEO's annualized total pay rank within a peer group, each measured over different time horizons.
    - The multiple of the CEO's total pay relative to the peer group median.

2. Absolute Alignment – the absolute alignment between the trend in CEO pay and company TSR over the prior five fiscal years – i.e., the difference between the trend in annual pay changes and the trend in annualized TSR during the period.

If the above analysis demonstrates significant unsatisfactory long-term pay-for-performance alignment or, in the case of companies outside the Russell indices, misaligned pay and performance are otherwise suggested, the following qualitative factors, as relevant to evaluating how various pay elements may work to encourage or to undermine long-term value creation and alignment with shareholder interests, may be considered

- The ratio of performance- to time-based equity awards;
- The overall ratio of performance-based compensation;
- The completeness of disclosure and rigor of performance goals;
- The company's peer group benchmarking practices;
- Actual results of financial/operational metrics, such as growth in revenue, profit, cash flow, etc., both absolute and relative to peers;
- Special circumstances related to, for example, a new CEO in the prior FY or anomalous equity grant practices (e.g., bi-annual awards);
- Realizable pay compared to grant pay; and
- Any other factors deemed relevant.

Problematic Pay Practices
The focus is on executive compensation practices that contravene the global pay principles, including:

- Problematic practices related to non-performance-based compensation elements;
- Incentives that may motivate excessive risk-taking; and
- Options Backdating.

Problematic Pay Practices related to Non-Performance-Based Compensation Elements
Pay elements that are not directly based on performance are generally evaluated CASE-BY-CASE considering the context of a company's overall pay program and demonstrated pay-for-performance philosophy. The list below highlights the problematic practices that carry significant weight in this overall consideration and may result in adverse vote recommendations:

[16] In addition to the peer group disclosed in a company's proxy statement, an Advisor may consider other peer companies that are comparable in market cap, revenue (or assets for certain financial firms), industry and other factors.

- Repricing or replacing of underwater stock options/SARS without prior shareholder approval (including cash buyouts and voluntary surrender of underwater options);
- Excessive perquisites or tax gross-ups, including any gross-up related to a secular trust or restricted stock vesting;
- New or extended agreements that provide for:
    - Change in control (CIC) payments exceeding 3 times base salary and average/target/most recent bonus;
    - CIC severance payments without involuntary job loss or substantial diminution of duties ("single" or "modified single" triggers);
    - CIC payments with excise tax gross-ups (including "modified" gross-ups).
- Insufficient executive compensation disclosure by externally-managed issuers (EMIs) such that a reasonable assessment of pay programs and practices applicable to the EMI's executives is not possible.

Incentives that may Motivate Excessive Risk-Taking

- Multi-year guaranteed bonuses;
- A single or common performance metric used for short- and long-term plans;
- Metrics and incentives that are misaligned with shareholders' interests and publicly disclosed business objectives;
- Lucrative severance packages;
- High pay opportunities relative to industry peers;
- Disproportionate supplemental pensions; or
- Mega annual equity grants that provide unlimited upside with no downside risk.

Factors that potentially mitigate the impact of risky incentives include rigorous claw-back provisions and robust stock ownership/holding guidelines.

Options Backdating

The following factors should be examined CASE-BY-CASE to allow for distinctions to be made between "sloppy" plan administration versus deliberate action or fraud:

- Reason and motive for the options backdating issue, such as inadvertent vs. deliberate grant date changes;
- Duration of options backdating;
- Size of restatement due to options backdating;
- Corrective actions taken by the board or compensation committee, such as canceling or re-pricing backdated options, the recouping of option gains on backdated grants; and
- Adoption of a grant policy that prohibits backdating, and creates a fixed grant schedule or window period for equity grants in the future.

Compensation Committee Communications and Responsiveness

Consider the following factors CASE-BY-CASE when evaluating ballot items related to executive pay on the board's responsiveness to investor input and engagement on compensation issues:

- Failure to respond to majority-supported shareholder proposals on executive pay topics; or
- Failure to adequately respond to the company's previous say-on-pay proposal that received the support of less than 70 percent of votes cast, taking into account:
    - The company's response, including:
        - Disclosure of engagement efforts with major institutional investors regarding the issues that contributed to the low level of support;
        - Specific actions taken to address the issues that contributed to the low level of support;
        - Other recent compensation actions taken by the company;

- Whether the issues raised are recurring or isolated;
- The company's ownership structure; and
- Whether the support level was less than 50 percent, which would warrant the highest degree of responsiveness.

Frequency of Advisory Vote on Executive Compensation ("Say When on Pay")

Vote FOR triennial advisory votes on compensation.

Voting on Golden Parachutes in an Acquisition, Merger, Consolidation, or Proposed Sale

Vote CASE-BY-CASE on say on Golden Parachute proposals, including consideration of existing change-in-control arrangements maintained with named executive officers rather than focusing primarily on new or extended arrangements.

Features that may result in an AGAINST recommendation include one or more of the following, depending on the number, magnitude, and/or timing of issue(s):

- Single- or modified-single-trigger cash severance;
- Single-trigger acceleration of unvested equity awards;
- Excessive cash severance (>3x base salary and bonus);
- Excise tax gross-ups triggered and payable (as opposed to a provision to provide excise tax gross-ups);
- Excessive golden parachute payments (on an absolute basis or as a percentage of transaction equity value); or
- Recent amendments that incorporate any problematic features (such as those above) or recent actions (such as extraordinary equity grants) that may make packages so attractive as to influence merger agreements that may not be in the best interests of shareholders; or
- The company's assertion that a proposed transaction is conditioned on shareholder approval of the golden parachute advisory vote.

Recent amendment(s) that incorporate problematic features will tend to carry more weight on the overall analysis. However, the presence of multiple legacy problematic features will also be closely scrutinized.

In cases where the golden parachute vote is incorporated into a company's advisory vote on compensation (management say-on-pay), the say-on-pay proposal will be evaluated in accordance with these guidelines, which may give higher weight to that component of the overall evaluation.

Equity-Based and Other Incentive Plans[17]

Vote CASE-BY-CASE on certain equity-based compensation plans[18] depending on a combination of certain plan features and equity grant practices, where positive factors may counterbalance negative factors, and vice versa, as evaluated under these three pillars:

Plan Cost: The total estimated cost of the company's equity plans relative to industry/market cap peers, measured by the company's estimated Shareholder Value Transfer (SVT) in relation to peers and considering both:

- SVT based on new shares requested plus shares remaining for future grants, plus outstanding unvested/unexercised grants; and
- SVT based only on new shares requested plus shares remaining for future grants.

[17] See introductory information concerning proxies involving this issue and the supplementary actions the Advisor may take.

[18] Proposals evaluated under the EPSC policy generally include those to approve or amend (1) stock option plans for employees and/or employees and directors, (2) restricted stock plans for employees and/or employees and directors, and (3) omnibus stock incentive plans for employees and/or employees and directors; amended plans will be further evaluated case-by-case.

Plan Features:

- Automatic or discretionary single-triggered award vesting upon a CIC;
- Discretionary vesting authority;
- Liberal share recycling on various award types;
- Lack of minimum vesting period for grants made under the plan;
- Dividends payable prior to award vesting.

Grant Practices:

- The company's three year burn rate relative to its industry/market cap peers;
- Vesting requirements in most recent CEO equity grants (3-year look-back);
- The estimated duration of the plan (based on the sum of shares remaining available and the new shares requested, divided by the average annual shares granted in the prior three years);
- The proportion of the CEO's most recent equity grants/awards subject to performance conditions;
- Whether the company maintains a claw-back policy;
- Whether the company has established post exercise/vesting share-holding requirements.

Generally vote AGAINST the plan proposal if the combination of above factors indicates that the plan is not, overall, in shareholders' interests, or if any of the following egregious factors apply:

- Awards may vest in connection with a liberal change-of-control definition;
- The plan would permit repricing or cash buyout of underwater options without shareholder approval (either by expressly permitting it – for NYSE and Nasdaq listed companies -- or by not prohibiting it when the company has a history of repricing – for non-listed companies);
- The plan is a vehicle for problematic pay practices or a significant pay-for-performance disconnect under certain circumstances; or
- Any other plan features are determined to have a significant negative impact on shareholder interests.

Social/Environmental Issues

Global Approach

Generally vote FOR the management's recommendation on shareholder proposals involving social/environmental issues. When evaluating social and environmental shareholder proposals, an Advisor considers the most important factor to be whether adoption of the proposal is likely to enhance or protect shareholder value.
An Advisor will communicate directly with a company when it believes a social/environmental issue may have material economic ramifications for the shareholders. If a company is unresponsive to the concerns raised, an Advisor will reinforce board accountability by voting against or withholding from directors individually, committee members, or the entire board.[19]

Environmentally Screened Portfolios

With respect to environmentally screened portfolios, an Advisor will generally vote on shareholder proposals involving environmental issues in accordance with the following guidelines:
Generally vote CASE-BY-CASE, taking into consideration whether implementation of the proposal is likely to enhance or protect shareholder value, and in addition the following will also be considered:

[19] See Governance Failures section under Section 1 above (Board of Directors – Accountability)

- If the issues presented in the proposal are more appropriately or effectively dealt with through legislation or government regulation;
- If the company has already responded in an appropriate and sufficient manner to the issue(s) raised in the proposal;
- Whether the proposal's request is unduly burdensome (scope, or timeframe) or overly prescriptive;
- The company's approach compared with any industry standard practices for addressing the issue(s) raised by the proposal;
- If the proposal requests increased disclosure or greater transparency, whether or not reasonable and sufficient information is currently available to shareholders from the company or from other publicly available sources; and
- If the proposal requests increased disclosure or greater transparency, whether or not implementation would reveal proprietary or confidential information that could place the company at a competitive disadvantage.

Generally vote FOR resolutions requesting that a company disclose information on the risks related to climate change on its operations and investments, such as financial, physical, or regulatory risks, considering:

- Whether the company already provides current, publicly-available information on the impact that climate change may have on the company as well as associated company policies and procedures to address related risks and/or opportunities;
- The company's level of disclosure is at least comparable to that of industry peers; and
- There are no significant controversies, fines, penalties, or litigation associated with the company's environmental performance.

Generally vote FOR proposals requesting a report on greenhouse gas (GHG) emissions from company operations and/or products and operations, unless:

- The company already discloses current, publicly-available information on the impacts that GHG emissions may have on the company as well as associated company policies and procedures to address related risks and/or opportunities;
- The company's level of disclosure is comparable to that of industry peers; and
- There are no significant, controversies, fines, penalties, or litigation associated with the company's GHG emissions.

Vote CASE-BY-CASE on proposals that call for the adoption of GHG reduction goals from products and operations, taking into account:

- Whether the company provides disclosure of year-over-year GHG emissions performance data;
- Whether company disclosure lags behind industry peers;
- The company's actual GHG emissions performance;
- The company's current GHG emission policies, oversight mechanisms, and related initiatives; and
- Whether the company has been the subject of recent, significant violations, fines, litigation, or controversy related to GHG emissions.

Foreign Private Issuers Listed on U.S. Exchanges

Vote AGAINST (or WITHHOLD from) non-independent director nominees at companies which fail to meet the following criteria: a majority-independent board, and the presence of an audit, a compensation, and a nomination committee, each of which is entirely composed of independent directors.

Where the design and disclosure levels of equity compensation plans are comparable to those seen at U.S. companies, U.S. compensation policy will be used to evaluate the compensation plan proposals. Otherwise, they, and all other voting items, will be evaluated using the relevant market proxy voting guidelines.

Political Issues

Overall Approach

Generally vote FOR the management's recommendation on shareholder proposals involving political issues. When evaluating political shareholder proposals, an Advisor considers the most important factor to be whether adoption of the proposal is likely to enhance or protect shareholder value.

Routine/Miscellaneous

Auditor Ratification

Vote FOR proposals to ratify auditors unless any of the following apply:

- An auditor has a financial interest in or association with the company, and is therefore not independent;
- There is reason to believe that the independent auditor has rendered an opinion that is neither accurate nor indicative of the company's financial position;
- Poor accounting practices are identified that rise to a serious level of concern, such as: fraud; misapplication of GAAP, or material weaknesses identified in Section 404 disclosures; or
- Fees for non-audit services ("other" fees) are excessive.

Non-audit fees are excessive if:
Non-audit ("other") fees > audit fees + audit-related fees + tax compliance/preparation fees.

APPENDIX

INTERNATIONAL PROXY VOTING SUMMARY GUIDELINES[1]

Effective for Meetings on or after February 1, 2018

The proxy voting process as described in this Policy and the Guidelines seeks to ensure that proxy votes are cast in the best interests of the Advisors' clients, as understood by the Advisors at the time of the vote. In order to provide greater analysis on certain shareholder meetings, the Advisors have elected to receive research reports for meetings from Institutional Shareholder Services, Inc., a third party service provider, as well as certain other third party proxy service providers, such as Glass Lewis, in the following circumstances: (1) where an Advisor's clients have a significant aggregate holding in the issuer and the meeting agenda contains proxies concerning: Anti-takeover Defenses or Voting Related Issues, Mergers and Acquisitions or Reorganizations or Restructurings, Capital Structure Issues, Compensation Issues or a proxy contest; or (2) where the Advisor in its discretion, has deemed that additional research is warranted.

1. General Policies

Financial Results/Director and Auditor Reports

Vote FOR approval of financial statements and director and auditor reports, unless:

- There are concerns about the accounts presented or audit procedures used; or
- The company is not responsive to shareholder questions about specific items that should be publicly disclosed.

Appointment of Auditors and Auditor Compensation

Vote FOR proposals to ratify auditors and proposals authorizing the board to fix auditor fees, unless:

- There are serious concerns about the accounts presented or the audit procedures used;
- The auditors are being changed without explanation; or
- Non-audit-related fees are substantial or are routinely in excess of standard annual audit-related fees.

Vote AGAINST the appointment of external auditors if they have previously served the company in an executive capacity or can otherwise be considered affiliated with the company.

Appointment of Internal Statutory Auditors

Vote FOR the appointment or (re)election of statutory auditors, unless:

- There are serious concerns about the statutory reports presented or the audit procedures used;
- Questions exist concerning any of the statutory auditors being appointed; or
- The auditors have previously served the company in an executive capacity or can otherwise be considered affiliated with the company.

Allocation of Income

Vote FOR approval of the allocation of income, unless:

- The dividend payout ratio has been consistently below 30 percent without adequate explanation; or
- The payout is excessive given the company's financial position.

[1] This is a summary of the majority of International Markets, however, certain countries and/or markets have separate policies which are generally consistent with the principles reflected in this summary but are modified to reflect issues such as those related to customs, disclosure obligations and legal structures of the relevant jurisdiction.

Stock (Scrip) Dividend Alternative
Vote FOR most stock (scrip) dividend proposals.

Vote AGAINST proposals that do not allow for a cash option unless management demonstrates that the cash option is harmful to shareholder value.

Amendments to Articles of Association
Vote amendments to the articles of association on a CASE-BY-CASE basis.

Change in Company Fiscal Term
Vote FOR resolutions to change a company's fiscal term unless a company's motivation for the change is to postpone its AGM.

Lower Disclosure Threshold for Stock Ownership
Vote AGAINST resolutions to lower the stock ownership disclosure threshold below 5 percent unless specific reasons exist to implement a lower threshold.

Amend Quorum Requirements
Vote proposals to amend quorum requirements for shareholder meetings on a CASE-BY-CASE basis.

Transact Other Business
Vote AGAINST other business when it appears as a voting item.

2. BOARD OF DIRECTORS

Non-Contested Director Elections
Vote FOR management nominees in the election of directors, unless:

- Adequate disclosure has not been provided in a timely manner;
- There are clear concerns over questionable finances or restatements;[1]
- There have been questionable transactions with conflicts of interest;
- There are any records of abuses against minority shareholder interests; or
- The board fails to meet minimum corporate governance standards;

Vote AGAINST the election or reelection of any and all director nominees when the names of the nominees are not available at the time the ISS analysis is written and therefore no research is provided on the nominee.

Vote FOR individual nominees unless there are specific concerns about the individual, such as criminal wrongdoing or breach of fiduciary responsibilities.

Vote AGAINST individual directors if repeated absences at board meetings have not been explained (in countries where this information is disclosed).

Vote FOR employee and/or labor representatives if they sit on either the audit or compensation committee and are required by law to be on those committees. Vote AGAINST employee and/or labor representatives if they sit on either the audit or compensation committee, if they are not required to be on those committees.

Vote on a CASE-BY-CASE basis for contested elections of directors, e.g. the election of shareholder nominees or the dismissal of incumbent directors, determining which directors are best suited to add value for shareholders.[2]

[1] In Japan, an Advisor may vote FOR individual director(s) where proxy research has identified no overriding concerns beyond the company's failure of a quantitative capital efficiency (ROE) test applied by the proxy research firm.
[2] See introductory information concerning proxies involving this issue and the supplementary actions the Advisor may take.

Classification of Directors - International Policy

Executive Director

- Employee or executive of the company;
- Any director who is classified as a non-executive, but receives salary, fees, bonus, and/or other benefits that are in line with the highest-paid executives of the company.

Non-Independent Non-Executive Director (NED)

- Any director who is attested by the board to be a non-independent NED;
- Any director specifically designated as a representative of a significant shareholder of the company;
- Any director who is also an employee or executive of a significant shareholder of the company;
- Beneficial owner (direct or indirect) of at least 10% of the company's stock, either in economic terms or in voting rights (this may be aggregated if voting power is distributed among more than one member of a defined group, e.g., members of a family that beneficially own less than 10% individually, but collectively own more than 10%), unless market best practice dictates a lower ownership and/or disclosure threshold (and in other special market-specific circumstances);
- Government representative;
- Currently provides (or a relative[1] provides) professional services[2] to the company, to an affiliate of the company, or to an individual officer of the company or of one of its affiliates in excess of $10,000 per year;
- Represents customer, supplier, creditor, banker, or other entity with which the company maintains a transactional/commercial relationship (unless the company discloses information to apply a materiality test[3]);
- Any director who has conflicting or cross-directorships with executive directors or the chairman of the company;
- Relative[1] of a current or former executive of the company or its affiliates;
- A new appointee elected other than by a formal process through the General Meeting (such as a contractual appointment by a substantial shareholder);
- Founder/co-founder/member of founding family but not currently an employee;
- Former executive (5 year cooling off period);
- Years of service will NOT be a determining factor unless it is recommended best practice in a market:
  - 9 years (from the date of election) in the United Kingdom and Ireland;
  - 12 years in European markets;
  - 7 years in Russia.

Independent NED

- Not classified as non-independent (see above);
- No material[4] connection, either directly or indirectly, to the company other than a board seat.

Employee Representative

- Represents employees or employee shareholders of the company (classified as "employee representative" but considered a non-independent NED).

Footnotes:

[1] "Relative" follows the SEV's proposed definition of "immediate family members" which covers spouses, parents, children, step-parents, step-children, siblings, in-laws, and any person (other than a tenant or employee) sharing the household of any director, nominee for director, executive officer, or significant shareholder of the company.

[2] Professional services can be characterized as advisory in nature and generally include the following: investment banking/financial advisory services; commercial banking (beyond deposit services); investment services; insurance services; accounting/audit services; consulting services; marketing services; and legal services. The case of participation in a banking syndicate by a non-lead bank should be considered a transaction (and hence subject to the associated materiality test) rather than a professional relationship.

[3] If the company makes or receives annual payments exceeding the greater of $200,000 or 5 percent of the recipient's gross revenues. (The recipient is the party receiving the financial proceeds from the transaction.)

[4] For purposes of ISS' director independence classification, "material" will be defined as a standard of relationship (financial, personal or otherwise) that a reasonable person might conclude could potentially influence one's objectivity in the boardroom in a manner that would have a meaningful impact on an individual's ability to satisfy requisite fiduciary standards on behalf of shareholders.

Contested Director Elections[1]

For shareholder nominees, the persuasive burden is on the nominee or the proposing shareholder to prove that they are better suited to serve on the board than management's nominees. Serious consideration of shareholder nominees will be given only if there are clear and compelling reasons for the nominee to join the board. These nominees must also demonstrate a clear ability to contribute positively to board deliberations; some nominees may have hidden or narrow agendas and may unnecessarily contribute to divisiveness among directors.

The major decision factors are:

- Company performance relative to its peers;

[1] See introductory information concerning proxies involving this issue and the supplementary actions the Advisor may take.

- Strategy of the incumbents versus the dissidents;
- Independence of directors/nominees;
- Experience and skills of board candidates;
- Governance profile of the company;
- Evidence of management entrenchment;
- Responsiveness to shareholders;
- Whether a takeover offer has been rebuffed.

When analyzing a contested election of directors, an Advisor will generally focus on two central questions: (1) Have the proponents proved that board change is warranted? And if so, (2) Are the proponent board nominees likely to effect positive change (i.e., maximize long-term shareholder value)?

Voting on Directors for Egregious Actions

Under extraordinary circumstances, vote AGAINST or WITHHOLD from directors individually, on a committee, or the entire board, due to:

- Material failures of governance, stewardship, risk oversight, or fiduciary responsibilities at the company;
- Failure to replace management as appropriate; or
- Egregious actions related to the director(s)'service on other boards that raise substantial doubt about his or her ability to effectively oversee management and serve the best interests of shareholders at any company.[1]

Discharge of Board and Management

Vote FOR the discharge of directors, including members of the management board and/or supervisory board, *unless* there is reliable information about significant and compelling concerns that the board is not fulfilling its fiduciary duties warranted on a CASE-BY-CASE basis by:

- A lack of oversight or actions by board members which invoke shareholder distrust related to malfeasance or poor supervision, such as operating in private or company interest rather than in shareholder interest
- Any legal issues (e.g. civil/criminal) aiming to hold the board responsible for breach of trust in the past or related to currently alleged action yet to be confirmed (and not only in the fiscal year in question) such as price fixing, insider trading, bribery, fraud, and other illegal actions; or
- Other egregious governance issues where shareholders will bring legal action against the company or its directors

For markets which do not routinely request discharge resolutions (e.g. common law countries or markets where discharge is not mandatory), analysts may voice concern in other appropriate agenda items, such as approval of the annual accounts or other relevant resolutions, to enable shareholders to express discontent with the board.

Director, Officer, and Auditor Indemnification and Liability Provisions

Vote proposals seeking indemnification and liability protection for directors and officers on a CASE-BY-CASE basis.

Vote AGAINST proposals to indemnify external auditors.

Board Structure

Vote FOR routine proposals to fix board size.

Vote AGAINST the introduction of classified boards and mandatory retirement ages for directors.

Vote AGAINST proposals to alter board structure or size in the context of a fight for control of the company or the board.

[1] The Advisor may vote AGAINST or WITHHOLD from an individual director if the director also serves as a director for another company that has adopted a poison pill for any purpose other than protecting such other company's net operating losses.

3. CAPITAL STRUCTURE[1]

Share Issuance Requests

General Issuances

Vote FOR issuance authorities with pre-emptive rights to a maximum of 100 percent over currently issued capital and as long as the share issuance authorities' periods are clearly disclosed (or implied by the application of a legal maximum duration) and in line with market-specific practices and/or recommended guidelines.

Vote FOR issuance authorities without pre-emptive rights to a maximum of 20 percent (or a lower limit if local market best practice recommendations provide) of currently issued capital as long as the share issuance authorities' periods are clearly disclosed (or implied by the application of a legal maximum duration) and in line with market-specific practices and/or recommended guidelines.

[1] See introductory information concerning proxies involving this issue and the supplementary actions the Advisor may take.

Specific Issuances

Vote on a CASE-BY-CASE basis on all requests, with or without preemptive rights.

Increases in Authorized Capital

Vote FOR non-specific proposals to increase authorized capital up to 100 percent over the current authorization unless the increase would leave the company with less than 30 percent of its new authorization outstanding.

Vote FOR specific proposals to increase authorized capital to any amount, unless:

- The specific purpose of the increase (such as a share-based acquisition or merger) does not meet ISS guidelines for the purpose being proposed; or
- The increase would leave the company with less than 30 percent of its new authorization outstanding after adjusting for all proposed issuances.

Vote AGAINST proposals to adopt unlimited capital authorizations.

Reduction of Capital

Vote FOR proposals to reduce capital for routine accounting purposes unless the terms are unfavorable to shareholders.

Vote proposals to reduce capital in connection with corporate restructuring on a CASE-BY-CASE basis.

Capital Structures

Vote FOR resolutions that seek to maintain or convert to a one-share, one-vote capital structure.

Vote AGAINST requests for the creation or continuation of dual-class capital structures or the creation of new or additional super voting shares.

Preferred Stock

Vote FOR the creation of a new class of preferred stock or for issuances of preferred stock up to 50 percent of issued capital unless the terms of the preferred stock would adversely affect the rights of existing shareholders.

Vote FOR the creation/issuance of convertible preferred stock as long as the maximum number of common shares that could be issued upon conversion meets the guidelines on equity issuance requests.

Vote AGAINST the creation of a new class of preference shares that would carry superior voting rights to the common shares.

Vote AGAINST the creation of blank check preferred stock unless the board clearly states that the authorization will not be used to thwart a takeover bid.

Vote proposals to increase blank check preferred authorizations on a CASE-BY-CASE basis.

Debt Issuance Requests
Vote non-convertible debt issuance requests on a CASE-BY-CASE basis, with or without preemptive rights.

Vote FOR the creation/issuance of convertible debt instruments as long as the maximum number of common shares that could be issued upon conversion meets the guidelines on equity issuance requests.

Vote FOR proposals to restructure existing debt arrangements unless the terms of the restructuring would adversely affect the rights of shareholders.

Pledging of Assets for Debt
Vote proposals to approve the pledging of assets for debt on a CASE-BY-CASE basis.

Increase in Borrowing Powers
Vote proposals to approve increases in a company's borrowing powers on a CASE-BY-CASE basis.

Share Repurchase Plans
Generally vote FOR share repurchase programs/market authorities, *provided that* the proposal meets the following parameters:

- Maximum Volume: 10 percent for market repurchase within any single authority and 10 percent of outstanding shares to be kept in treasury ("on the shelf"); and
- Duration does not exceed 18 months.

Vote AGAINST any proposal where:

- The repurchase can be used for takeover defenses;
- There is clear evidence of abuse;
- There is no safeguard against selective buybacks; and/or
- Pricing provisions and safeguards are deemed to be unreasonable in light of market practice.

Share repurchase plans in excess of 10 percent volume in exceptional circumstances, such as one-off company specific events (e.g. capital re-structuring), will be assessed CASE-BY-CASE based on merits, which should be clearly disclosed in the annual report, provided that following conditions are met:

- The overall balance of the proposed plan seems to be clearly in shareholders' interests;
- The plan still respects the 10 percent maximum of shares to be kept in treasury.

Reissuance of Repurchased Shares
Vote FOR requests to reissue any repurchased shares unless there is clear evidence of abuse of this authority in the past.

Capitalization of Reserves for Bonus Issues/Increase in Par Value
Vote FOR requests to capitalize reserves for bonus issues of shares or to increase par value.

4. COMPENSATION[1]
Compensation Plans
Vote compensation plans on a CASE-BY-CASE basis consistent with the following principles:

- Provide shareholders with clear, comprehensive compensation disclosures;
- Maintain appropriate pay-for-performance alignment with emphasis on long-term shareholder value;
- Avoid arrangements that risk "pay for failure;"
- Maintain an independent and effective compensation committee;

[1] See introductory information concerning proxies involving this issue and the supplementary actions an Advisor may take.

- Avoid inappropriate pay to non-executive directors.

Director Compensation
Vote FOR proposals to award cash fees to non-executive directors unless the amounts are excessive relative to other companies in the country or industry.

Vote non-executive director compensation proposals that include both cash and share-based components on a CASE-BY-CASE basis.

Vote proposals that bundle compensation for both non-executive and executive directors into a single resolution on a CASE-BY-CASE basis.

Vote AGAINST proposals to introduce retirement benefits for non-executive directors.

5. OTHER ITEMS
Reorganizations/Restructurings
Vote reorganizations and restructurings on a CASE-BY-CASE basis.

Mergers and Acquisitions

Vote CASE-BY-CASE on mergers and acquisitions taking into account the following:

Review and evaluate the merits and drawbacks of the proposed transaction, balancing various and sometimes countervailing factors including:

- Valuation - Is the value to be received by the target shareholders (or paid by the acquirer) reasonable? An Advisor places emphasis on the offer premium, market reaction, and strategic rationale.

- Market reaction - How has the market responded to the proposed deal? Strategic rationale - Does the deal make sense strategically? From where is the value derived? Cost and revenue synergies should not be overly aggressive or optimistic, but reasonably achievable. Management should also have a favorable track record of successful integration of historical acquisitions.

- Conflicts of interest - Are insiders benefiting from the transaction disproportionately and inappropriately as compared to non-insider shareholders or have special interests influenced directors and officers to support or recommend the merger?

- Governance - Will the combined company have a better or worse governance profile than the current governance profiles of the respective parties to the transaction? If the governance profile is to change for the worse, the burden is on the company to prove that other issues (such as valuation) outweigh any deterioration in governance.

Vote AGAINST if the companies do not provide sufficient information upon request to allow shareholders to make an informed voting decision.

Mandatory Takeover Bid Waivers
Vote proposals to waive mandatory takeover bid requirements on a CASE-BY-CASE basis.

Reincorporation Proposals
Vote reincorporation proposals on a CASE-BY-CASE basis.

Expansion of Business Activities
Vote FOR resolutions to expand business activities unless the new business takes the company into risky areas.

Related-Party Transactions

Vote related-party transactions on a CASE-BY-CASE basis.

Antitakeover Mechanisms

Vote AGAINST all antitakeover proposals unless they are structured in such a way that they give shareholders the ultimate decision on any proposal or offer.

Shareholder Proposals

Vote all shareholder proposals on a CASE-BY-CASE basis.

Vote FOR proposals that would improve the company's corporate governance or business profile at a reasonable cost.

Vote AGAINST proposals that limit the company's business activities or capabilities or result in significant costs being incurred with little or no benefit.

Corporate Social Responsibility (CSR) Issues

Generally vote FOR the management's recommendation on shareholder proposals involving CSR Issues. When evaluating social and environmental shareholder proposals, an Advisor considers the most important factor to be whether adoption of the proposal is likely to enhance or protect shareholder value.

An Advisor will communicate directly with a company when it believes a CSR issue may have economic ramifications for the shareholders. If a company is unresponsive to the concerns raised, an Advisor will reinforce board accountability by voting against or withholding from directors individually, committee members, or the entire board.

Environmentally Screened Portfolios

With respect to environmentally screened portfolios, the Advisor will generally vote on shareholder proposals involving environmental issues in accordance with the following guidelines:

Generally vote CASE-BY-CASE, taking into consideration whether implementation of the proposal is likely to enhance or protect shareholder value, and in addition the following will also be considered:

- If the issues presented in the proposal are more appropriately or effectively dealt with through legislation or government regulation;
- If the company has already responded in an appropriate and sufficient manner to the issue(s) raised in the proposal;
- Whether the proposal's request is unduly burdensome (scope, or timeframe) or overly prescriptive;
- The company's approach compared with any industry standard practices for addressing the issue(s) raised by the proposal;
- If the proposal requests increased disclosure or greater transparency, whether or not reasonable and sufficient information is currently available to shareholders from the company or from other publicly available sources; and
- If the proposal requests increased disclosure or greater transparency, whether or not implementation would reveal proprietary or confidential information that could place the company at a competitive disadvantage.

Generally vote FOR resolutions requesting that a company disclose information on the risks related to climate change on its operations and investments, such as financial, physical, or regulatory risks, considering:

- Whether the company already provides current, publicly-available information on the impact that climate change may have on the company as well as associated company policies and procedures to address related risks and/or opportunities;
- The company's level of disclosure is at least comparable to that of industry peers; and
- There are no significant controversies, fines, penalties, or litigation associated with the company's environmental performance.

Generally vote FOR proposals requesting a report on GHG emissions from company operations and/or products and operations, unless:

- The company already discloses current, publicly-available information on the impacts that GHG emissions may have on the company as well as associated company policies and procedures to address related risks and/or opportunities;
- The company's level of disclosure is comparable to that of industry peers; and
- There are no significant, controversies, fines, penalties, or litigation associated with the company's GHG emissions.

Vote CASE-BY-CASE on proposals that call for the adoption of GHG reduction goals from products and operations, taking into account:

- Whether the company provides disclosure of year-over-year GHG emissions performance data;
- Whether company disclosure lags behind industry peers;
- The company's actual GHG emissions performance;
- The company's current GHG emission policies, oversight mechanisms, and related initiatives; and
- Whether the company has been the subject of recent, significant violations, fines, litigation, or controversy related to GHG emissions.

Country of Incorporation vs. Country of Listing-Application of Policy

In general, country of incorporation will be the basis for policy application. US policies will be applied to the extent possible to issuers that file DEF 14As, 10-K annual and 10-Q quarterly reports and are thus considered domestic issuers by the U.S. Securities and Exchange Commission (SEC).

Foreign Private Issuers Listed on U.S. Exchanges

Companies that are incorporated outside of the U.S. and listed solely on U.S. exchanges, where they qualify as Foreign Private Issuers (FPIs), will be subject to the following policy:

Vote AGAINST (or WITHHOLD from) non-independent director nominees at companies which fail to meet the following criteria: a majority-independent board, and the presence of an audit, a compensation, and a nomination committee, each of which is entirely composed of independent directors.

Where the design and disclosure levels of equity compensation plans are comparable to those seen at U.S. companies, U.S. compensation policy will be used to evaluate the compensation plan proposals. In all other cases, equity compensation plans will be evaluated according to the US Proxy Voting Guidelines.

All other voting items will be evaluated using the International Proxy Voting Guidelines.

FPIs are defined as companies whose business is administered principally outside the U.S., with more than 50 percent of assets located outside the U.S.; a majority of whose directors/officers are not U.S. citizens or residents; and a majority of whose outstanding voting shares are held by non-residents of the U.S.

LONG-TERM AND SHORT-TERM DEBT SECURITIES RATING DESCRIPTIONS

Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P"), Corporate Long-Term Issue Ratings:

AAA – An obligation rated 'AAA' has the highest rating assigned by S&P. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.

AA – An obligation rated 'AA' differs from the highest-rated obligations only to a small degree. The obligor's capacity to meet its financial commitment on the obligation is very strong.

A – An obligation rated 'A' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong.

BBB – An obligation rated 'BBB' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.

BB, B, CCC, CC, and C – Obligations rated 'BB', 'B', 'CCC', 'CC', and 'C' are regarded as having significant speculative characteristics. 'BB' indicates the least degree of speculation and 'C' the highest. While such obligations will likely have some quality and protective characteristics, these may be outweighed by large uncertainties or major exposures to adverse conditions.

BB – An obligation rated 'BB' is less vulnerable to nonpayment than other speculative issues. However, it faces major ongoing uncertainties or exposure to adverse business, financial, or economic conditions which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.

B – An obligation rated 'B' is more vulnerable to nonpayment than obligations rated 'BB', but the obligor currently has the capacity to meet its financial commitment on the obligation. Adverse business, financial, or economic conditions will likely impair the obligor's capacity or willingness to meet its financial commitment on the obligation.

CCC – An obligation rated 'CCC' is currently vulnerable to nonpayment, and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitment on the obligation. In the event of adverse business, financial, or economic conditions, the obligor is not likely to have the capacity to meet its financial commitment on the obligation.

CC – An obligation rated 'CC' is currently highly vulnerable to nonpayment.

C – A 'C' rating is assigned to obligations that are currently highly vulnerable to nonpayment, obligations that have payment arrearages allowed by the terms of the documents, or obligations of an issuer that is the subject of a bankruptcy petition or similar action which have not experienced a payment default. Among others, the 'C' rating may be assigned to subordinated debt, preferred stock or other obligations on which cash payments have been suspended in accordance with the instrument's terms or when preferred stock is the subject of a distressed exchange offer, whereby some or all of the issue is either repurchased for an amount of cash or replaced by other instruments having a total value that is less than par.

D – An obligation rated 'D' is in payment default. The 'D' rating category is used when payments on an obligation, including a regulatory capital instrument, are not made on the date due even if the applicable grace period has not expired, unless S&P believes that such payments will be made during such grace period. The 'D' rating also will be used upon the filing of a bankruptcy petition or the taking of similar action if payments on an obligation are jeopardized. An obligation's rating is lowered to 'D' upon

completion of a distressed exchange offer, whereby some or all of the issue is either repurchased for an amount of cash or replaced by other instruments having a total value that is less than par.

Plus (+) or Minus (-) – The ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

NR – This indicates that no rating has been requested, that there is insufficient information on which to base a rating, or that S&P does not rate a particular obligation as a matter of policy.

Moody's Investors Service, Inc.'s ("Moody's") Long-Term Obligation Ratings:

Aaa – Obligations rated Aaa are judged to be of the highest quality, with minimal credit risk.

Aa – Obligations rated Aa are judged to be of high quality and are subject to very low credit risk.

A – Obligations rated A are considered upper-medium grade and are subject to low credit risk.

Baa – Obligations rated Baa are subject to moderate credit risk. They are considered medium-grade and as such may possess certain speculative characteristics.

Ba – Obligations rated Ba are judged to have speculative elements and are subject to substantial credit risk.

B – Obligations rated B are considered speculative and are subject to high credit risk.

Caa – Obligations rated Caa are judged to be of poor standing and are subject to very high credit risk.

Ca – Obligations rated Ca are highly speculative and are likely in, or very near, default, with some prospect of recovery of principal and interest.

C – Obligations rated C are the lowest rated class of bonds and are typically in default, with little prospect for recovery of principal or interest.

Modifiers: Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

Fitch Ratings Ltd.'s ("Fitch") Corporate Finance Obligations – Long-Term Ratings:

AAA – Highest credit quality. 'AAA' ratings denote the lowest expectation of credit risk. They are assigned only in cases of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.

AA – Very high credit quality. 'AA' ratings denote expectations of very low credit risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.

A – High credit quality. 'A' ratings denote expectations of low credit risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.

BBB – Good credit quality. 'BBB' ratings indicate that expectations of credit risk are currently low. The capacity for payment of financial commitments is considered adequate but adverse business or economic conditions are more likely to impair this capacity.

BB – Speculative. 'BB' ratings indicate an elevated vulnerability to credit risk, particularly in the event of adverse changes in business or economic conditions over time; however, business or financial alternatives may be available to allow financial commitments to be met.

B – Highly speculative. 'B' ratings indicate that material credit risk is present. For performing obligations, default risk is commensurate with the issuer being rated with an Issuer Default Risk ("IDR") in the ranges 'BB' to 'C'. For issuers with an IDR below 'B', the overall credit risk of this obligation is moderated by the expected level of recoveries should a default occur. For issuers with an IDR above 'B', the overall credit risk of this obligation is exacerbated by the expected low level of recoveries should a default occur. For non-performing obligations, the obligation or issuer is in default, or has deferred payment, but the rated obligation is expected to have extremely high recovery rates consistent with a Recovery Rating of 'RR1' (outstanding recovery prospects given default).

CCC – Substantial credit risk. 'CCC' ratings indicate that substantial credit risk is present. For performing obligations, default risk is commensurate with an IDR in the ranges 'B' to 'C'. For issuers with an IDR below 'CCC', the overall credit risk of this obligation is moderated by the expected level of recoveries should a default occur. For issuers with an IDR above 'CCC', the overall credit risk of this obligation is exacerbated by the expected low level of recoveries should a default occur. For non-performing obligations, the obligation or issuer is in default, or has deferred payment, but the rated obligation is expected to have a superior recovery rate consistent with a Recovery Rating of 'RR2' (superior recovery prospects given default).

CC – Very high levels of credit risk. 'CC' ratings indicate very high levels of credit risk. For performing obligations, default risk is commensurate with an IDR in the ranges 'B' to 'C'. For issuers with an IDR below 'CC', the overall credit risk of this obligation is moderated by the expected level of recoveries should a default occur. For issuers with an IDR above 'CC', the overall credit risk of this obligation is exacerbated by the expected low level of recoveries should a default occur. For non-performing obligations, the obligation or issuer is in default, or has deferred payment, but the rated obligation is expected to have a good recovery rate consistent with a Recovery Rating of 'RR3' (good recovery prospects given default).

C – Exceptionally high levels of credit risk. 'C' indicates exceptionally high levels of credit risk. For performing obligations, default risk is commensurate with an IDR in the ranges 'B' to 'C'. The overall credit risk of this obligation is exacerbated by the expected low level of recoveries should a default occur. For non-performing obligations, the obligation or issuer is in default, or has deferred payment, and the rated obligation is expected to have an average, below-average or poor recovery rate consistent with a Recovery Rating of 'RR4' (average recovery prospects given default), 'RR5' (below average recovery prospects given default) or 'RR6' (poor recovery prospects given default).

Defaulted obligations typically are not assigned 'D' ratings, but are instead rated in the 'B' to 'C' rating categories, depending upon their recovery prospects and other relevant characteristics. This approach better aligns obligations that have comparable overall expected loss but varying vulnerability to default and loss.

Plus (+) or Minus (-) The modifiers "+" or "-" may be appended to a rating to denote relative status within major rating categories. Such suffixes are not added to the 'AAA' obligation rating category, or to corporate finance obligation ratings in the categories below 'B'.

emr – The subscript 'emr' is appended to a rating to denote embedded market risk which is beyond the scope of the rating. The designation is intended to make clear that the rating solely addresses the counterparty risk of the issuing bank. It is not meant to indicate any limitation in the analysis of the counterparty risk, which in all other respects follows published Fitch criteria for analyzing the issuing financial institution. Fitch does not rate these instruments where the principal is to any degree subject to market risk.

S&P's Short-Term Issue Credit Ratings:

A-1 – A short-term obligation rated 'A-1' is rated in the highest category by S&P. The obligor's capacity to meet its financial commitment on the obligation is strong. Within this category, certain obligations are designated with a plus sign (+). This indicates that the obligor's capacity to meet its financial commitment on these obligations is extremely strong.

A-2 - A short-term obligation rated 'A-2' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rating categories. However, the obligor's capacity to meet its financial commitment on the obligation is satisfactory.

A-3 - A short-term obligation rated 'A-3' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.

B - A short-term obligation rated 'B' is regarded as having significant speculative characteristics. Ratings of 'B-1', 'B-2', and 'B-3' may be assigned to indicate finer distinctions within the 'B' category. The obligor currently has the capacity to meet its financial commitment on the obligation; however, it faces major ongoing uncertainties which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.

B-1 - A short-term obligation rated 'B-1' is regarded as having significant speculative characteristics, but the obligor has a relatively stronger capacity to meet its financial commitments over the short-term compared to other speculative-grade obligors.

B-2 - A short-term obligation rated 'B-2' is regarded as having significant speculative characteristics, and the obligor has an average speculative-grade capacity to meet its financial commitments over the short-term compared to other speculative-grade obligors.

B-3 - A short-term obligation rated 'B-3' is regarded as having significant speculative characteristics, and the obligor has a relatively weaker capacity to meet its financial commitments over the short-term compared to other speculative-grade obligors.

C - A short-term obligation rated 'C' is currently vulnerable to nonpayment and is dependent upon favorable business, financial and economic conditions for the obligor to meet its financial commitment on the obligation.

D - A short-term obligation rated 'D' is in payment default. The 'D' rating category is used when payments on an obligation, including a regulatory capital instrument, are not made on the date due even if the applicable grace period has not expired, unless S&P believes that such payments will be made during such grace period. The 'D' rating also will be used upon the filing of a bankruptcy petition or the taking of a similar action if payments on an obligation are jeopardized.

Dual Ratings – S&P assigns "dual" ratings to all debt issues that have a put option or demand feature as part of their structure. The first rating addresses the likelihood of repayment of principal and interest as due, and the second rating addresses only the demand feature. The long-term rating symbols are used for bonds to denote the long-term maturity and the short-term rating symbols for the put option (for example, 'AAA/A-1+'). With U.S. municipal short-term demand debt, note rating symbols are used with the short-term issue credit rating symbols (for example, 'SP-1+/A-1+').

Moody's Short-Term Obligation Ratings:

P-1 - Issuers (or supporting institutions) rated Prime-1 have a superior ability to repay short-term debt obligations.

P-2 - Issuers (or supporting institutions) rated Prime-2 have a strong ability to repay short-term debt obligations.

P-3 - Issuers (or supporting institutions) rated Prime-3 have an acceptable ability to repay short-term obligations.

NP - Issuers (or supporting institutions) rated Not Prime do not fall within any of the Prime rating categories.

Note: Canadian issuers rated P-1 or P-2 have their short-term ratings enhanced by the senior-most long-term rating of the issuer, its guarantor or support-provider.

Fitch's Short-Term Obligation Ratings:

F1 - Highest short-term credit quality. Indicates the strongest intrinsic capacity for timely payment of financial commitments; may have an added "+" to denote any exceptionally strong credit feature.

F2 - Good short-term credit quality. Good intrinsic capacity for timely payment of financial commitments.

F3 - Fair short-term credit quality. The intrinsic capacity for timely payment of financial commitments is adequate.

B – Speculative short-term credit quality. Minimal capacity for timely payment of financial commitments, plus heightened vulnerability to near term adverse changes in financial and economic conditions.

C - High short-term default risk. Default is a real possibility.

RD – Restricted default. Indicates an entity that has defaulted on one or more of its financial commitments, although it continues to meet other financial obligations. Applicable to entity ratings only.

D – Default. Indicates a broad-based default event for an entity, or the default of a specific short-term obligation.