MFS INSTITUTIONAL ADVISORS, INC.

Client Relationship Summary **June 30, 2020**

MFS Institutional Advisors, Inc. (MFSI) is registered as an investment adviser with the Securities and Exchange Commission (SEC). Brokerage and investment advisory services and fees differ and it is important for retail investors to understand the differences. Free and simple search tools are available to research firms and financial professionals at Investor.gov/CRS, which also provides educational materials about investment advisers, broker-dealers, and investing.

What investment services and advice can you provide me?

We offer “discretionary” and “non-discretionary” investment advisory services to retail investors in separate accounts and through a variety of wrap fee programs (Sponsored Programs), which are typically sponsored by a third-party broker dealer (the Sponsor). Sponsored Programs in which we participate include Dual Contract, SMA, and Model Delivery. Generally, in Dual Contract and SMA programs, we act in a discretionary capacity, whereas in Model Delivery programs we generally act in a non-discretionary capacity. In Sponsored Programs, we do not advise you or the Sponsor regarding selection of the appropriate investment strategy for you; these decisions will be made by you in consultation with the Sponsor. When we act in a discretionary capacity, we have the authority to make buy and sell decisions for your account on your behalf. When we act in a non-discretionary capacity, we typically provide model investment portfolios to your Sponsor and you and/or the Sponsor make the ultimate decisions for your account.

- We will monitor your account on an ongoing basis to ensure that your account is in line with the investment strategy selected.
- We do not limit investment advice to a particular security or investment type. The accounts we manage typically invest in a range of products and investments. We offer a limited number of investment strategies in Sponsored Programs.
- We typically request a minimum of $25 million of assets per client for Dual Contract accounts and $100,000 of assets per client for all other Sponsored Programs, but may waive these minimums at our own discretion. Minimum account sizes will also vary based on Sponsor requirements.

Questions about the specific Sponsored Program in which you participate should be directed to the Sponsor or your financial professional. In addition, please review the description of our services located in *Items 4, 7, 8, and 13 of our* Form ADV, Part 2A Brochure.

Ask your financial professional:

- Given my financial situation, should I choose an investment advisory service? Why or why not?
- How will you choose investments to recommend to me?
- What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?

What fees will I pay?

Your investment advisory fees are based upon a percentage of your assets under management; however, fees and the method of paying fees will vary based on the Sponsored Program in which you participate. Certain Sponsored Programs charge a “bundled” fee, meaning you pay a single fee to the Sponsor for all services, including advice, trading costs, custodial and product-level fees. Clients in these Sponsored Programs also may bear brokerage expenses and other fees and costs in addition to the bundled fee if we execute trades through a broker/dealer other than the one designated by the Sponsor. Bundled fees are generally higher than typical asset-based fees for investment advice alone. Other Sponsored Programs, such as Dual Contract programs, do not have bundled fee arrangements, meaning you will pay for those services separately. For Dual Contract Program participants, the fee you will pay is set forth in your investment advisory agreement with us, and is generally billed by us and paid quarterly. For all other Sponsored Programs, your fees are determined by and set forth in your agreement with the Sponsor, and we receive a portion of the fee paid to the Sponsor. Our fees are negotiable and may vary, even where the investment strategy offered is the same. The more assets there are in your account, the more you will pay in fees, and we may therefore have an incentive to encourage you to increase the assets in your account. ***You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.*** Additional information about our fees is located in *Item 5* of our Form ADV, Part 2A Brochure.

What are your legal obligations to me when acting as my investment adviser? How else does your firm make money and what conflicts of interest do you have?

Ask your financial professional:

- Help me understand how these fees and costs might affect my investments. If I give you $10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

When we act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the investment advice we provide you. Here are some examples to help you understand what this means:

- We manage accounts side-by-side and have an incentive to favor some accounts over others (*e.g.*, institutional separately managed accounts vs. Sponsored Programs). Examples of favored treatment include: allocation of investment opportunities, brokerage selection, and execution practices, among others.

Read more about our conflicts of interest and how we manage them in *Items 10, 11, 12, 14 and 17* of our Form ADV, Part 2A Brochure.

How do your financial professionals make money?

Ask your financial professional:

- How might your conflicts of interest affect me, and how will you address them?

Our financial professionals are compensated through salary and incentive compensation. Representatives who market our advisory services receive compensation for sales of advisory services.

Do you or your financial professionals have legal or disciplinary history?

Yes. See *Item 9* of our Form ADV, Part 2A Brochure and visit Investor.gov/CRS for a free and simple search tool to research us and our financial professionals. Except with respect to Dual Contracts or separate accounts, our financial professionals interact with intermediaries and generally do not have direct contact with retail investors.

Ask your financial professional:

- As a financial professional, do you have any disciplinary history? For what type of conduct?

You can find out more about us by reading our Form ADV, Part 2A Brochure, which contains important information about our advisory services. **You can also call 1-617-954-7248 for up-to-date information about us and to request a copy of our Relationship Summary or visit us at www.mfs.com.**

Ask your financial professional:

- Who is my primary contact person? Is he or she a representative of an investment advisor or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?”

MFS Investment Management

MFS Institutional Advisors, Inc.

This brochure provides information about the qualifications and business practices of MFS Institutional Advisors, Inc. ("MFSI"). If you have any questions about the contents of the brochure, please contact us at +1.877.960.6077 or institutionalclientservice@mfs.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Although MFSI is registered with the SEC as an investment adviser, such registration does not imply any level of skill or training.

Additional information about MFSI is available on the SEC's web site at www.adviserinfo.sec.gov. You can search this site by using a unique identifying number, known as a CRD number. The CRD number for MFSI is 107144.

You may request the most recent version of this brochure by contacting us as provided above.

Firm Brochure

March 31, 2021

Massachusetts Financial Services Company, 111 Huntington Avenue, Boston, MA 02199 **www.mfs.com**

Item 2 – Material Changes

This Item 2 discusses only material changes made to this Form ADV, Part 2A ("Brochure") since MFSI's prior annual updating amendment to the Brochure, which was filed on March 30, 2020.

- Various updates have been made to the *Fees and Compensation* section (Item 5) of the Brochure.
- The *Methods of Analysis, Investment Strategies and Risk of Loss* section (Item 8) of the Brochure has been updated to reflect updates to the risk factors applicable to the various strategies listed in the *Fees and Compensation* section (Item 5).
- The *Custody* section (Item 15) has been revised to reflect that MFSI has custody over the MFS Private Funds (as defined below) by virtue of its role as managing member and investment adviser.

About this Brochure

This Brochure is not:

- *an offer or agreement to provide advisory services to any person*
- *an offer to sell interests (or a solicitation of an offer to purchase interests) in any vehicle*
- *a complete discussion of the features, risks or conflicts associated with any account or vehicle*

As required by the Investment Advisers Act of 1940, as amended ("Advisers Act"), MFSI will provide this Brochure to current and prospective clients of MFSI or clients of MFSI's affiliates for which MFSI acts as a sub-adviser. MFSI also, in its discretion, may provide this Brochure to current or prospective investors in a pooled investment vehicle that MFSI advises or sub-advises, together with other relevant governing or disclosure documents, such as the pooled investment vehicle's offering or private placement memorandum, prior to, or in connection with, such persons' investment in the pooled investment vehicle. Additionally, this Brochure is available through the Investment Adviser Public Disclosure website of the Securities and Exchange Commission ("SEC").

Although this publicly-available Brochure describes investment advisory services and products of MFSI, persons who receive this Brochure (whether or not from MFSI) should be aware that it is designed solely to provide information about MFSI as necessary to respond to certain disclosure obligations under the Advisers Act. As such, the information in this Brochure may differ from information provided in other relevant documents. More complete information about each separately managed account and pooled investment vehicle is included in the relevant separately managed account or pooled investment vehicle documents, certain of which will be provided to current and eligible prospective investors only by MFSI or a party authorized by MFSI. To the extent that there is any conflict between discussions herein and similar or related discussions in such documents, the relevant separately managed account or pooled investment vehicle governing or disclosure documents shall govern and control.

This is not an offer to sell securities of any type. No offer or solicitation for a separately managed account or pooled investment vehicle by us will be made before the delivery of the applicable documents to a potential investor. You should read the client documents carefully and consult with tax, legal and financial advisors before making any investment decision. You should also be aware that the provision of this Brochure to you does not create an adviser-client relationship between you and MFSI.

Item 3 – Table of Contents

Item 4 – Advisory Business

MFS Institutional Advisors, Inc. ("MFSI"), an investment adviser registered with the SEC, has been serving institutional investors and their consultants since 1986. MFSI is a wholly-owned subsidiary of Massachusetts Financial Services Company, d/b/a MFS Investment Management ("MFS"), which is also an investment adviser registered with the SEC. MFS is also the parent company of other companies that manage investments. In this Brochure, we refer to MFS and its direct and indirect subsidiaries collectively as the "MFS Global Group." MFS and its predecessor organizations have a history of money management dating from 1924 and the founding of the first U.S. mutual fund. MFS is an indirect, majority owned subsidiary of Sun Life Financial Inc. ("SLF"), a diversified financial services company. As of December 31, 2020, MFSI managed $134,339,948,000 in discretionary client assets and $0 in non-discretionary client assets. The MFS Global Group managed $629,852,637,000 as of December 31, 2020.

All discussions of MFSI's practices in this Brochure are qualified in their entirety with respect to each account by the applicable investment management agreement or offering and organizational materials ("Offering Documents") governing such account. This includes, without limitation, all practices pertaining to the account's investments, strategies used in managing the account, investment risks, fees and other costs associated with an investment in the account, and conflicts of interest faced by MFSI and its affiliates in connection with the management of the account.

MFSI primarily provides investment advisory services to institutional clients, particularly separate accounts. MFSI also provides sub-advisory services to pooled investment vehicles, including registered investment companies and other pools ("sub-advised accounts"). Additionally, MFSI serves as managing member of certain funds that are not registered as investment companies under the Investment Company Act of 1940, as amended (the "1940 Act") pursuant to the exception contained in Section 3(c)(7) of the 1940 Act (the "MFS Private Funds") for which it has delegated portfolio management responsibility to MFS. Finally, MFSI provides portfolio management, research and/or trading services for non-U.S. accounts for which one of its affiliates acts as investment adviser or investment manager.

The terms "institutional account" or "institutional client" are used herein to refer to all of MFSI's clients other than Wrap Fee programs, which are discussed below. For more information regarding MFSI's responsibilities as managing member of the MFS Private Funds, please refer to the Offering Documents governing your investment in the applicable MFS Private Fund. Please understand that some accounts may be comprised of multiple sleeves managed in separate strategies or asset classes, and the term "account" may refer to the overall account or a sleeve as the context warrants. For information on the types of strategies MFSI manages, please see Item 8, *Methods of Analysis, Investment Strategies and Risk of Loss*.

Separate account clients may impose restrictions on investing in certain securities, derivatives or types of securities or derivatives. Please see Item 16, *Investment Discretion*, for more information on how such restrictions may affect the management of your account.

On a non-discretionary basis, MFSI reviews and provides asset allocation and portfolio structure guidance to certain institutional clients, including pension plans, sovereign wealth funds, endowments and foundations. MFSI may also provide similar asset allocation guidance to financial intermediaries. These services are typically provided to existing institutional clients and financial intermediaries without additional charge and without a contractual agreement. MFSI provides these services on a non-discretionary basis, which means that the institutional client or financial intermediary has the ultimate discretion to accept none, some or all of MFSI's guidance. Additionally, MFSI's guidance is based on information provided from the institutional client or financial intermediary, reflects advice given as of a particular point in time, and, when provided to a financial intermediary, is not intended to meet the needs of any particular financial intermediary client. To the extent MFSI's asset allocation guidance could be implemented using investment products or advisory services provided by the MFS Global Group, and the recipient of the guidance invests in such investment products or advisory services, the MFS Global Group would earn additional revenues because MFSI and/or its affiliates receive revenue from their investment products and advisory services. Therefore, MFSI has a potential conflict of interest to the extent its asset allocation guidance results in the inclusion of any MFS Global Group investment products or advisory services. The fees charged by the MFS Global Group may be higher than fees charged by third parties. The institutional client or financial intermediary has the ultimate discretion whether to use MFS Global Group investment products or advisory services.

MFSI also provides advisory services through or to certain wrap fee programs whose participants include individual as well as institutional investors. Finally, separate and apart from Wrap Programs, MFSI also provides non-discretionary, model portfolios to institutional clients, including other investment advisers.

Wrap Programs

Wrap fee programs are sometimes referred to using different names, including "separately managed account" or "SMA," "unified managed account" or "UMA," or "managed account." In MFSI's Form CRS, wrap programs are referred to as "Sponsored Programs." In this Brochure, we refer to this investment product as a "Wrap Program."

A Wrap Program is a platform through which a financial intermediary known as a "sponsor" (typically a brokerage firm) offers investment accounts. The sponsor typically (though not in all cases) charges investors or "participants" a single, bundled ("wrap") fee that covers brokerage, custodial and administrative services, and investment advice. The sponsor, for a portion of the fee, administers the program and selects investment strategies and investment advisers in the Wrap Program. In some cases, sponsors also utilize the services of an "overlay manager" to provide certain services to the Wrap Program, such as brokerage services or investment advice (the term "sponsor" as used herein may refer to the sponsor, overlay manager or both, depending on the structure of a Wrap Program). Participants are encouraged to review the Wrap-Fee Program Brochure prepared by their Wrap Program's sponsor to understand their fee structure, the specific types of services covered under the fee they pay, and the services provided by each of the sponsor, overlay manager and/or investment adviser. MFSI acts only as an investment adviser (or sub-adviser) or model-delivery provider for Wrap Programs and does not act as the sponsor or overlay manager of any Wrap Program.

Each sponsor is responsible for making the determination that an MFSI strategy is appropriate for inclusion in the sponsor's Wrap Program, and may take into account various factors such as MFSI's style of investment management and performance. Additionally, sponsors, together with a participant, are solely responsible for reviewing the participant's investment objectives and financial circumstances to determine that investing in a particular Wrap Program and an MFSI strategy is suitable for that participant. In Wrap Programs, "reverse churning" may occur when there is very little trading activity in the client's account(s). As such, there may be times when the participant could benefit, sometimes significantly, by not participating in a Wrap Program with bundled fees, but instead by paying any brokerage commissions separately. Certain strategies offered by MFSI in Wrap Programs have historically had a low portfolio turnover (generally under 20% annually over the last three years). MFSI is responsible for ensuring that the securities it selects or recommends are suitable for the particular strategy it offers.

MFSI provides different types of services to different types of Wrap Programs, as agreed between MFSI and the sponsor. For "SMA Programs," MFSI has the discretionary authority to make all investment decisions for a participant's investment account. For "Model-Delivery Programs," MFSI provides non-discretionary recommendations of specific securities and weightings in the form of a model portfolio, and the sponsor has the ultimate discretion to accept or reject MFSI's recommendations for individual and participant's investment account. Please be aware that some Wrap Programs exhibit characteristics of both SMA Programs and Model-Delivery Programs.

The two types of Wrap Programs are described in more detail below and throughout the Brochure. Please see: Item 5, *Fees and Compensation,* for information concerning how MFSI is compensated for providing advisory services through a Wrap Program; Item 8, *Methods of Analysis, Investment Strategies and Risk of Loss*, for information regarding the differences between how MFSI manages Wrap Program accounts and other accounts; and Item 12, *Brokerage Practices*, for information on Wrap Program trading practices. Participants should consult their sponsor's Wrap Fee Program Brochure for additional information about the services provided through their program by the sponsor and related fees and expenses associated with the program.

SMA Programs

As noted above, MFSI has the discretionary authority to make all investment decisions for a participant's investment account in an SMA Program, in accordance with the selected investment strategy and subject to any restrictions. SMA Programs may be offered either in "bundled" or "dual-contract" arrangements. In a bundled SMA Program arrangement, a participant enters into an advisory agreement with the sponsor and the sponsor enters into a sub-advisory agreement with MFSI. Participants select MFSI and an MFSI investment strategy from among the investment advisers and investment strategies that the sponsor presents to them. Additionally, the participant generally pays a bundled or wrap fee to the sponsor that typically (though not in all cases) covers brokerage, custodial and administrative services, and investment advice. The sponsor directs a portion of the bundled fee to MFSI for its services.

In dual-contract SMA Program arrangements, an investor enters into an investment advisory agreement with MFSI and a separate agreement with the program sponsor. Participants contract for MFSI's advisory services directly with MFSI after selecting MFSI from among the investment advisers presented by the sponsor, and the participant typically pays MFSI directly for its advisory services.

As noted above, the sponsor together with each program participant—and not MFSI—are generally responsible for determining that a particular Wrap Program and the selected strategy are appropriate or suitable for each particular participant. MFSI reserves the right, in its sole discretion, to reject for any reason any participant referred to it. A participant may terminate its selection of MFSI as investment manager in their Wrap Program account at any time, upon notice either to the sponsor of a bundled SMA Program or, in the case of a dual-contract SMA Program, directly to MFSI.

Some participants in SMA Programs elect to impose restrictions upon MFSI's ability to implement investments. Such restrictions must be communicated to and accepted by MFSI as reasonable. Reasonable restrictions can include certain securities or certain types of securities, as well as reasonable sector-based restrictions, such as socially responsible investing ("SRI") category restrictions. Participants typically select sector-based restrictions from among the sponsor's pre-established restricted sector categories. Sponsors typically do not provide MFSI with a list of the securities included in their restricted categories. Therefore, in order to apply such restrictions, MFSI utilizes a third-party vendor to provide information regarding securities that are included in a comparable restricted category. MFSI uses its sole discretion to select the vendor category that most closely approximates the sponsor's restricted category based on the information MFSI receives from the third-party vendor. Although MFSI believes the information provided by the vendor is reliable, MFSI does not independently verify the information or guarantee its accuracy. Because MFSI relies on third party information to identify securities in a restricted category, the securities MFSI applies as restricted for a given category could differ from those which the sponsor may have considered to be within that category (*i.e.*, MFSI's list of restricted securities for a category may be more or less restrictive). These restrictions affect MFSI's freedom of action and, consequently, may affect account performance.

Model-Delivery Programs

As noted above, in Model-Delivery Programs, MFSI is retained by the Wrap Program sponsor to provide non-discretionary recommendations of specific securities and weightings in the form of a model portfolio. These recommendations are not tailored to any individual program participant, and the sponsor has the ultimate discretion to accept or reject MFSI's recommendations for each individual participant's investment account. The sponsor (or a third party retained by the sponsor to perform services for the program, such as an overlay manager) is generally responsible for implementing the ultimate investment decisions. MFSI does not know the identity of, or any other pertinent information about, the program participants for whose accounts the sponsor uses MFSI's model portfolio. Additionally, as discussed above, MFSI does not have any contractual arrangement with program participants.

The sponsors of (and not any participant in) Model-Delivery Programs have the contractual relationship with MFSI. As with bundled SMA Programs, the sponsor generally charges participants a bundled or wrap fee that covers brokerage, custodial and administrative services, and investment advice. The sponsor directs a portion of that fee to MFSI for its services. The sponsors, together with the program participants, are solely responsible for determinations as to whether the Wrap Program and any MFSI strategy used in the Wrap Program is appropriate for a participant.

Unlike in SMA Programs, reasonable participant-imposed restrictions are managed by the sponsor and MFSI does not take into account any participant's restrictions in designing or updating a model, nor is MFSI expected to implement any such restrictions or assist the sponsor in determining how to implement such restrictions. Nonetheless, as with SMA Programs, to the extent that a restriction applies to the securities recommended by MFSI to be included in accounts following an MFSI model portfolio, a participant's decision to impose restrictions would affect the performance of a participant's account as compared to participants who have not imposed such restrictions.

Lead Style Manager Services

MFSI serves as the lead style manager for a strategy in the Merrill Lynch, Pierce Fenner & Smith Incorporated ("Merrill Lynch") CDP Investment Advisory program. As lead style manager, MFSI is responsible for identifying, when needed, appropriate style managers from a Merrill Lynch approved list of possible managers. MFSI proposes such a manager to Merrill Lynch and Merrill Lynch must approve any proposed style managers. While MFSI is responsible for identifying an appropriate style manager any time a new manager is needed, the existing style manager will be maintained until such time as it is no longer on Merrill Lynch's approved list.

Item 5 – Fees and Compensation

As described above, MFSI provides investment advisory services to a variety of separate- and sub-advised accounts and Wrap Programs. The following provides information related to the fees and compensation MFSI receives for its services.

Fees for Separate Account and Sub-Advised Accounts Directly Contracted with MFSI

MFSI provides portfolio management, research and/or trading services to certain of its MFS Global Group affiliates in connection with the affiliate's separate and sub-advised account clients. A discussion of the fees and expenses applicable to clients receiving services from MFSI in this manner is set forth below under the heading "Accounts Sub-Advised for Other Members of the MFS Global Group." The following discussion is applicable to separate and sub-advised account clients who have an investment management agreement with MFSI.

MFSI's investment advisory fees are usually based upon a percentage of assets under management and are negotiable. The percentage typically depends upon the type of investment mandate. MFSI reserves the right, in its sole discretion, to negotiate and charge different types or rates of advisory fees for different accounts. Advisory fees may vary due to, among other things, the inception date of an account, the initial or potential size of the account, the entirety of the client's and its affiliates' (if any) relationship with the members of the MFS Global Group, the client's commitment to investing for a specified period of time, the manner in which a client accesses services from MFSI (*e.g.*, through a consultant or other financial intermediary), the client's domicile and account-specific requirements such as non-standard reporting obligations and compliance with laws not generally applicable to MFSI's activities. MFSI may manage a group of related accounts for an institutional client, related institutional clients or institutional clients that access its services through the same consultant and may agree to aggregate assets in all related client accounts for purposes of attaining fee breakpoints under any applicable fee schedule. MFSI also offers services to its affiliates on terms that are not available to third parties. Accordingly, as agreed with a client, MFSI may charge a higher or lower fee than the standard fees set forth below. MFSI also offers services to its affiliates on terms that are not available to third parties.

Depending on the investment mandate, MFSI's investment advisory fees may range as follows:

Type of Mandate	**Standard Investment Advisory Fee**
Municipal Core Fixed Income and U.S. Credit	0.25% to 0.175% of average month end assets
Blended Research Global Equity	0.35% to 0.25% of average month end assets
Corporate BB Fixed Income	0.30% to 0.20% of average month end assets

Blended Research Large Cap Growth, Blended Research Large Cap Value Equity, Blended Research U.S. Core Equity and Blended Research U.S. Core (ESG) Equity	0.30% to 0.20% of average month end assets
U.S. Core Plus Fixed Income	0.30% to 0.20% of average month end assets
Global Aggregate Opportunistic	0.40% to 0.30% of average month end assets
Low Volatility Global Equity	0.40% to 0.30% of average month end assets
Emerging Markets Debt and Emerging Markets Debt Diversified	0.45% to 0.375% of average month end assets
Domestic Balanced	0.50% to 0.375% of average month end assets
Blended Research Global High Dividend Equity	0.50% to 0.40% of average month end assets
Core Equity, Growth Equity, Large Cap Growth Equity, Large Cap Value Equity and Research Equity	0.55% to 0.40% of average month end assets
European Equity ex U.K.	0.70% to 0.50% of average month end assets
Global Growth Equity, Global Infrastructure and Global Real Estate Equity	0.65% to 0.50% of average month end assets
International Research Equity	0.65% to 0.50% of average month end assets
Mid Cap Growth Equity, Mid Cap Value Equity, Technology Equity and Utilities Equity	0.65% to 0.50% of average month end assets
Asia Pacific Equity ex Japan	0.65% to 0.55% of average month end assets
European Research Equity	0.70% to 0.50% of average month end assets
Mid Cap Growth Focused Equity	0.70% to 0.55% of average month end assets
Global Equity and Global Value Equity	0.75% to 0.50% of average month end assets
International Equity, International Growth Equity and International Intrinsic Value Equity	0.75% to 0.50% of average month end assets
Small Cap Growth Equity and Small Cap Value Equity	0.75% to 0.60% of average month end assets
International Concentrated Equity	0.80% to 0.55% of average month end assets

Global Concentrated Equity	0.80% to 0.55% of average month end assets
Emerging Markets Equity and Emerging Markets Equity Research	0.80% to 0.70% of average month end assets
International Small-Mid Cap Equity	0.95% to 0.75% of average month end assets

When agreed upon with a client, MFSI may also earn incentive compensation by charging performance-based fees. Performance-based fees are described in each applicable investment management agreement and will vary from client to client. However, as a general matter, performance-based compensation arrangements usually consist of two components: a negotiated base management fee calculated as a percentage of assets under management and the incentive portion of the compensation. The incentive portion of the compensation is typically calculated as a percentage of the advised account's gross return over a specified benchmark. In some cases, such incentive arrangements include a hurdle rate provision under which no incentive compensation will be charged unless gross return meets or exceeds the hurdle rate over and above the specified benchmark. For some clients, the incentive component is subject to a "high-water mark," pursuant to which no incentive compensation will be paid until a prior loss has been recouped. In certain instances, incentive compensation is based on rolling periods and, depending on contractual terms, can be charged as frequently as quarterly after the completion of the initial account year. Clients who elect fee arrangements that include a performance component could, depending upon account performance and the rate at which the asset-based component of their fees are charged, pay a total fee that is far in excess of the amount of asset-based fees charged to other accounts managed by MFSI. Certain conflicts of interest exist for MFSI when charging a performance-based fee. These conflicts are described in more detail below in Item 6, *Performance Based Fees and Side by Side Management*.

Fees are billed according to a client's investment management agreement, which will provide for whether fees are based on average daily- or month-end assets and whether they are payable quarterly or monthly in arrears. Fees are based on the value of account assets which are calculated by MFSI, the client's custodian or the client, as agreed to in the investment management agreement. Although MFSI prepares an invoice for most separate account or sub-advised clients, some clients elect to self-bill, meaning they calculate the fees owed to MFSI and remit payment. Upon written client instruction, MFSI will also deduct fees from a client's custodial account and urges such clients to compare the account statements they receive from MFSI with those they receive from their custodian. See Item 15, *Custody*, for more information. In the event MFSI's services are terminated, its management fees are pro-rated to the extent that its services have been provided for less than the full quarter (or other billing period).

Account assets invested in registered investment companies or other pooled investment vehicles for which a member of the MFS Global Group does not act as the primary investment adviser (including exchange-traded funds ("ETFs")) are included in calculating the value of the account for purposes of computing fees and calculating performance. Although not MFSI's general practice, MFSI may purchase on behalf of an institutional account shares of any of the registered investment companies for which MFS acts as an investment adviser (the "MFS Funds"), the Undertakings for the Collective Investment in Transferable Securities (also known as UCITS funds) for which MFS acts as an investment adviser (the "MFS UCITS Funds"), or other pooled investment vehicles managed by a member of the MFS Global Group (together with the MFS Funds, the "MFS Global Funds") for various investment-related reasons. MFSI is incentivized to purchase shares of an MFS Global Fund for purposes of creating the appearance of increased assets under management in such Fund. If MFSI invests any institutional account's assets in shares of an MFS Global Fund, account assets invested in such MFS Global Fund are included in calculating the performance of the account, however, the institutional client will receive a credit to its account equal to the amount of the management fee paid by the relevant MFS Global Fund to MFS or its affiliates attributable to the account's investment in the MFS Global Fund. For non-MFS Global Funds, however, accounts, in effect, pay two sets of advisory fees for these investments—one to MFSI and another to the managers of each investment vehicle.

Expenses for Separate Account and Sub-Advised Accounts Directly Contracted with MFSI

MFSI's institutional accounts typically bear certain expenses in addition to investment advisory fees, including custodial fees; brokerage and transaction costs (please see Item 12, *Brokerage Practices,* for more information); taxes; out-of-pocket costs for Employee Retirement Income Security Act of 1974, as amended ("ERISA")-mandated fidelity bonds (if applicable); fees for plan administrator/trustee-directed special projects or reports; fees for preparing financial statements and audit services; fees for preparing tax-related schedules and documents; or investor relations. MFSI receives no payment or remuneration from clients with respect to such other expenses. No portion of such charges, fees or commissions shall be applied as an offset to reduce the amount of advisory fees owed by a client to MFSI.

Account assets invested in any of the MFS Global Funds or any registered investment companies or other pooled investment vehicles for which a member of the MFS Global Group does not act as the primary investment adviser (including ETFs) are subject to additional fees and expenses. The fees and expenses may include, without limitation, brokerage fees and transaction costs, transfer agency fees, and custodial expenses, and are set forth in the Offering Documents of those pooled investment vehicles. These additional fees are paid by the investment vehicle, but ultimately borne by investors, including MFSI clients. MFSI does not reimburse the account for these fees even if the account assets are invested in an MFS Global Fund.

MFS Private Fund Fees and Expenses

MFSI serves as managing member for the MFS Private Funds, and earns a management fee for those services. The subscription agreement sets forth information regarding the applicable management fee, including the calculation and payment thereof. Please refer to the offering memorandum for information regarding the other fees and expenses borne by the Fund.

Fees and Expenses for Services Provided to Affiliates

MFSI provides portfolio management, research and/or trading services to other members of the MFS Global Group to utilize in connection with accounts for which the MFS Global Group member acts as the primary investment adviser, investment manager or managing member. These accounts include pooled investment vehicles, sub-advised pooled investment vehicles and separate accounts. In these cases, MFSI does not charge the account directly for its services; rather MFSI is compensated by the other member of the MFS Global Group through an internal transfer pricing agreement. Clients should refer to their investment management agreement or applicable Offering Documents for a more detailed description of the applicable fees and expenses charged to or borne by their accounts.

<u>Conflicts of Interest Arising from Pricing Account Assets: Separate Accounts, Sub-advised Accounts and Pooled Funds</u>

For the MFS Global Funds that MFSI advises or sub-advises, MFSI prices securities or other assets for many purposes, including determining fees and performance reporting. For other pooled investment vehicles for which a member of the MFS Global Group does not act as primary investment adviser, MFSI may be asked to recommend prices for certain securities or other assets held by the pooled investment vehicle. Additionally, for separate accounts, MFSI prices securities or other assets held by the separate account, if agreed to in the investment management agreement. In cases where MFSI prices account holdings or provides pricing recommendations, MFSI is incentivized to overvalue such account holdings in order to generate a higher fee. When pricing an account holding, MFSI attempts, in good faith and in accordance with applicable laws (including ERISA), to determine its fair value. MFSI generally relies on market quotations or other asset valuations provided by a custodian, a broker-dealer or another third-party pricing service for valuation purposes. When market quotations are not readily available or are believed by MFSI to be unreliable, the security or other assets are valued by MFSI in accordance with MFSI's valuation procedures, described in the next paragraph. With respect to accounts which invest in privately placed pooled investment vehicles managed by third parties and/or investments sponsored by such third-party managers, MFSI generally relies on pricing information provided by the private fund or its manager or other service provider. While MFSI expects that such persons will provide appropriate valuations, such persons may face conflicts similar to those described above and certain investments may be complex or difficult to value. MFSI may also perform its own valuation analysis, but generally will not independently assess the accuracy of such valuations.

When market quotations or other asset valuations are not readily available or are believed by MFSI to be unreliable, a client's investments may be valued at fair value ("Fair Value Assets"). Fair Value Assets are valued by MFSI in accordance with MFSI's valuation procedures. MFSI may conclude that a market quotation is not readily available or is unreliable: (i) if a security or other asset does not have a price source due to its lack of liquidity; (ii) if MFSI believes a market quotation from a broker-dealer or other source is unreliable (*e.g.*, where it varies significantly from a recent trade); (iii) where the security or other asset is thinly traded (*e.g.*, municipal securities and certain non-U.S. securities can be expected to be thinly traded); (iv) where recent asset sales represent distressed sale prices not reflective of the price that a client might reasonably expect to receive from the current sale of that asset in an arm's-length transaction; or (v) where there is a significant material event subsequent to the most recent market quotation. MFSI's good faith judgment as to whether an event would constitute a "significant event" likely to cause a material change in an asset's market price may, in hindsight, prove to be incorrect, and the fair value determination made by MFSI may be incorrect as to the direction and magnitude of any price adjustment when compared to the next available market price. In circumstances where MFSI typically relies on a valuation provided by a third party, if the third party fails to provide a valuation, or if MFSI believes such valuation is not representative of fair value, MFSI will determine fair value in good faith in accordance with its valuation policies and procedures.

<u>Wrap Program Fees and Expenses</u>

The frequency and method of billing advisory fees accrued by MFSI for services provided to Wrap Programs is determined by the applicable investment advisory agreement. In a dual-contract Wrap Program, the participant pays a management fee to MFSI pursuant to the investment advisory agreement between the participant and MFSI. For all other Wrap Programs, the program sponsor arranges for payment of MFSI's advisory fee pursuant to the investment advisory agreement between the sponsor and MFSI. MFSI's fees for advisory services are billed either in advance or in arrears, depending on the terms of the investment advisory agreement. The representative advisory fee schedule charged by MFSI for SMA Programs is as follows:

Investment Strategy	**Dual Contracts**	**SMA Programs**	**Model-Delivery Programs**
MFS Large Cap Growth SMA	0.60% of assets under management	0.42% of assets under management	0.33% of assets under management
MFS Large Cap Value SMA	0.60% of assets under management	0.42% of assets under management	0.33% of assets under management
MFS Research International ADR SMA	0.65% of assets under management	0.45% of assets under management	0.40% of assets under management
MFS Research International Foreign Ordinaries SMA	--	--	0.40% of assets under management

MFSI's compensation for these services is negotiable, and, as agreed with a sponsor or dual contract client, MFSI may charge a higher or lower fee than the representative advisory fee. For Model-Delivery Programs, MFSI is compensated for providing its model(s) to the sponsor and not for managing any particular accounts and, as a result, will receive its entire advisory fee whether or not the sponsor invests any portion of its participants' assets in accordance with such advisory recommendations made by MFSI to the sponsor.

Participants in Wrap Programs also bear certain expenses that are separate from and in addition to, advisory fees paid to MFSI by the participant or sponsor, as applicable. In a dual-contract Wrap Program arrangement, the participant pays a separate fee to the sponsor for custodial, execution and other program services pursuant to the program agreement with the sponsor. For all other Wrap Programs, a participant typically pays a combined fee to the sponsor that covers MFSI's advisory or model provider services, as well as services from the sponsor, including monitoring and evaluating MFSI's performance, executing some or all of participants' account transactions and, if requested by participants, custodial services (in some instances, participants separately pay commissions on transactions). MFSI's (or a Wrap Program sponsor's) trading practices can impact the ultimate costs to a participant. See Item 12, *Brokerage Practices,* for more information.

Participants in Wrap Programs should also consider that depending on factors such as (i) the type or level of the bundled or wrap fee charged by the Wrap Program sponsor, (ii) the volume of account activity in the participant's account (see Item 4, *Advisory Business* for more information), and (iii) the value of the custodial and other services that are provided under the arrangement, the bundled or wrap fee may or may not exceed the aggregate amount of MFSI's standard advisory fee plus the cost of such services if they were to be provided separately. Depending upon the amount of Wrap Program assets, however, a participant may not be eligible to enter into a direct investment advisory relationship with MFSI outside the Wrap Program context.

Participants should consult their sponsor's Wrap Fee Program Brochure for additional information about the fees and expenses they pay in connection with their Wrap Program, and other fees or expenses they may pay in connection with MFSI's advisory or model-delivery services.

Item 6 – Performance Based Fees and Side by Side Management

As noted above, MFSI (and other members of the MFS Global Group) negotiate and charge different types (including performance-based and asset-based) or rates of advisory fees for different accounts. MFSI has an incentive to favor accounts paying performance-based fees over accounts paying only asset-based fees because performance-based fees can generate greater management fees for MFSI to the extent performance meets or exceeds the thresholds specified in the arrangement. MFSI also has other incentives to favor different clients or accounts, including, but not limited to, favoring an account that pays a higher asset-based fee rate, a client with greater overall assets under management or the potential for greater assets under management, accounts believed to be at risk of termination or clients in a particular region or industry in which MFSI would like to grow its business. MFSI may favor an account by allocating to it superior investment opportunities or access to limited availability investment opportunities, See "Allocation of Investment Opportunities, Order Execution and Allocation of Executed Orders" in Item 12—*Brokerage Practices*, below, for more information. Performance-based fees also present an incentive for MFSI to take additional risk with regard to an account's investments in hopes of generating higher performance fees.

The differing nature of performance-based fee arrangements (*e.g.*, benchmarks, high-water marks, hurdles and negative or positive carryforwards) can also present similar conflicts of interest among accounts that are charged performance-based fees. With respect to accounts subject to a benchmark, hurdle rate high-water mark or negative or positive carryforward provisions, MFSI may have an incentive to favor accounts that are generally above their respective benchmarks, hurdle rates or high-water marks or with a positive carryforward (and therefore required to pay performance-based fees) over those accounts that are generally below their respective benchmarks, hurdle rates or high-water mark or with a negative carryforward (and therefore are not required to pay performance-based fees until such accounts next exceed the applicable benchmark, hurdle rate or high-water mark or make up the negative carryforward). MFSI may also have an incentive to favor accounts that are below their respective benchmarks, hurdle rates or high-water mark or with a negative carryforward in order to increase such account's performance to a level where the account is required to pay performance-based fees.

These conflicts are most apparent where two accounts follow the same, or a similar, investment strategy but have differing compensation arrangements. The MFS Global Group's allocation policies and procedures (see Item 12, *Brokerage Practices*, below) address these potential conflicts of interest. These policies, which apply equally to all accounts regardless of fee type or rate, are designed to ensure allocation of investment opportunities and executed trades in a manner MFSI believes is fair and equitable over time.

Item 7 – Types of Clients

MFSI's clients are principally institutional investors, including pension and profit sharing plans, charitable organizations, corporations, sovereign wealth funds and foreign official institutions, insurance companies, pooled investment vehicles and state and municipal government entities. MFSI's standard minimum account size for establishing a separate account is typically $50 million of assets. MFSI may accept an account below such minimum in its discretion when, for example, it seeks to promote a new mandate or an institutional client with multiple accounts above the required minimum is allowed to open another account below the minimum size.

In addition, through Wrap Programs, MFSI's investment advice is made available to institutional investors, high-net-worth individuals and, in some cases, individuals who are not high-net-worth individuals. MFSI typically requests a minimum of $100,000 of assets per participant for bundled SMA Programs and a minimum of $25 million of assets per participant for dual contract SMA Programs. MFSI can, in its discretion, waive these minimums. Additionally, sponsors may impose higher investment minimums on participants, which would be described in the sponsor's Wrap Fee Program Brochure.

MFSI serves as management member to the MFS Private Funds. Investment in such funds is generally restricted to persons who are both "accredited investors" as defined in Regulation D under the Securities Act of 1933, as amended, and "qualified purchasers" as defined by Section 2(a)(51) of the 1940 Act, and rules promulgated thereunder.

MFSI, in its sole discretion, reserves the right to decline any account or to close any account that falls below the relevant minimum account size or for any other reason. Client relationships are governed by investment advisory agreements that set forth the terms under which MFSI will provide its services.

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

MFSI employs a variety of methods to evaluate securities, including fundamental analysis and quantitative analysis. Fundamental analysis focuses on individual issuers and their potential in light of their financial condition, and market, economic, political, and regulatory conditions. Factors considered may include analysis of an issuer's earnings, cash flows, competitive position, and management ability. MFSI also considers environmental, social and governance ("ESG") factors in its fundamental investment analysis where MFSI believes such factors could materially impact the economic value of an issuer, as described more fully below. Quantitative analysis focuses on quantitative models that systematically evaluate an issuer's valuation, price and earnings momentum, earnings quality, and other factors.

MFSI may, from time to time, utilize advice or research provided by the Participating Affiliates as defined and further described in Item 10, Other Financial Industry Activities and Affiliations.

Generally, one or more portfolio managers or research analysts is responsible for the day-to-day management of the accounts following a particular investment strategy. In emergency circumstances, such as due to an illness, another portfolio manager or a chief investment officer may be authorized to make investment decisions on behalf of those accounts.

MFSI utilizes various investment techniques to implement its investment strategies, including, but not limited to, long- and short-term purchases, short sales, margin transactions, futures, forwards, swaps, options, and other exchange-traded and over-the-counter ("OTC") derivatives or other methods to seek to achieve performance. While MFSI may use derivatives for any investment purpose, MFSI uses derivatives primarily to increase or decrease exposure to a particular market, segment of the market, or security, or as an alternative to direct investments. MFSI may also use exchange-traded and OTC derivatives to manage exposures within currency, credit, equity and interest rate markets. MFSI will execute only those derivative transactions that are allowed for a particular account, and for which it believes its investment professionals have sufficient knowledge and expertise to evaluate the transaction and risks.

All investments carry a risk of loss that will not always be commensurate with the return, or return potential, for the investment. Investments in the accounts to which MFSI provides advisory services are not insured or guaranteed and carry the risk of loss, which clients must be prepared to bear.

Investment strategies may be limited to certain types of securities (*e.g.*, equities), sectors or industries, geographic regions, etc., and may not be diversified. Investors and clients should understand that they could lose some or all of their investment (and, where derivatives or leverage is employed, losses can exceed the value of the account) and should be prepared to bear the risk of such potential losses. The accounts managed, and models provided, by MFSI are not intended to provide a complete investment program and MFSI expects that assets invested in an account it manages, or in accordance with a model it provides, do not represent all of an investor's assets. Investors are responsible for appropriately diversifying their assets to guard against the risk of loss.

MFSI's analysis of a particular investment could prove incorrect. Further, markets can prove volatile in response to issuer- or industry-specific circumstances, as well as broader economic, political, regulatory, geopolitical, environmental and public health conditions. Some of these conditions may prevent MFSI from executing a particular strategy successfully. A widespread health crisis such as a global pandemic could cause substantial market volatility and have long-term effects on the U.S. and world economies and markets generally. For example, the novel coronavirus disease (COVID-19) resulted in significant disruptions to global business activity, including closed international borders, quarantines and travel restrictions, disruptions to business operations and supply chains and lower consumer demand and economic output. The impact of this outbreak and other epidemics and pandemics that may arise in the future could negatively affect the global economy, as well as the economies of individual countries, the financial performance of individual companies and sectors, and the securities and commodities markets in general in significant and unforeseen ways. A health crisis may also exacerbate other pre-existing political, social and economic risks. Any such impacts could adversely affect the prices and liquidity of an account's investments and an account's performance. It is not always possible to access certain markets or to sell certain investments at a particular time or at an acceptable price, thereby impacting the liquidity of a given account. Leverage and most types of derivatives create exposure in an amount exceeding the initial investment, which can increase volatility by magnifying gains or losses. The value of an account will change daily based on changes in market, economic, industry, political, regulatory, geopolitical, environmental, public health and other considerations. An account will not always achieve its objective and/or could decrease in value.

MFSI considers ESG factors in its fundamental investment analysis alongside more traditional economic factors, where MFSI believes such ESG factors could materially impact the economic value of a company. MFSI believes that certain ESG factors could materially impact the value of a company by representing a source of economic opportunity that contributes to a company's growth and outperformance relative to its peer group or a source of risk that may result in a condition or the occurrence of an event that could have a material negative impact on a company's value. Examples of potentially material ESG risks and opportunities may include, but are not limited to, physical and transitional impacts related to climate change, shifting market or consumer preferences or demand, a company's governance structure and practices, data protection and privacy issues, diversity and labor practices, and regulatory and reputational risks. To account for these factors, MFSI's investment professionals integrate their evaluation of a company's key ESG risks and opportunities into their overall security analysis and investment selection process to the extent that they believe these factors are material to, and have an economic impact on, investment value. In conducting analysis of ESG factors, MFSI's investment professionals may use a variety of tools, including, but not limited to, (i) proprietary issuer and industry research, (ii) internally developed analytical tools designed to evaluate issuer performance and risk-exposure, (iii) scenario analysis evaluating the impact of specific risk events, and (iv) third-party generated issuer and industry research and ratings. MFSI investment and proxy voting professionals may also incorporate ESG factors into their engagement activities when communicating with a company's management team, board of directors, or other representatives in order to better understand (i) the risks and opportunities that a particular ESG issue may present for a company, (ii) to communicate MFSI's desired outcome with respect to an ESG issue, or (iii) to inform proxy voting decisions. Finally, MFSI may participate in organizations, engagements or other collaborative industry efforts to enhance MFSI's knowledge of specific ESG issues or to further ESG-related initiatives that MFSI deems materially impactful to its investment decisions.

MFS has signed the Principles for Responsible Investment ("PRI") for itself and its subsidiaries. As a subsidiary of MFS, where consistent with its fiduciary responsibilities, MFSI aspires to incorporate ESG issues into its investment analysis and decision-making processes, as well as its ownership policies and practices. MFSI also seeks to promote acceptance and implementation of the PRI within the investment industry and reports on progress in the effectiveness of such implementation. While MFSI follows the PRI where consistent with its fiduciary responsibilities, signing the PRI is not a legally binding commitment to do so, and MFSI may either take actions inconsistent with the PRI or fail to take such actions as would be consistent with the PRI if, in MFSI's judgment, it is in the best economic interests of its clients to do so. Please refer to Item 17, *Voting Client Securities,* for more information about MFSI's proxy voting practices.

MFSI will introduce ESG-driven restrictions into an account only as directed by the client or to comply with applicable law. Likewise, MFSI will introduce ESG-driven goals into a client's account only if directed to do so by the client.

<u>Performance Differences Between Institutional and Wrap Program Accounts</u>

Wrap Program accounts employ investment strategies that are similar to those employed by other accounts advised by MFSI or other members of the MFS Global Group. Nevertheless, the performance results achieved by MFSI (or, for Model-Delivery Programs, the sponsor using MFSI's portfolio model(s) to manage a participant's account) with respect to Wrap Program accounts employing a particular investment strategy and investing in particular types of securities is likely to differ from the performance results achieved with respect to the accounts advised by the MFS Global Group that employ a similar investment strategy, and also differ from the performance of other, similar Wrap Programs advised by MFSI, for a variety of reasons. These reasons include:

Investment and Trading Differences:

- Wrap Program accounts typically are of a smaller asset size, are managed to hold fewer, more concentrated positions, and occasionally hold different securities as compared to other accounts advised by the MFS Global Group in a similar investment strategy.
- The more-concentrated nature of Wrap Program accounts can exacerbate the impact of the Account Restrictions and Other Factors, discussed below, which can cause further deviations between the performance of a Wrap Program account and other accounts advised by the MFS Global Group in a similar investment strategy.
- The timing and manner of trading a Wrap Program will vary between the sponsor and MFSI, between Wrap Program accounts traded by the sponsor and other accounts advised and traded by the MFS Global Group in a similar investment strategy or between the different Wrap Program sponsors within an investment style. See "Wrap Program Brokerage Arrangements, Order Execution and Allocation" in Item 12, *Brokerage Practices*.
- For Model-Delivery Programs, the sponsor, rather than MFSI, has ultimate discretion to make investment decisions and may determine to deviate from the MFSI portfolio model.
- In many cases, MFSI trades (or recommends trades) for Wrap Program accounts less frequently, potentially at different times and pursuant to differing triggers than the investment decisions are made for other accounts advised by the MFS Global Group in a similar investment strategy. Less frequent trading can increase the risk of loss or reduce opportunities for gains.
- For various reasons, including the smaller size of Wrap Program accounts as compared to the other accounts advised by the MFS Global Group in a similar investment strategy, MFSI typically makes investment decisions and/or adjusts portfolio models for Wrap Program accounts less frequently and in larger basis increments than for such other accounts. However, occasionally, MFSI may believe that a security is subject to liquidity constraint, due to the nature of the particular security. In those cases, MFSI may, in its discretion, make an

investment decision or adjust the portfolio model in smaller basis point increments to reduce competition in the market among orders for all accounts. Investment decisions for other accounts advised by the MFS Global Group in similar investment strategies that are not subject to these considerations will often be made at different times and implemented in different ways, which would likely result in such other accounts experiencing some performance differences.

Account Restrictions:

- Wrap Program accounts can be subject to restrictions imposed by MFSI, the participant, the sponsor or, in the case of multi-manager Wrap Program accounts, the overlay manager, such as limitations on the maximum percentage of an outstanding security under management by an investment manager and its affiliates, or prohibitions on owning securities issued by the sponsor. Wrap Program accounts can also be subject to temporary or permanent restrictions on transactions in specific securities, such as a prohibition on participation in initial public offerings or, in many cases, ineligibility to hold, or a prohibition on holding, foreign securities other than in the form of American Depositary Receipts. These restrictions can differ materially from those applicable to other accounts advised by the MFS Global Group in a similar investment strategy.
- Wrap Program accounts may be prohibited from purchasing or selling specific securities due to restrictions on MFSI related to its possession (or potential possession) of material non-public information. Wrap Program accounts may also be prohibited from purchasing or selling specific securities due to restrictions on the sponsor (particularly Model-Delivery Program sponsors) related to its possession of material non-public information. The composition of the Wrap Program account resulting from these prohibitions may result in the Wrap Program account having different performance results than other accounts advised by the MFS Global Group in a similar investment strategy.

Other Factors. Performance of Wrap Program accounts is also likely to differ from the performance results of institutional accounts (including registered investment companies) in a similar investment strategy due to any of the following:

- Changes over time in the number, types, availability and diversity of securities available;
- Economies of scale, regulations and other factors applicable to institutional accounts or registered investment companies;
- Different fees and expenses (including trading expenses); and
- Unlike the accounts advised by the MFS Global Group, Wrap Program accounts can only hold U.S. dollar-denominated securities.

<u>Material Risk Factors</u>

While it is not always possible, and the discussion herein does not purport, to identify and describe all risks to which an account may be subject, set forth below is a general description of certain material risk factors for accounts to which MFSI provides advisory or sub-advisory services. Unless otherwise specified, these risk factors apply to investments across a variety of asset classes, including those in which all of the mandates set forth in Item 5, *Fees and Compensation,* above, may invest. However, whether the risk factors set forth below are material to a specific account in any mandate will depend upon, among other things, the specific investment guidelines and restrictions applicable to that account. Additionally, a risk factor could still be a relevant or material risk to a particular mandate even if it is not listed below as a principal risk of such mandate. Investors in pooled investment vehicles advised or sub-advised by the MFS Global Group should note that the pooled investment vehicle (including an MFS Fund) will contain a more complete description of the risk factors to which the vehicle is subject in its Offering Documents and the discussion below is qualified in its entirety by reference to the relevant Offering Document(s). Investors should review these Offering Documents carefully and consider whether the risks to which the vehicle is subject are appropriate to the investor's circumstances. Depending upon the specific investment guidelines and restrictions applicable to any particular account in any mandate, these risk factors may or may not be material to that specific account.

Allocation Risk – Commodities

MFSI's assessment of the risk/return potential of commodity sectors and the resulting allocation among commodity sectors may not produce the intended results and/or can lead to an investment focus that results in the account underperforming other accounts with similar investment strategies and/or underperforming the markets in which the account invests.

The sole mandate for which this represents a principal risk is Commodity Strategy.

Allocation Risk

MFSI's assessment of the risk/return potential of asset classes, and the resulting allocation among asset classes, may not produce the intended results and/or can lead to an investment focus that results in the account underperforming other funds with similar investment strategies and/or underperforming the markets in which the account invests.

This represents a principal risk for the following mandates: Asset Allocation – Fund of Funds (U.S.), Diversified Income, Global Alternative Strategy, Global Tactical Asset Allocation, International Diversification, Lifetime / Target Date, Managed Wealth, Prudent Capital, and Prudent Wealth.

Asia Risk

The economies of countries in Asia are in all stages of development. Many of the economies of countries in Asia are considered emerging market economies. Companies in Asia can be subject to risks such as nationalization or other forms of government interference, and/or rely on only a few industries or commodities. Economic events in one country or group of countries within the Asian region can have significant economic effects on the entire Asian region because the economies of the region are intertwined. Furthermore, many of the Asian economies are often characterized by high levels of inflation, undeveloped financial service sectors, frequent currency fluctuations, devaluations, or restrictions, unstable employment rates, political and social instability, and less efficient markets. The economies of many Asian countries are heavily dependent on international trade and can be adversely affected by trade barriers, exchange controls and other measures imposed or negotiated by the countries with which they trade. The economies of Asia are also vulnerable to effects of natural disasters occurring within the region, including droughts, floods, tsunamis, and earthquakes. The economic impact of natural disasters can be significant at both the country and company levels.

The sole mandate for which this represents a principal risk is Asia Equity ex Japan.

Business Continuity Risk

MFSI has developed a Business Continuity Program (the "Program") that is designed to minimize the disruption of normal business operations in the event of an adverse incident impacting MFSI or its affiliates. While MFSI believes that the Program is comprehensive and should enable it to reestablish normal business operations in a timely manner in the event of an adverse incident, there are inherent limitations in such programs (including the possibility that contingencies have not been anticipated and procedures do not work as intended) and under some circumstances, MFSI and its affiliates, any vendors used by MFSI or its affiliates or any service providers to the accounts MFSI manages could be prevented or hindered from providing services to the account for extended periods of time. These circumstances may include, without limitation, natural disasters, outbreaks of pandemic and epidemic diseases, acts of governments, any act of declared or undeclared war (including acts of terrorism), power shortages or failures, utility or communication failure or delays (including disruptions to broadband and Internet services), labor disputes, strikes, shortages, supply shortages, and system failures or malfunctions. These circumstances, including systems failures and malfunctions, could cause disruptions and negatively impact an account's service providers and an account's business operations, potentially including an inability to process account shareholder transactions, an inability to calculate an account's net asset value and price an account's investments, and impediments to trading account securities. Disruptions to business operations may exist or persist even if employees of MFSI, its affiliates, and any vendors used by MFSI, its affiliates, or a portfolio are able to work remotely. An account's ability to recover any losses or expenses it incurs as a result of a disruption of business operations may be limited by the liability, standard of care and related provisions in its contractual arrangements with MFSI and other service providers.

Commodity-Related Investments Risk

The value of commodity-related investments may be more volatile than the value of equity securities or debt instruments and may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, currency fluctuations, or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs and international economic, political and regulatory developments. The price of a commodity-related investment may be affected by demand/supply imbalances in the market for the commodity. These imbalances may be significant due to the length of time required to alter the supply of some commodities in response to changes in demand. To the extent the account focuses its investments in a particular asset of the commodities market (such as oil, metal, or agricultural products), the account will be more susceptible to risks associated with that particular asset.

This represents a principal risk for the following mandates: Commodity Strategy, Lifetime / Target Date.

Company-Specific Risk

Changes in the financial condition of a company or other issuer, changes in specific market, economic, industry, political, regulatory, geopolitical, environmental, public health and other conditions that affect a particular type of investment or issuer, and changes in general market, economic, political, regulatory, geopolitical, environmental, public health and other conditions can adversely affect the prices of investments. The prices of securities of smaller, less well-known issuers can be more volatile than the prices of securities of larger issuers or the market in general.

This represents a principal risk for the following mandates: Asia Equity ex Japan, Asset Allocation – Fund of Funds (U.S.), Balanced, Blended Research Emerging Markets Equity, Blended Research Equity Income, Blended Research European Equity, Blended Research Global Equity, Blended Research Global High Dividend Equity, Blended Research International Equity, Blended Research Large Cap Growth, Blended Research Large Cap Value, Blended Research Mid Cap Equity, Blended Research U.S. Core Equity, Blended Research U.S. Small Cap Equity, Contrarian Value, Core Equity, Core Equity Industry Neutral, Diversified Income, Emerging Markets Equity, Emerging Markets Equity Research, European Core Equity, European Equity ex U.K., European Research Equity, European Smaller Companies, European Value Equity, Global Alternative Strategy, Global Balanced, Global Concentrated Equity, Global Equity, Global Growth Equity, Global Infrastructure, Global Intrinsic Value, Global Real Estate, Global Research, Global Research Focused, Global Small Mid Cap, Global Tactical Asset Allocation, Global Value, Growth Equity, Intermediate High Income Closed End, International Concentrated Equity, International Diversification, International Equity, International Growth, International Research, International Small Mid Cap, International Intrinsic Value, International Large Cap Value, Japan Equity, Large Cap Growth, Large Cap Growth Concentrated, Large Cap Value, Latin American Equity, Lifetime / Target Date, Low Volatility Global Equity, Low Volatility U.S. Equity, Managed Wealth, Mid Cap Growth, Mid Cap Growth Focused Equity, Mid Cap Value, Multimarket Income Trust Closed End, Prudent Capital, Prudent Wealth, Research U.S. Equity, Small Cap Growth, Small Cap Value, Special Value Trust Closed End, Systematic Core Equity, Systematic Growth Equity, Systematic Value Equity, Technology, U.K. Equity, U.S. REIT, and Utilities.

Counterparty and Third Party Risk

Transactions involving a counterparty other than the issuer of the instrument, including clearing organizations, or a third party responsible for servicing the instrument or effecting the transaction, are subject to the credit risk of the counterparty or third party, and to the counterparty's or third party's ability or willingness to perform in accordance with the terms of the transaction. If a counterparty or third party fails to meet its contractual obligations, goes bankrupt or otherwise experiences a business interruption, the account could miss investment opportunities, lose value on its investments or otherwise hold investments it would prefer to sell, resulting in losses for the account.

Credit Risk

The price of a debt instrument depends, in part, on the issuer's or borrower's credit quality or ability to pay principal and interest when due. The price of a debt instrument is likely to fall if an issuer or borrower defaults on its obligation to pay principal or interest, if the instrument's credit rating is downgraded by a credit rating agency, or based on other changes in, or perceptions of, the financial condition of the issuer or borrower. For certain types of instruments, including derivatives, the price of the instrument depends on the credit quality of the counterparty to the transaction. For other types of debt instruments, including securitized instruments, the price of the debt instrument also depends on the credit quality and adequacy of the underlying assets or collateral as well as whether there is a security interest in the underlying assets or collateral. Enforcing rights, if any, against the underlying assets or collateral may be difficult.

Below investment grade quality debt instruments can involve a substantially greater risk of default or can already be in default, and their values can decline significantly over short periods of time. Below investment grade quality debt instruments are regarded as having predominantly speculative characteristics with respect to capacity to pay interest and principal. Below investment grade quality debt instruments tend to be more sensitive to adverse news about the issuer, or the market or economy in general, than higher quality debt instruments. The market for below investment grade quality debt instruments can be less liquid, especially during periods of recession or general market decline.

Government securities not supported as to the payment of principal or interest by the full faith and credit of a government are subject to greater credit risk than are government securities supported by the full faith and credit of the government. The credit quality of, and the ability to pay principal and interest when due by, an issuer of a municipal instrument depends on the credit quality of the entity supporting the municipal instrument, how essential any services supported by the municipal instrument are, the sufficiency of any revenues or taxes that support the municipal instrument, and/or the willingness or ability of the appropriate government entity to approve any appropriations necessary to support the municipal instrument. In addition, the price of a municipal instrument also depends on its credit quality and ability to meet the credit support obligations of any insurer or other entity providing credit support to a municipal instrument.

This represents a principal risk for the following mandates:

Asset Allocation – Fund of Funds (U.S.), Balanced, Charter Income Trust Closed End, Commodity Strategy, Contrarian Value, Core Plus Fixed Income, Diversified Income, Emerging Markets Local Currency Debt, Emerging Markets Debt, Euro Credit, Global Aggregate Core Plus, Global Aggregate Opportunistic Fixed Income, Global Alternative Strategy, Global Balanced, Global Credit, Global High Yield, Global Inflation-Adjusted Fixed Income, Global Infrastructure, Global Sovereign Fixed Income, Global Tactical Asset Allocation, Intermediate High Income Closed End, Intermediate Income FI Closed End, Investment Grade Municipal Trust Closed End, Lifetime / Target Date, Limited Maturity, Managed Wealth, Multimarket Income Trust Closed End, Muni Fixed Income Closed End, Municipal Plus, Municipal High Yield, Municipal Short-Intermediate, Municipal State, Opportunistic Fixed Income, Prudent Capital, Prudent Wealth, Special Value Trust Closed End, U.S. Core High Yield, U.S. Credit, U.S. Government Fixed Income, U.S. Government Fixed Income Closed End, U.S. Inflation Adjusted Fixed Income, U.S. Taxable Municipal, and Utilities.

Credit and Market Risk

The value of a money market instrument depends on the credit quality of the issuer, borrower, counterparty, or other entity responsible for payment. The value of a money market instrument can also decline in response to changes in, or perceptions of, the financial condition of the issuer or borrower, changes in, or perceptions of, specific market, economic, industry, political, regulatory, geopolitical, environmental, public health, and other conditions that affect a particular type of instrument, issuer, or borrower, and changes in, or perceptions of, general market, economic, industry, political, regulatory, geopolitical, environmental, public health, and other conditions.

The sole mandate for which this represents a principal risk is Money Market.

Currency Risk

Changes in currency exchange rates can significantly impact the financial condition of a company or other issuer with exposure to multiple countries. In addition, a decline in the value of a foreign currency relative to the U.S. dollar reduces the value of the foreign currency and investments denominated in that currency. The use of foreign exchange contracts to reduce foreign currency exposure will not completely eliminate the exposure to foreign currency movements. In addition, the use of foreign exchange contracts to reduce foreign currency exposure can eliminate some or all of the benefit of an increase in the value of a foreign currency versus the U.S. dollar. In addition, the use of foreign exchange contracts to reduce foreign currency exposure can eliminate some or all of the benefit of an increase in the value of a foreign currency versus the U.S. dollar. Suitable currency hedging transactions may not be available in all circumstances and there can be no assurance that the account will engage in such transactions at any given time or from time to time. The value of foreign currencies relative to the U.S. dollar fluctuates in response to, among other factors, interest rate changes, intervention (or failure to intervene) by the U.S. or foreign governments, central banks, or supranational entities such as the International Monetary Fund, the imposition of currency controls, and other political or regulatory conditions in the U.S. or abroad. Foreign currency values can decrease significantly both in the short term and over the long term in response to these and other conditions.

This represents a principal risk for the following mandates: Asia ex Japan Equity, Asset Allocation – Fund of Funds (U.S.),Blended Research Emerging Markets Equity, Blended Research European Equity, Blended Research Global Equity, Blended Research Global High Dividend Equity, Blended Research International Equity, Charter Income Trust Closed End, Contrarian Value, Diversified Income, Emerging Markets Local Currency Debt, Emerging Markets Debt, Emerging Markets Equity, Emerging Markets Equity Research, Euro Credit, European Core Equity, European Equity ex U.K., European Research Equity, European Smaller Companies, European Value Equity, Global Aggregate Core Plus, Global Aggregate Opportunistic Fixed Income, Global Alternative Strategy, Global Balanced, Global Concentrated Equity, Global Credit, Global Equity, Global Growth Equity, Global High Yield, Global Inflation-Adjusted Fixed Income, Global Infrastructure, Global Intrinsic Value, Global Real Estate, Global Research, Global Research Focused, Global Small Mid Cap, Global Sovereign Fixed Income, Global Tactical Asset Allocation, Global Value, International Concentrated Equity, International Diversification, International Equity, International Growth, International Large Cap Value, International Research, International Small Mid Cap, International Intrinsic Value, Japan Equity, Latin American Equity, Lifetime / Target Date, Low Volatility Global Equity, Managed Wealth, Multimarket Income Trust Closed End, Opportunistic Fixed Income, Prudent Capital, Prudent Wealth, U.K. Equity, U.S. Government Fixed Income Closed End, U.S. REIT, U.S. Taxable Municipal, and Utilities.

Cybersecurity Risk

Accounts managed by MFSI may be exposed to cybersecurity risks through MFSI, its affiliates, other third parties (such as broker-dealers, other financial intermediaries and Wrap Program sponsors), as well as through MFSI's service providers or service providers to the accounts MFSI manages. With the increased use of technologies, such as mobile devices and "cloud"-based service offerings and the dependence on the Internet and computer systems to perform necessary business functions, firms are susceptible to operational and information or cybersecurity risks that could result in losses to an account. Cyber incidents can result from deliberate attacks or unintentional events. Cyberattacks include, but are not limited to, infection by computer viruses or other malicious software code, unauthorized access to the firm's digital systems through system-wide hacking or other means for the purpose of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyberattacks can also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on a firm's systems or websites rendering them unavailable to intended users or via "ransomware" that renders the systems inoperable until appropriate actions are taken. In addition, authorized persons could inadvertently or intentionally release confidential or proprietary information stored on a firm's systems.

Cybersecurity failures or breaches involving such firms or the issuers of securities in which the account invests could negatively impact the value of an account's investments and cause disruptions and impact the firm's or an account's operations, potentially resulting in financial losses, the inability of an account to transact business and process transactions, the inability to calculate an account's net asset value (if applicable), impediments to trading, destruction to equipment and systems, interference with quantitative models, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, and/or additional compliance costs. Similar adverse consequences could result from cyber incidents affecting counterparties with which an account engages in transactions, governmental and other regulatory authorities, exchanges and other financial market operators and other parties. Accounts that are pooled vehicles may incur incremental costs to prevent or reduce the impact of cyber incidents in the future which could negatively impact the pooled vehicle and its investors.

While the MFS Global Group has established information security plans, business continuity plans and risk management systems that it believes are reasonably designed to prevent or reduce the impact of such cyberattacks, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been (or cannot be) adequately identified. Furthermore, MFSI cannot directly control any cybersecurity plans and systems put in place by other third parties including service providers, or by issuers in which accounts managed by MFSI may invest and such service providers may have limited indemnification obligations to MFSI or the accounts managed by MFSI, each of whom could be negatively impacted as a result.

<u>Debt Market Risk</u>

Debt markets can be volatile and can decline significantly in response to, or investor perceptions of, issuer, market, economic, industry, political, regulatory, geopolitical, environmental, public health and other conditions. These conditions can affect a single instrument, issuer, or borrower, a particular type of instrument, issuer, or borrower, a segment of the debt markets, or debt markets generally. Certain changes or events, such as political, social or economic developments, including increasing and negative interest rates; or the U.S. government's inability at times to agree on a long-term budget and deficit reduction plan (which has in the past resulted and may in the future result in a government shutdown); market closures and/or trading halts; government or regulatory actions, including the imposition of tariffs or other protectionist actions and changes in fiscal, monetary or tax politics; natural disasters; outbreaks of pandemic or epidemic diseases; terrorist attacks; war; and other geopolitical changes or events can have a dramatic adverse effect on debt markets and may lead to periods of high volatility and reduced liquidity in a debt market or segment of a debt market.

Certain of an account's investments may be based on reference interest rates, such as the London Interbank Offered Rate ("LIBOR"). In 2017, the regulatory authority that oversees financial services firms in the United Kingdom announced plans to transition away from LIBOR by the end of 2021. In December 2020, the administrator of LIBOR commenced a consultation to determine whether to extend the publication of certain U.S. dollar LIBOR settings to the end of June 2023. There remains uncertainty regarding the future utilization of LIBOR as a reference rate and the nature of any replacement rate. The potential effects of the transition from LIBOR on an account, or on certain instruments in which the account invests, are not known. The transition from LIBOR may result in, among other things, an increase in volatility or illiquidity of markets for instruments that currently rely on LIBOR to determine interest rates. Any such effects could have an adverse impact on an account's performance.

This represents a principal risk for the following mandates: Asset Allocation – Fund of Funds (U.S.), Balanced, Charter Income Trust Closed End, Commodity Strategy, Contrarian Value, Core Plus Fixed

Income, Diversified Income, Emerging Markets Local Currency Debt, Emerging Markets Debt, Euro Credit, Global Aggregate Core Plus, Global Aggregate Opportunistic Fixed Income, Global Alternative Strategy, Global Balanced, Global Credit, Global High Yield, Global Inflation-Adjusted Fixed Income, Global Infrastructure, Global Sovereign Fixed Income, Global Tactical Asset Allocation, Intermediate High Income Closed End, Intermediate Income FI Closed End, Investment Grade Municipal Trust Closed End, Lifetime / Target Date, Limited Maturity, Managed Wealth, Multimarket Income Trust Closed End, Muni Fixed Income Closed End, Municipal Plus, Municipal High Yield, Municipal Short-Intermediate, Municipal State, Opportunistic Fixed Income, Prudent Capital, Prudent Wealth, Special Value Trust Closed End, U.S. Core High Yield, U.S. Credit, U.S. Government Fixed Income, U.S. Government Fixed Income Closed End, U.S. Inflation Adjusted Fixed Income, U.S. Taxable Municipal, and Utilities.

Derivatives Risk

Where not prohibited by an investment management agreement and/or the Offering Documents, an account pursuing any of the mandates set forth in Item 5, *Fees and Compensation* is permitted to trade derivatives, although not all will do so regularly. Derivatives can be highly volatile and involve risks in addition to, and potentially greater than, the risks of the underlying indicator(s). Gains or losses from derivatives can be substantially greater than the derivatives' original cost, and can sometimes be unlimited. Derivatives can involve leverage. Derivatives can be complex instruments and can involve analysis and processing that differs from that required for other investment types used by an account. If the value of a derivative does not change as expected relative to the value of the market or other indicator to which the derivative is intended to provide exposure, the derivative may not have the effect intended. Derivatives can also reduce the opportunity for gains or result in losses by offsetting positive returns in other investments. Derivatives can be less liquid than other types of investments. Derivatives are also subject to the credit risk of the counterparty, as described in more detail above.

Emerging Markets Risk

Investments tied economically to emerging markets, especially frontier markets (*i.e.,* emerging markets that are early in their development), can involve additional and greater risks than the risks associated with investment in developed foreign market securities. Emerging markets typically have less developed economies and markets, greater custody and operational risk, less developed legal, regulatory, and accounting systems, less trading volume, less stringent investor protection and disclosure standards and more government involvement in the economy than developed countries. Financial and other disclosures by emerging market issuers may be considerably less reliable than disclosures made by issuers in developed markets. In addition, the Public Company Accounting Oversight Board, which regulates auditors of U.S. public companies, is unable to inspect audit work papers in certain emerging market countries. Emerging markets can also be subject to greater political, social, geopolitical, and economic instability, and more susceptible to environmental problems. In addition, many emerging market countries with less established heath care systems have experienced outbreaks of pandemic or contagious diseases from time to time. These factors can make emerging market investments more volatile and less liquid than investments in developed markets.

This represents a principal risk for the following mandates: Asia ex Japan Equity, Asset Allocation – Fund of Funds (U.S.), Blended Research Emerging Markets Equity, Blended Research European Equity, Blended Research Global Equity, Blended Research Global High Dividend Equity, Blended Research International Equity, Charter Income Trust Closed End, Contrarian Value, Diversified Income, Emerging Markets Local Currency Debt, Emerging Markets Debt, Emerging Markets Equity, Emerging Markets Equity Research, Euro Credit, European Core Equity, European Equity ex U.K., European Research Equity, European Smaller Companies, European Value Equity, Global Aggregate Core Plus, Global Aggregate Opportunistic Fixed Income, Global Alternative Strategy, Global Balanced, Global Concentrated Equity, Global Credit, Global Equity, Global Growth Equity, Global High Yield, Global Infrastructure, Global Intrinsic Value, Global Real Estate, Global Research, Global Research Focused, Global Small Mid Cap, Global Tactical Asset Allocation, Global Value, International Concentrated Equity, International Diversification, International Equity, International Growth, International Research, International Small Mid Cap, International Intrinsic Value, International Large Cap Value, Latin American Equity, Lifetime / Target Date, Limited Maturity Fixed Income, Low Volatility Global Equity, Managed Wealth, Multimarket Income Trust Closed End, Opportunistic Fixed Income, Prudent Capital, Prudent Wealth, U.S. Government Fixed Income Closed End, and Utilities.

Equity Market Risk

Equity markets can be volatile and can decline significantly in response to, or investor perceptions of, issuer, market, economic, industry, political, regulatory, geopolitical, environmental, public health and other conditions. These conditions can affect a single issuer or type of security, issuers within a broad market sector, industry or geographic region, or the equity markets in general. Different parts of the market and different types of securities can react differently to these conditions. For example, the stocks of growth companies can react differently from the stocks of value companies, and the stocks of large cap companies can react differently from the stocks of small cap companies. Certain changes or events, such as political, social, or economic developments, including increasing or negative interest rates; or the U.S. government's inability at times to agree on a long-term budget and deficit reduction plan (which has in the past and may in the future result in a government shutdown); market closures and/or trading halts; government or regulatory actions, including the imposition of tariffs or other protectionist actions and changes in fiscal, monetary or tax policies; natural disasters; outbreaks of pandemic or epidemic diseases; terrorist attacks; war; and other geopolitical changes or events, can have a dramatic adverse effect on equity markets and may lead to periods of high volatility in an equity market or a segment of an equity market.

This represents a principal risk for the following mandates: Asia ex Japan Equity, Asset Allocation – Fund of Funds (U.S.), Balanced, Blended Research Emerging Markets Equity, Blended Research Equity Income, Blended Research European Equity, Blended Research Global Equity, Blended Research Global High Dividend Equity, Blended Research International Equity, Blended Research Large Cap Growth, Blended Research Large Cap Value, Blended Research Mid Cap Equity, Blended Research U.S. Core Equity, Blended Research U.S. Small Cap Equity, Contrarian Value, Core Equity, Core Equity Industry Neutral, Diversified Income, Emerging Markets Equity, Emerging Markets Equity Research, European Core Equity, European Equity ex U.K., European Research Equity, European Smaller Companies, European Value Equity, Global Alternative Strategy, Global Balanced, Global Concentrated Equity, Global Equity, Global Growth Equity, Global Infrastructure, Global Intrinsic Value, Global Real Estate, Global Research, Global Research Focused, Global Small Mid Cap, Global Tactical Asset Allocation, Global Value, Growth Equity, Intermediate High Income Closed End, International Concentrated Equity, International Diversification, International Equity, International Growth, International Research, International Small Mid Cap, International Intrinsic Value, International Large Cap Value, Japan Equity, Large Cap Growth, Large Cap Growth Concentrated, Large Cap Value, Latin American Equity, Lifetime / Target Date, Low Volatility Global Equity, Low Volatility U.S. Equity, Managed Wealth, Mid Cap Growth, Mid Cap Growth Focused Equity, Mid Cap Value, Multimarket Income Trust Closed End, Prudent Capital, Prudent Wealth, Research

U.S. Equity, Small Cap Growth, Small Cap Value, Special Value Trust Closed End, Systematic Core Equity, Systematic Growth Equity, Systematic Value Equity, Technology, U.K. Equity, U.S. REIT, and Utilities.

European Market Risk

Europe includes both developed and emerging markets. Most developed countries in Western Europe are members of the European Union (EU), and many are also members of the European Economic and Monetary Union (EMU). European countries can be significantly affected by the tight fiscal and monetary controls with which EU members and candidates for EMU membership are required to comply. In addition, the private and public sectors' debt problems of a single EU country can pose economic risks to the EU as a whole. In light of the fiscal conditions and concerns regarding sovereign credit worthiness of certain European countries, accounts invested in the European region may be subject to an increased amount of volatility, liquidity, price and foreign exchange risk. The performance of such accounts could deteriorate significantly should reform and austerity measures imposed by European governments to address the financial and economic problems negatively impact growth or if there are any adverse credit events in the European region (*e.g.*, downgrade of the sovereign credit rating of a European country or a European financial institution), resulting in significant loss. European countries can be significantly affected by the deficit and budget issues of several EMU members and the associated political uncertainties.

The United Kingdom formally exited EU (an event commonly referred to as "Brexit") on January 31, 2020. Considerable uncertainty relating to the potential consequences of Brexit, including how negotiations of new trade agreements will be conducted and whether Brexit will increase the likelihood of other countries also departing the EU. During this period of uncertainty, the negative impact of Brexit on the United Kingdom and other European economies could be significant, potentially resulting in increased market volatility and illiquidity, political, economic, and legal uncertainty, and lower economic growth for companies that rely significantly on Europe for the business activities and revenues, which could adversely affect the value of an account's investments. In addition, uncertainty regarding Brexit may lead to instability in the foreign exchange markets, including volatility in the value of the Euro. Any further exits from the EU, or the possibility of such exits, or the abandonment of the Euro, may cause additional market disruption globally and introduce new legal and regulatory uncertainties.

This represents a principal risk for the following mandates: Blended Research European Equity, Euro Credit, European Equity ex U.K., European Core Equity, European Research Equity, European Smaller Companies, European Value Equity and U.K. Equity.

Foreign Risk

Investments in securities of foreign issuers, securities of companies with significant foreign exposure, and investments in foreign currencies can involve additional risks relating to market, economic, industry, political, regulatory, geopolitical, environmental, public health and other conditions. Political, social, diplomatic and economic developments, U.S. and foreign government action such as the imposition of currency or capital blockages, controls or tariffs, economic and trade sanctions or embargoes, security suspensions, entering or exiting trade or other intergovernmental agreements, or the expropriation or nationalization of assets in a particular country, can cause dramatic declines in certain or all securities with exposure to that country and other countries. In the event of nationalization, expropriation or other confiscation, the account could lose its entire foreign investment in a particular country. Economies and financial markets are interconnected, which increases the likelihood that conditions in one country or region can adversely impact issuers in different countries or regions. Less stringent regulatory, accounting, auditing and disclosure requirements for issuers and markets are more common in certain foreign countries. Enforcing legal rights can be difficult, costly, and slow in certain foreign countries, and can be particularly difficult against foreign governments. Changes in currency exchange rates can significantly impact the financial condition of a company or other issuer with exposure to multiple countries as well as affect the U.S. dollar value of foreign currency investments and investments denominated in foreign currencies. Additional risks of foreign investments include trading, settlement, custodial, and other operational risks, and withholding and other taxes. These factors can make foreign investments, especially those tied economically to emerging and frontier markets, more volatile and less liquid than U.S. investments. In addition, foreign markets can react differently to market, economic, industry, political, regulatory, geopolitical, environmental, public health and other conditions than the U.S. market.

This represents a principal risk for the following mandates: Asia ex Japan Equity, Asset Allocation – Fund of Funds (U.S.), Balanced, Blended Research Emerging Markets Equity, Blended Research European Equity, Blended Research Equity Income, Blended Research Global Equity, Blended Research Global High Dividend Equity, Blended Research International Equity, Blended Research Large Cap Growth, Blended Research Large Cap Value, Blended Research Mid Cap Equity, Blended Research U.S. Core Equity, Blended Research U.S. Small Cap Equity, Charter Income Trust Closed End, Core Equity, Core Equity Industry Neutral, Commodity Strategy, Contrarian Value, Core Plus Fixed Income, Diversified Income, Emerging Markets Local Currency Debt, Emerging Markets Debt, Emerging Markets Equity, Emerging Markets Equity Research, Euro Credit, European Core Equity, European Equity ex U.K., European Research Equity, European Smaller Companies, European Value Equity, Global Aggregate Core Plus, Global Aggregate Opportunistic Fixed Income, Global Alternative Strategy, Global Balanced, Global Concentrated Equity, Global Credit, Global Equity, Global Growth Equity, Global High Yield, Global Inflation-Adjusted Fixed Income, Global Infrastructure, Global Intrinsic Value, Global Real Estate, Global Research, Global Research Focused, Global Small Mid Cap, Global Sovereign Fixed Income, Global Tactical Asset Allocation, Global Value, Growth Equity, Intermediate High Income Closed End, Intermediate Income FI Closed End, International Concentrated Equity, International Diversification, International Equity, International Growth, International Research, International Small Mid Cap, International Intrinsic Value, International Large Cap Value, Japan Equity, Large Cap Growth, Large Cap Growth Concentrated, Large Cap Value, Latin American Equity, Lifetime / Target Date, Limited Maturity, Low Volatility Global Equity, Low Volatility U.S. Equity, Managed Wealth, Mid Cap Growth, Mid Cap Growth Focused Equity, Mid Cap Value, Multimarket Income Trust Closed End, Opportunistic Fixed Income, Prudent Capital, Prudent Wealth, Research U.S. Equity, Small Cap Growth, Small Cap Value, Special Value Trust Closed End, Systematic Core Equity, Systematic Growth Equity, Systematic Value Equity, Technology, U.K. Equity, U.S. Core High Yield, U.S. Credit, U.S. Government Fixed Income, U.S. Government Fixed Income Closed End, U.S. REIT, U.S. Inflation Adjusted Fixed Income, and Utilities.

Frequent Trading Risk

MFSI can engage in active and frequent trading in pursuing an account's principal investment strategies. Frequent trading increases transaction costs, which can reduce the account's return. Frequent trading can also result in the realization of a higher percentage of short-term capital gains and a lower percentage of long-term capital gains as compared to an account that trades less frequently. Because short-term capital gains are distributed as ordinary income, this would generally increase a taxable client's tax liability.

Focus Risk – Industry, Sector, Country and Region Focus

Issuers in a single industry, sector, country or region can react similarly to market, currency, economic, political, regulatory, geopolitical, environmental, public health and other conditions. These conditions include business environment changes; economic factors such as fiscal, monetary, and tax policies; inflation and unemployment rates; and government and regulatory changes. An account's performance will be affected by the conditions in the industries, sectors, countries and regions to which the account is exposed. The more concentrated an account is in a certain industry, sector, country or region, the greater the risk.

This represents a principal risk for the following mandates: Asia ex Japan Equity, Asset Allocation – Fund of Funds (U.S.), Balanced, Blended Research Emerging Markets Equity, Blended Research Equity Income, Blended Research European Equity, Blended Research Global Equity, Blended Research Global High Dividend Equity, Blended Research International Equity, Blended Research Large Cap Growth, Blended Research Large Cap Value, Blended Research Mid Cap Equity, Blended Research U.S. Core Equity, Blended Research U.S. Small Cap Equity, Charter Income Trust Closed End, Contrarian Value, Core Equity, Core Equity Industry Neutral, Core Plus Fixed Income, Diversified Income, Emerging Markets Local Currency Debt, Emerging Markets Debt, Emerging Markets Equity, Emerging Markets Equity Research, Euro Credit, European Core Equity, European Equity ex U.K., European Research Equity, European Smaller Companies, European Value Equity, Global Aggregate Core Plus, Global Aggregate Opportunistic Fixed Income, Global Alternative Strategy, Global Balanced, Global Concentrated Equity, Global Credit, Global Equity, Global Growth Equity, Global High Yield, Global Infrastructure, Global Intrinsic Value, Global Real Estate, Global Research, Global Research Focused, Global Small Mid Cap, Global Tactical Asset Allocation, Global Value, Growth Equity, Intermediate High Income Closed End, Intermediate Income FI Closed End, International Concentrated Equity, International Diversification, International Equity, International Growth, International Research, International Small Mid Cap, International Intrinsic Value, International Large Cap Value, Japan Equity, Large Cap Growth, Large Cap Growth Concentrated, Large Cap Value, Latin American Equity, Lifetime / Target Date, Limited Maturity, Low Volatility Global Equity, Low Volatility U.S. Equity, Managed Wealth, Mid Cap Growth, Mid Cap Growth Focused Equity, Mid Cap Value, Multimarket Income Trust Closed End, Opportunistic Fixed Income, Prudent Capital, Prudent Wealth, Research U.S. Equity, Small Cap Growth, Small Cap Value, Special Value Trust Closed End, Systematic Core Equity, Systematic Growth Equity, Systematic Value Equity, U.K. Equity, U.S. Core High Yield, Core Plus Fixed Income, U.S. Credit, U.S. Taxable Municipal, and U.S. REIT.

For Global Infrastructure, please also see "Real Estate-Related Investment Risk" and "Utilities Concentration Risk"; for Global Real Estate, please also see "Real Estate-Related Investment Risk"; for Investment Grade Municipal Trust Closed End, Muni Fixed Income Closed End, Municipal High Yield, Municipal Plus, Municipal Short-Intermediate, Municipal State, and U.S. Taxable Municipal,, please instead see "Focus Risk—National Municipal Mandates"; for Technology, please instead see "Focus Risk—Country and Region Focus" and "Technology Concentration Risk"; and for Utilities, please instead see "Focus Risk—Country and Region Focus" and "Utilities Concentration Risk," below.

Focus Risk – Country and Region Focus

Issuers in a single country or region can react similarly to market, currency, economic, political, regulatory, geopolitical, environmental, public health and other conditions. These conditions include business environment changes; economic factors such as fiscal, monetary and tax policies; inflation and unemployment rates; and government and regulatory changes. An account's performance will be affected by the conditions in the countries or regions to which the account is exposed.

This represents a principal risk for the following mandates: Commodity Strategy, Global Inflation-Adjusted Fixed Income, Global Sovereign Fixed Income, Technology, U.S. Government Fixed Income, U.S. Government Fixed Income Closed End, U.S. Inflation Adjusted Fixed Income, and Utilities.

Focus Risk – National Municipal Mandates

An account's performance will be closely tied to the issuer, market, economic, industry, political, regulatory, geopolitical, environmental, public health and other conditions in the states, territories, and possessions of the U.S. in which the account's assets are invested. These conditions include constitutional or statutory limits on an issuer's ability to raise revenues or increase taxes, anticipated or actual budget deficits or other financial difficulties, or changes in the credit quality of municipal issuers in such states, territories, and possessions. If a significant percentage of the account's assets is invested in a single state, territory, or possession, or a small number of states, territories, or possessions, these conditions will have a significant impact on the account's performance and the account's performance may be more volatile than the performance of more geographically-diversified accounts. A prolonged increase in unemployment or a significant decline in the local and/or national economies, such as the increase in unemployment and economic downturn caused by the COVID-19 pandemic and the costs associated with combatting this pandemic, could result in decreased tax revenues. A significant decline in the fiscal and economic conditions in Puerto Rico, the U.S. Virgin Islands, and Guam, such as the economic downturn caused by the COVID-19 pandemic and the costs associated with combatting the pandemic, could result in decreased tax revenues and could significantly affect the price of municipal instruments for these U.S. territories.

This represents a principal risk for the following mandates: Investment Grade Municipal Trust Closed End, Muni Fixed Income Closed End, Municipal High Yield, Municipal Plus, Municipal Short-Intermediate, Municipal State, and U.S. Taxable Municipal.

Growth Company Risk

The stocks of growth companies can be more sensitive to the companies' earnings and more volatile than the market in general.

This represents a principal risk for the following mandates: Asset Allocation – Fund of Funds (U.S.), Blended Research Large Cap Growth, Global Growth Equity, Growth Equity, International Diversification, International Growth, International Small Mid Cap, Large Cap Growth, Large Cap Growth Concentrated, Lifetime / Target Date, Mid Cap Growth, Mid Cap Growth Focused Equity, Small Cap Growth and Technology.

Inflation-Adjusted Debt Instruments Risk

Interest payments on inflation-adjusted debt instruments can be unpredictable and vary based on the level of inflation. If inflation is negative, principal and income both can decline. In addition, the measure of inflation used may not correspond to the actual rate of inflation experienced by a particular individual.

This represents a principal risk for the following mandates: Asset Allocation – Fund of Funds (U.S.), Emerging Markets Local Currency Debt, Global Inflation-Adjusted Fixed Income, Global Sovereign Fixed

Income, Lifetime / Target Date, Special Value Trust Closed End, U.S. Government Fixed Income, U.S. Government Fixed Income Closed End, U.S. Inflation Adjusted Fixed Income.

Interest Rate Risk

The price of a debt instrument typically changes in response to interest rate changes. Interest rates can change in response to the supply and demand for credit, government and/or central bank monetary policy and action, inflation rates, general economic and market conditions and other factors. In general, the price of a debt instrument falls when interest rates rise and rises when interest rates fall. Interest rate risk is generally greater for instruments with longer maturities, or that do not pay current interest. In addition, short-term and long-term interest rates and interest rates in different countries do not necessarily move in the same direction or by the same amount. An instrument's reaction to interest rate changes depends on the timing of its interest and principal payments and the current interest rate for each of those time periods. Instruments with floating interest rates can be less sensitive to interest rate changes. The price of an instrument trading at a negative interest rate responds to interest rate changes like other debt instruments; however, an instrument purchased at a negative interest rate is expected to produce a negative return if held to maturity. Inflation-adjusted debt instruments tend to react to changes in "real" interest rates. "Real" interest rates represent nominal interest rates reduced by the inflation rate.

Interest payments on inflation-adjusted debt instruments can be unpredictable and vary based on the level of inflation. If inflation is negative, principal and income both can decline. In addition, the measure of inflation used may not correspond to the actual rate of inflation experienced by a particular individual.

This represents a principal risk for the following mandates: Asset Allocation – Fund of Funds (U.S.), Balanced, Commodity Strategy, Charter Income Trust Closed End, Contrarian Value, Core Plus Fixed Income, Diversified Income, Emerging Markets Local Currency Debt, Emerging Markets Debt, Euro Credit, Global Aggregate Core Plus, Global Aggregate Opportunistic Fixed Income, Global Alternative Strategy, Global Balanced, Global Credit, Global High Yield, Global Inflation-Adjusted Fixed Income, Global Infrastructure, Global Sovereign Fixed Income, Global Tactical Asset Allocation, Intermediate High Income Closed End, Intermediate Income FI Closed End, Investment Grade Municipal Trust Closed End, Lifetime / Target Date, Limited Maturity, Managed Wealth, Multimarket Income Trust Closed End, Municipal Plus, Municipal High Yield, Muni Fixed Income Closed End, Municipal Short-Intermediate, Municipal State, Opportunistic Fixed Income, Prudent Capital, Prudent Wealth, Special Value Trust Closed End, U.S. Core High Yield, U.S. Credit, U.S. Government Fixed Income, U.S. Government Fixed Income Closed End, U.S. Inflation Adjusted Fixed Income, U.S. Taxable Municipal, and Utilities.

Interest Rate Risk – Money Market

In general, the price of a money market instrument falls when interest rates rise and rises when interest rates fall. The account may face a heightened level of interest rate risk due to changes in monetary policy. A major or unexpected increase in interest rates could cause the account's share price to decrease to below $1.00 per share. In recent years, the U.S. has experienced historically low interest rates, increasing the exposure of money market instruments to the risks associated with rising interest rates. When interest rates go down, the account's yield may decline. Also, when interest rates decline, the account's investments may pay a lower interest rate, which would reduce the income received by the account. A low or negative interest rate environment may prevent the account from providing a positive yield and could impair the account's ability to maintain a stable $1.00 per share

The sole mandate for which this represents a principal risk is Money Market.

Intrinsic Value Risk

The stocks of companies that MFSI believes are undervalued compared to their intrinsic value can continue to be undervalued for long periods of time, may not realize their expected value, and can be volatile.

This represents a principal risk for the following mandates: Asset Allocation – Fund of Funds (U.S.), Contrarian Value, Global Intrinsic Value, International Diversification, International Intrinsic Value, Lifetime / Target Date.

Investment Selection Risk (strategies that do not use quantitative models as part of principal investment strategy)

MFSI's investment analysis and its selection of investments will not always produce the intended results and/or can lead to an investment focus that results in the account underperforming other accounts with similar investment strategies and/or underperforming the markets in which the account invests. In addition, MFSI or an account's other service providers may experience disruptions or operating errors that could negatively impact the account.

This represents a principal risk for the following mandates: Asia ex Japan Equity, Asset Allocation – Fund of Funds (U.S.), Balanced, Charter Income Trust Closed End, Contrarian Value, Core Equity, Core Equity Industry Neutral, Core Plus Fixed Income, Emerging Markets Local Currency Debt, Emerging Markets Debt, Emerging Markets Equity, Emerging Markets Equity Research, Euro Credit, European Core Equity, European Equity ex U.K., European Research Equity, European Smaller Companies, European Value Equity, Global Aggregate Core Plus, Global Aggregate Opportunistic Fixed Income, Global Concentrated Equity, Global Credit, Global Equity, Global Growth Equity, Global High Yield, Global Inflation-Adjusted Fixed Income, Global Infrastructure, Global Intrinsic Value, Global Real Estate, Global Research, Global Research Focused, Global Small Mid Cap, Global Sovereign Fixed Income, Global Value, Growth Equity, Intermediate High Income Closed End, Intermediate Income FI Closed End, International Concentrated Equity, International Diversification, International Equity, International Growth, International Intrinsic Value, International Research, International Small Mid Cap, International Large Cap Value, Investment Grade Municipal Trust Closed End, Japan Equity, Large Cap Growth, Large Cap Growth Concentrated, Large Cap Value, Latin American Equity, Limited Maturity, Managed Wealth, Mid Cap Growth, Mid Cap Growth Focused Equity, Mid Cap Value, Money Market, Multimarket Income Trust Closed End, Municipal Plus, Muni Fixed Income Closed End, Municipal High Yield, Municipal Short-Intermediate, Municipal State, Opportunistic Fixed Income, Prudent Capital, Prudent Wealth, Research U.S. Equity, Small Cap Growth, Small Cap Value, Special Value Trust Closed End, Technology, U.K. Equity, U.S. Core High Yield, Core Plus Fixed Income, U.S. Credit, U.S. Government Fixed Income, U.S. Government Fixed Income Closed End, U.S. Inflation Adjusted Fixed Income, U.S. REIT, U.S. Taxable Municipal, and Utilities.

Investment Selection Risk (strategies that use quantitative models as part of principal investment strategy)

MFSI's investment analysis, its development and use of quantitative models, and its selection of investments will not always produce the intended results and/or can lead to an investment focus that results in the account underperforming other accounts with similar investment strategies and/or underperforming the markets in which the account invests. The quantitative models used by MFSI (both proprietary and third party) may not produce the intended results for a variety of reasons, including: the factors used in the models, the weight placed on each factor in the models, changes from the market factors' historical trends, changing sources of market return or market risk, and technical issues in the design, development, application, implementation, and maintenance of the models (*e.g.*, incomplete, stale or inaccurate data, programming or other software issues, coding errors and technology failures). In addition, MFSI or an account's other service providers may experience disruptions or operating errors that could negatively impact the account.

Although MFSI intends to use good faith efforts to carry out the development and implementation of its models correctly and effectively, there can be no assurance that it will successfully do so. Errors may occur in designing, writing, testing, monitoring and/or implementing calculations and programs, including errors in the manner in which such calculations and programs function together. Errors may also occur in the introduction and flow of third party data within the models. These errors, including errors that appear in software codes from time to time, may be difficult to detect, may not be detected for long periods of time or may never be detected. The degradation or impact caused by errors may be compounded over time and such errors could have a material adverse effect on the performance of a client.

This represents a principal risk for the following mandates: Blended Research Emerging Markets Equity, Blended Research Equity Income, Blended Research European Equity, Blended Research Global Equity, Blended Research Global High Dividend Equity, Blended Research International Equity, Blended Research Large Cap Growth, Blended Research Large Cap Value, Blended Research Mid Cap Equity, Blended Research U.S. Core Equity, Blended Research U.S. Small Cap Equity, Commodity Strategy, Diversified Income, Global Alternative Strategy, Global Balanced, Global Tactical Asset Allocation, Lifetime / Target Date, Low Volatility Global Equity, Low Volatility U.S. Equity, Systematic Core Equity, Systematic Growth Equity, Systematic Value Equity.

Investment Strategy Risk – Tactical Asset Allocation

There is no assurance that the account will have lower volatility than that of the overall equity market, over the long term or for any year or period of years. The account's strategy to manage its exposure to asset classes, markets, and/or currencies may not produce the intended results. It is expected that the account will generally underperform the equity markets during periods of strong, rising equity markets.

This represents a principal risk for the following mandates: Managed Wealth, Prudent Capital, and Prudent Wealth.

Investment Strategy Risk – Blended Research Strategy

An account's strategy to blend fundamental and quantitative research may not produce the intended results. In addition, MFSI fundamental research is not available for all issuers.

This represents a principal risk for the following mandates: Blended Research Equity Income and Blended Research Global High Dividend Equity.

Investment Strategy Risk - Blended Research Predicted Tracking Error Strategy

There is no assurance that the predicted tracking error of an account managed in this strategy will equal its target predicted tracking error at any point in time or consistently for any period of time, or that an account's predicted tracking error and actual tracking error will be similar. An account's strategy to target a predicted tracking error compared to the account's index and to blend fundamental and quantitative research might not produce the intended results. In addition, MFSI fundamental research is not available for all issuers.

This represents a principal risk for the following mandates: Blended Research Emerging Markets Equity, Blended Research European Equity, Blended Research Global Equity, Blended Research International Equity, Blended Research Large Cap Growth, Blended Research Large Cap Value, Blended Research Mid Cap Equity, Blended Research U.S. Core Equity and Blended Research U.S. Small Cap Equity.

Investment Strategy Risk – Low Volatility Strategy

There is no assurance that an account managed in this strategy will be less volatile than the account's index over the long term or for any year or period of years. An account's strategy to invest in equity securities with historically lower volatility may not produce the intended results if, in general, the historical volatility of an equity security is not a good predictor of the future volatility of that equity security, and/or if the specific equity securities held by the account become more volatile than expected. In addition, an account's strategy to blend fundamental and quantitative research might not produce the intended results, and MFSI fundamental research is not available for all issuers. It is expected that an account managed in this strategy will generally underperform the equity markets during strong, rising equity markets.

This represents a principal risk for the following mandates: Low Volatility Global Equity and Low Volatility U.S. Equity.

Issuer Focus Risk

If an account invests a significant percentage of the account's assets in a single issuer or small number of issuers, the account's performance will be affected by economic, industry, political, regulatory, geopolitical, environmental, public health and other conditions that impact that one issuer or those issuers, could be closely tied to the value of that issuer or those issuers, and could be more volatile than the performance of more diversified accounts.

This represents a principal risk for the following mandates: Contrarian Value, Emerging Markets Local Currency Debt, Emerging Markets Equity Research, European Equity ex U.K., Global Concentrated Equity, Global Inflation-Adjusted Fixed Income, Global Research Focused, Global Real Estate, Global Sovereign Fixed Income, International Concentrated Equity, Investment Grade Municipal Trust Closed End, Japan Equity, Large Cap Growth, Large Cap Growth Concentrated, Latin American Equity, Mid Cap Growth Focused Equity, Money Market, Muni Fixed Income Closed End, Municipal State, Prudent Capital, Prudent Wealth, Systematic Core Equity, Systematic Growth Equity, Systematic Value Equity, Technology, U.K. Equity, U.S. Government Fixed Income, U.S. Government Fixed Income Closed End, U.S. Inflation Adjusted Fixed Income, U.S. REIT, and Utilities.

Large Shareholder Risk

From time to time, shareholders of a pooled vehicle (which may include institutional investors, financial intermediaries or other MFS Global Funds) may make relatively large redemptions or purchases of account shares. These transactions may cause the pooled vehicle to sell securities or invest additional cash, as the case may be, at disadvantageous prices. While it is impossible to predict the overall impact of these transactions over time, there could be adverse effects on the pooled vehicle's performance to the extent that the pooled vehicle may be required to sell securities or invest cash at times it would not otherwise do so. Redemptions of a large number of shares also may increase transaction and other costs or have adverse tax consequences for shareholders of the pooled vehicle by requiring a sale of account securities. In addition, a large redemption could result in the pooled vehicle's current expenses being allocated over a smaller asset base, leading to an increase in the pooled vehicle's expense ratio. Purchases of a large number of shares may adversely affect the account's performance to the extent that it takes time to invest new cash and the account maintains a larger cash position that it ordinarily would.

Latin American Market Risk

All of the countries in the Latin American region are currently considered emerging market economies. High interest, inflation, and unemployment rates have historically characterized most Latin American economies. These economies are less developed and can be reliant on particular industries and more vulnerable to changes in international trade, trade barriers, exchange controls and other measures imposed or negotiated by the countries with which they trade. Currency fluctuations or devaluations in any country can have a significant effect on the entire region. A relatively small number of Latin American companies represents a large portion of Latin America's total market and thus may be more sensitive to adverse political or economic circumstances and market movements. The economies of Latin American countries are particularly sensitive to fluctuations in commodity prices because commodities such as agricultural products, minerals, oil and metals represent a significant percentage of exports of many Latin American countries. Political and social instabilities in the Latin American region, including military intervention in civilian and economic spheres and political corruption, may result in significant economic downturns, increased volatility in the economies of countries in the Latin American region, and disruption in the securities markets in the Latin American region. Many of the Latin American region's governments continue to exercise considerable influence on their respective economies and, as a result, companies in the Latin American region may be subject to government interference and nationalization. Many Latin American countries are dependent on foreign loans from developed countries and may be forced to restructure loans or default on their obligations, which could adversely affect securities markets.

The sole mandate for which this represents a principal risk is Latin American Equity.

Leveraging Risk

Certain transactions and investment strategies (including derivatives) can result in leverage. Leverage involves investment exposure in an amount exceeding the initial investment. In transactions involving leverage, a relatively small change in an underlying indicator can lead to significantly larger losses to an account. Leverage can cause increased volatility by magnifying gains or losses. Accounts employing leverage could be subject to losses in excess of the account's value.

Liquidity Risk

Certain investments and types of investments are subject to restrictions on resale, may trade in the over-the-counter market, or may not have an active trading market due to adverse market, economic, industry, political, regulatory, geopolitical, environmental, public health and other conditions, including investors trying to sell large quantities of a particular investment or type of investment, or lack of market makers or other buyers for a particular investment or type of investment. At times, all or a significant portion of a market may not have an active trading market. Without an active trading market, it may be difficult to value, and it may not be possible to sell these investments and the account could miss other investment opportunities and hold investments it would prefer to sell, resulting in losses for the account. In addition, the account may have to sell certain investments at prices or times that are not advantageous in order to meet redemptions or other cash needs, which could result in dilution of remaining investors' interests in the account. The prices of illiquid securities may be more volatile than more liquid investments.

Leveraging Risk – Closed End Fund

If the account utilizes investment leverage, there can be no assurance that such a leveraging strategy will be successful during any period in which it is employed. The use of leverage is a speculative investment technique that results in greater volatility in the account's net asset value. To the extent that investments are purchased with the proceeds from the borrowings from a bank, the issuance of preferred shares, or the creation of tender option bonds, the account's net asset value will increase or decrease at a greater rate than a comparable leveraged fund. If the investment income or gains earned from the investments purchased with the proceeds from the borrowings from a bank, the issuance of preferred shares, or the creation of tender option bonds, fails to cover the expenses of leveraging, the account's net asset value is likely to decrease more quickly than if the account weren't leveraged. In addition, the account's distributions could be reduced. The account may be required to sell a portion of its investments at a time when it may be disadvantageous to do so in order to redeem preferred shares or to reduce outstanding indebtedness to comply with regulatory and/or other requirements. Certain transactions and investment strategies can result in leverage. Because movements in an account's share price generally correlate over time with the account's net asset value, the market price of a leveraged account will also tend to be more volatile than that of a comparable unleveraged account.

This represents a principal risk for the following mandates: Charter Income Trust Closed End, Intermediate High Income Closed End, Intermediate Income FI Closed End, Investment Grade Municipal Trust Closed End, Multimarket Income Trust Closed End, Muni Fixed Income Closed End, Special Value Trust Closed End, U.S. Government Fixed Income Closed End.

Managed Distribution Plan Risk

The account may not be able to maintain a monthly distribution at an annual fixed rate due to many factors, including but not limited to, changes in market returns, fluctuations in market interest rates, and other factors. If income from the account's investments is less than the amount needed to make a monthly distribution, account investments may be sold at less than opportune times to fund the distribution. Distributions that are treated as tax return of capital will have the effect of reducing the account's assets and could increase the account's expense ratio. If a portion of the account's distributions represent returns of capital over extended periods, the account's assets may be reduced over time to levels where the account is no longer viable and might be liquidated.

This represents a principal risk for the following mandates: Charter Income Trust Closed End, Intermediate High Income Closed End, Intermediate Income FI Closed End, Multimarket Income Trust Closed End, Special Value Trust Closed End, U.S. Government Fixed Income Closed End.

Market Discount/Premium Risk

The market price of common shares of the account will be based on factors such as the supply and demand for common shares in the market and general market, economic, industry, political, regulatory or other conditions. Whether shareholders will realize gains or losses upon the sale of common shares of the account will depend on the market price of common shares at the time of the sale, not on the account's net asset value. The market price may be lower or higher than the account's net asset value. Shares of closed-end funds frequently trade at a discount to their net asset value.

This represents a principal risk for the following mandates: Charter Income Trust Closed End, Intermediate High Income Closed End, Intermediate Income FI Closed End, Investment Grade Municipal Trust Closed End, Multimarket Income Trust Closed End, Muni Fixed Income Closed End, Special Value Trust Closed End, U.S. Government Fixed Income Closed End.

Mid Cap Risk

The stocks of mid cap companies can be more volatile than stocks of larger companies due to limited product lines, financial and management resources, and market and distribution channels. Their shares can be less liquid than those of larger companies, especially during market declines.

This represents a principal risk for the following mandates: Blended Research Mid Cap Equity, Mid Cap Growth, Mid Cap Growth Focused Equity and Mid Cap Value.

Municipal Risk

The price of a municipal instrument can be volatile and significantly affected by adverse tax changes or court rulings, legislative or political changes, market and economic conditions and developments, issuer, industry-specific and other conditions, including as the result of events that cannot be reasonably anticipated or controlled such as social conflict or unrest, labor disruption and natural disasters. Municipal instruments can be less liquid than other types of investments and there may be less publicly available information about the issuers of municipal instruments compared to other issuers. If the Internal Revenue Service or a state taxing authority determines that an issuer of a municipal instrument has not complied with applicable tax requirements, interest from the instrument could become taxable (including retroactively) and the instrument could decline significantly in price. Because many municipal instruments are issued to finance similar projects, especially those relating to education, health care, housing, utilities, and water and sewer, conditions in these industries can significantly affect the account and the overall municipal market. In addition, changes in the financial condition of an individual municipal insurer can affect the overall municipal market.

Municipal instruments may be more susceptible to downgrades or defaults during economic downturns or similar periods of economic stress, which in turn could affect the market values and marketability of many or all municipal obligations of issuers in a state, U.S. territory, or possession. For example, the novel coronavirus (COVID-19) pandemic has significantly stressed the financial resources of many municipal issuers, which may impair a municipal issuer's ability to meet its financial obligations when due and may adversely impact the value of its bonds, which could negatively impact the performance of an account. Factors contributing to the economic stress on municipal issuers may include an increase in expenses associated with combatting the COVID-19 pandemic and a decrease in revenues supporting the issuer's bonds due to factors such as lower sales tax revenue as a result of decreased consumer spending, lower income tax revenue due to higher unemployment, and a decrease in the value of collateral backing revenue bonds due to closures and/or curtailment of services and/or changes in consumer behavior. In light of the uncertainty surrounding the magnitude, duration, reach, costs and effects of the COVID-19 pandemic, as well as actions that have been or could be taken by governmental authorities or other third parties, it is difficult to predict the level of financial stress and duration of such stress municipal issuers may experience.

This represents a principal risk for the following mandates: Asset Allocation – Fund of Funds (U.S.), Core Plus Fixed Income, Intermediate Income FI Closed End, Investment Grade Municipal Trust Closed End, Muni Fixed Income Closed End, Municipal High Yield, Municipal Plus, Municipal Short-Intermediate, Municipal State, and U.S. Taxable Municipal.

Prepayment/Extension Risk

Many types of debt instruments, including mortgage-backed securities, commercial mortgage-backed securities, securitized instruments, certain corporate bonds, and municipal housing bonds, and certain derivatives, are subject to the risk of prepayment and/or extension. Prepayment occurs when unscheduled payments of principal are made or the instrument is called or redeemed prior to an instrument's maturity. When interest rates decline, the instrument is called, or for other reasons, these debt instruments may be repaid more quickly than expected. As a result, the holder of the debt instrument may not be able to reinvest the proceeds at the same interest rate or on the same terms, reducing the potential for gain. When interest rates increase or for other reasons, these debt instruments may be repaid more slowly than expected, increasing the potential for loss. In addition, prepayment rates are difficult to predict and the potential impact of prepayment on the price of a debt instrument depends on the terms of the instrument.

This represents a principal risk for the following mandates: Asset Allocation – Fund of Funds (U.S.), Balanced, Charter Income Trust Closed End, Commodity Strategy, Core Plus Fixed Income, Diversified Income, Euro Credit, Global Aggregate Core Plus, Global Aggregate Opportunistic Fixed Income, Global Alternative Strategy, Global Balanced, Global High Yield, Global Sovereign Fixed Income, Global Tactical Asset Allocation, Intermediate High Income Closed End, Intermediate Income FI Closed End, Investment Grade Municipal Trust Closed End, Lifetime / Target Date, Limited Maturity, Managed Wealth, Multimarket Income Trust Closed End, Muni Fixed Income Closed End, Municipal High Yield, Municipal Plus, Municipal Short-Intermediate, Municipal State, Opportunistic Fixed Income, Prudent Capital, Prudent Wealth, Special Value Trust Closed End, U.S. Core High Yield, U.S. Credit, U.S. Government Fixed Income, U.S. Government Fixed Income Closed End, U.S. Inflation Adjusted Fixed Income and U.S. Taxable Municipal.

Real Estate-Related Investment Risk

The risks of investing in real estate-related investments include certain risks associated with the direct ownership of real estate and the real estate industry in general. These include risks related to general, regional and local economic conditions; difficulties in valuing and disposing of real estate; fluctuations in interest rates and property tax rates; shifts in zoning laws, environmental regulations and other governmental action; cash flow dependency; increased operating expenses; lack of availability of mortgage funds; losses due to natural disasters; overbuilding; losses due to casualty or condemnation; changes in property values and rental rates; the management skill and creditworthiness of the REIT manager; and other factors. Investments in real estate-related investments may be negatively affected by the novel coronavirus (COVID-19) pandemic. Potential impacts of the pandemic on the real estate sector include lower occupancy rates, decreased lease payments, defaults, and foreclosures, among other consequences.

This represents a principal risk for the following mandates: Asset Allocation – Fund of Funds (U.S.), Blended Research Equity Income, Blended Research Global High Dividend Equity, Blended Research Mid Cap Equity, Blended Research U.S. Small Cap Equity, Blended Research Large Cap Value, Diversified Income, Global Infrastructure, Global Small Mid Cap, Global Real Estate, Lifetime / Target Date, Low Volatility Global Equity, Low Volatility U.S. Equity, Mid Cap Growth Focused Equity, Mid Cap Value, Small Cap Value, and U.S. REIT.

Small to Medium Cap REIT Risk

Many real estate investment trusts (companies that own, and in many cases operate, income-producing real estate or real estate-related assets) ("REITs"), entities similar to REITs formed under the laws of non-U.S. countries, and other real estate-related issuers tend to be small- to medium-sized issuers in relation to the equity markets as a whole. The securities of small and medium-sized real estate-related issuers may experience more price volatility, be less liquid, and have more limited financial resources than larger issuers.

This represents a principal risk for the following mandates: Global Real Estate and U.S. REIT.

Short Sales Risk

A security sold short is closed out at a loss if the price of the security sold short increases between the time of the short sale and closing out the short position. It may not be possible to close out a short position at any particular time or at an acceptable price. Short sales can involve leverage. Investing the proceeds from short sale positions in other securities subjects an account to the risks of the securities purchased with the proceeds in addition to the risks of the securities sold short. Short sales expose an account to the potential for losses in excess of the account's value.

The sole mandate for which this represents a principal risk is Technology.

Small Cap Risk

The stocks of small cap companies can be more volatile than the stocks of larger companies due to limited product lines, financial and management resources, market and distribution channels. Small cap companies often have shorter operating histories and more limited publicly available information than larger, well-established companies. Their shares can be less liquid than those of larger companies, especially during market declines.

This represents a principal risk for the following mandates: Blended Research U.S. Small Cap Equity, European Smaller Companies, Small Cap Growth and Small Cap Value.

Small to Medium Cap Company Risk

The stocks of small to medium cap companies can be more volatile than the stocks of larger companies due to limited product lines, financial and management resources, and market and distribution channels. Small to medium cap companies often have shorter operating histories than larger, well-established companies. Their shares can be less liquid than those of larger companies, especially during market declines.

This represents a principal risk for the following mandates: Global Alternative Strategy, Global Small Mid Cap, and International Small Mid Cap.

Technology Concentration Risk

The account's performance will be closely tied to the performance of issuers in a limited number of industries. Companies in a single industry can react similarly to market, economic, industry, political, regulatory, geopolitical, environmental, public health and other conditions. As a result, the account's performance can be more volatile than the performance of more broadly-diversified accounts.

The prices of stocks in the technology sector can be very volatile, especially over the short term, due to the rapid pace of product change and technological developments. Issuers in the technology sector are subject to significant competitive pressures, such as new market entrants, short product cycles, competition for market share, and falling prices and profits. Issuers doing business in the technology area also face the risk that new services, equipment, or technologies will not be commercially successful, or will rapidly become obsolete.

The sole mandate for which this represents a principal risk is Technology.

Temporary Defensive Strategy Risk

In response to adverse market, economic, industry, political, or other conditions, MFSI may depart from an account's principal investment strategy by temporarily investing for defensive purposes. When MFSI invests defensively, different factors could affect the account's performance and the account may not achieve its investment objective. In addition, the defensive strategy may not work as intended.

Tender Option Bond Risk

The underlying municipal instruments held by a special purpose trust are sold or distributed in-kind by the trustee if specified events occur, such as a downgrade in the rating of the underlying municipal instruments, a specified decline in the value of the underlying municipal instruments, a failed remarketing of the floating rate certificates, the bankruptcy of the issuer of the underlying municipal instruments and, if the municipal instruments are insured, of both the issuer and the insurer, and the failure of the liquidity provider to pay in accordance with the trust agreement. In the event the trustee sells or distributes in-kind the underlying municipal instruments to pay amounts owed to the floating rate certificate holders, with the remaining amount paid to the inverse floater holders, the account's leverage will be reduced.

This represents a principal risk for the following mandates: Investment Grade Municipal Trust Closed End and Muni Fixed Income Closed End.

Underlying Funds Risk

MFS' strategy of investing in underlying funds exposes the account to the risks of the underlying funds. Each underlying fund pursues its own investment objective and strategies and may not achieve its objective. In addition, shareholders of the account will indirectly bear the fees and expenses of the underlying funds.

This represents a principal risk for the following mandates: Asset Allocation – Fund of Funds (U.S.), International Diversification, Lifetime / Target Date.

Utilities Concentration Risk

The account's performance will be closely tied to the performance of issuers in a limited number of industries. Issuers in a single industry can react similarly to market, economic, industry, political, regulatory, geopolitical, environmental and other conditions. As a result, the account's performance could be more volatile than the performance of more broadly-diversified accounts.

Issuers in the utilities sector are subject to many risks, including the following: increase in fuel and other operating costs; restrictions on operations, increased costs, and delays as a result of environmental and safety regulations; coping with the impact of energy conservation and other factors reducing the demand for services; technological innovations that may render existing plans, equipment or products obsolete;

the potential impact of natural or man-made disasters; difficulty in obtaining adequate returns on invested capital; difficulty in obtaining approval of rate increases; the high cost of obtaining financing, particularly during periods of inflation; increased competition resulting from deregulation, overcapacity, and pricing pressures; and the negative impact of regulation.

Issuers doing business in the telecommunications area are subject to many risks, including the negative impact of regulation, a competitive marketplace, difficulty in obtaining financing, rapid obsolescence, and agreements linking future rate increases to inflation or other factors not directly related to the active operating profits of the issuer.

This represents a principal risk for the following mandates: Global Infrastructure and Utilities.

Value Company Risk

The stocks of value companies can continue to be undervalued for long periods of time and not realize their expected value and can be more volatile than the market in general.

This represents a principal risk for the following mandates: Asset Allocation – Fund of Funds (U.S.), Balanced, Blended Research Large Cap Value, European Value, Global Balanced, Global Tactical Asset Allocation, Global Value, International Diversification, International Large Cap Value, Large Cap Value, Lifetime / Target Date, Mid Cap Value, Prudent Wealth and Small Cap Value.

Item 9 – Disciplinary Information

On August 31, 2018, MFS settled a matter with the SEC related to misstatements and omissions in marketing materials pursuant to which it paid a $1.9 million penalty and was censured. Specifically, the SEC found that certain marketing materials provided by MFS to institutional clients and prospective institutional clients, investment consultants and financial intermediaries concerning MFS' Blended Research investment strategies contained material misstatements and omissions. The SEC's findings specifically pertained to a conceptual chart included in the marketing materials that presented the performance of hypothetical buckets of stocks created using quantitative inputs and fundamental inputs. Though MFS labeled the chart as "hypothetical," the SEC found that MFS failed to disclose and/or misrepresented the fact that some of the quantitative data used to create the chart was generated by a retroactive application of MFS' quantitative model (*i.e.*, by "back-testing" the model). As a result of these disclosure issues, the SEC found that MFS violated Section 206(2) and 206(4) of the Advisers Act and Rule 206(4)-1(a)(5) thereunder, and that it failed to adopt and implement written policies and procedures reasonably designed to prevent violations of the Advisers Act and its rules in violation of Section 206(4) of the Advisers Act and Rule 206(4)-7 thereunder. MFS neither admitted nor denied the findings in the SEC's settlement order.

Item 10 – Other Financial Industry Activities and Affiliations

As described above in Item 4, *Advisory Business*, MFSI is a wholly-owned subsidiary of MFS, which in turn is an indirect, majority-owned subsidiary of SLF. MFSI, MFS and the Participating Affiliates (as defined below) are members of the "MFS Global Group," which has investment professionals in Australia, Brazil, Canada, Hong Kong, Japan, Luxembourg, Mexico, Portugal, Singapore, the United Kingdom and the U.S. The Participating Affiliates are: MFS International (U.K.) Limited ("MIL UK"), MFS Investment Management Company (Lux) S.à r.l. ("MFS Lux"), MFS Investment Management K.K. ("MIMKK"), MFS Investment Management Canada Limited ("MFS Canada"), MFS International Singapore Pte. Ltd. ("MFSI Singapore"), MFS International (Hong Kong) Limited ("MIL HK"), MFS do Brasil Desenvolvimento de Mercado Ltda ("MFS Brazil") and MFS International Australia Pty Ltd ("MFSI Australia"). Each Participating Affiliate is a non-U.S. affiliate and is not registered under the Advisers Act, and provides services to MFSI pursuant to an amended and restated written memorandum of understanding by and among MFSI, MFS and the Participating Affiliates (the "MOU"). Under the MOU, certain employees of each Participating Affiliate may serve as associated persons of MFSI ("Associated Persons").

The investment professionals of each affiliated investment adviser or other entity in the MFS Global Group may contribute to the management of accounts across the MFS Global Group, including those of MFSI. Supervision of such investment professionals is the responsibility of the applicable Participating Affiliate, MFS and MFSI. Specific decisions to purchase or sell account securities are made by MFSI employees or Associated Persons supervised by MFSI. Any such person may serve other clients of MFSI or any affiliate of MFSI in a similar capacity.

The activities of the Participating Affiliates within the MFS Global Group are described more fully below.

- ***MIL UK****.* MIL UK is an indirect, wholly-owned subsidiary of MFS organized under the laws of England and Wales, and is regulated by the UK Financial Conduct Authority. Either directly or as a Participating Affiliate, MIL UK provides investment research, portfolio management and trading services with respect to various U.S. and non-U.S. clients, including those for which MFSI and/or its affiliates act as an investment adviser or sub-adviser.

- ***MIMKK****.* MIMKK is an indirect, wholly-owned subsidiary of MFS organized under the laws of Japan and registered with the Financial Services Agency in Japan. Either directly or as a Participating Affiliate, MIMKK provides investment research and related distribution services for certain U.S. and non-U.S. clients for which MFSI and/or its affiliates act as investment adviser or sub-adviser.

- ***MFS Canada.*** MFS Canada, an indirect wholly-owned subsidiary of MFSI, is an investment adviser headquartered in Toronto, Ontario, Canada and registered in each of the provinces and territories of Canada. MFS Canada is registered with all 13 Canadian provincial and territorial regulators. Either directly or as a Participating Affiliate, MFS Canada provides investment research, portfolio management and trading services for certain U.S. and non-U.S. clients for which MFS Canada, MFSI and/or their affiliates acts as investment adviser or sub-adviser.

- ***MFS Lux.*** MFS Lux, an indirect, wholly-owned subsidiary of MFS, is a société à responsabilité limitée organized under Luxembourg law and registered with the Luxembourg Commission de Surveillance du Secteur Financier. As a Participating Affiliate, MFS Lux provides investment research, distribution and administrative services to certain non-U.S. clients for which MFSI and/or its affiliates acts as investment adviser or sub-adviser.

- ***MIL HK***. MIL HK is an indirect, wholly-owned subsidiary of MFS, licensed and regulated by the Hong Kong Securities and Futures Commission. Either directly or as a Participating Affiliate, MIL HK provides investment research and/or distribution support services for certain U.S. and non-U.S. clients for which MFSI and/or its affiliates act as investment adviser or sub-adviser.

- ***MFSI Singapore*.** MFSI Singapore is an indirect, wholly-owned subsidiary of MFS and is organized under the laws of Singapore. MFSI Singapore is licensed and regulated by the Monetary Authority of Singapore. MFSI Singapore holds a Capital Markets Services Licence and, either directly or as a Participating Affiliate, provides investment management, investment research and/or distribution related services for certain U.S. and non-U.S. clients that may be advised or sub-advised by MFSI and/or its affiliates.

- ***MFSI Australia.*** MFSI Australia is an indirect, wholly-owned subsidiary of MFS organized as a proprietary limited liability company under Australian law. MFSI Australia is licensed and regulated by the Australian Securities and Investments Commission and holds an Australian Financial Services Licence. Either directly or as a Participating Affiliate, MFSI Australia provides investment management, investment research, and/or distribution-related services, for certain U.S. and non-U.S. clients for which MFSI and/or its affiliates may act as investment adviser or sub-adviser.

- ***MFS Brazil.*** MFS Brazil is an indirect, wholly-owned subsidiary of MFS organized under the laws of Brazil. As a Participating Affiliate, MFS Brazil provides investment research, distribution and marketing services for MFSI and/or its affiliates.

MFSI provides investment research, portfolio management and/or trading services for certain non-U.S. clients for which MIL UK, MFS Lux, MFS Canada or MFSI Australia act as investment adviser or investment manager. In addition to the Participating Affiliates, MFSI also has arrangements material to its advisory business or its clients with the following affiliated entities:

MFS

MFS, an investment adviser registered with the SEC and, with respect to certain MFS pooled products, a commodity trading advisor and commodity pool operator registered with the U.S. Commodity Futures Trading Commission ("CFTC"), is a subsidiary of Sun Life of Canada (U.S.) Financial Services Holdings, Inc., and an indirect subsidiary of SLF. MFS is the direct parent company of MFSI and certain investment personnel (portfolio managers, research analysts and traders) are employees of MFS and also officers of MFSI. MFS or another member of the MFS Global Group (including MFS) invests in certain proprietary funds and temporarily seeds certain pooled investment vehicles, which may result in certain potential and actual conflicts of interest. Please see Item 12, *Brokerage Practices*, for a discussion of how MFS mitigates these conflicts. The President of MFSI, Carol W. Geremia, and a Director and the Chairman of the Board of MFSI, Michael W. Roberge, are both registered with the CFTC as associated persons of MFS.

MFS Fund Distributors, Inc. ("MFD")

MFD, an SEC-registered broker-dealer and wholly-owned subsidiary of MFS, acts as distributor for the U.S. registered open-end management investment companies for which MFS acts as the primary investment adviser. Certain registered representatives of MFD are also supervised persons of MFSI and promote the sale of investment strategies which are offered via a variety of investment vehicles such as the MFS Funds, certain other MFS Global Funds, Wrap Programs and separately managed accounts. Clients and/or financial intermediaries select the strategy and the appropriate investment vehicle. Selling compensation paid by MFD and MFSI varies depending on the investment strategy and vehicle selected. To the extent that compensation to be paid is higher for one strategy or vehicle over another, a conflict of interest will exist. MFSI believes this potential conflict is largely mitigated by the fact that MFSI strategies are offered primarily to or through sophisticated institutional investors and financial intermediaries. The President of MFSI—Carol Geremia—is also a registered representative of MFD. The agreements under which MFD serves as distributor are subject to annual approval by the independent trustees of the MFS Funds.

MFS Heritage Trust Company ("MHTC")

MHTC, a wholly-owned subsidiary of MFS, is a New Hampshire-chartered non-depository trust company that serves as a directed trustee or custodian of certain employer-sponsored retirement plans and individual retirement accounts, as well as trustee, manager and administrator for collective investment trusts offered to eligible retirement plan investors. MFSI provides client servicing support to MHTC for its collective investment trusts.

MFS International Switzerland GmbH ("MFS Switzerland")

MFS Switzerland is a wholly-owned subsidiary of MIL UK. MFS Switzerland is organized as a company with limited liability under the laws of Switzerland. MFS Switzerland provides distribution and marketing services outside of the U.S. for various non-U.S. registered products or non-U.S. clients, including those for which MFSI and/or its affiliates acts as an investment adviser or sub-adviser.

SLF entities

Currently, MFSI advises or sub-advises a number of accounts on behalf of SLF's or its subsidiaries' clients (including Canadian mutual fund trusts managed by Sun Life Global Investments (Canada) Inc.) as well as proprietary assets of SLF or its subsidiaries.

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

<u>Participation or Interest in Client Transactions</u>

MFSI and its affiliates act as investment manager to numerous accounts and can, and sometimes do, give advice or take action with respect to one account that differs from action taken on behalf of other accounts. From time to time, MFSI will take an investment action or decision for one or more accounts that is different from, or inconsistent with, an action or decision taken for one or more other accounts that have different investment objectives, and such actions could be taken at different, potentially inopportune, times. The difference in timing could result in increased implementation costs; such accounts could be diluted; the values, prices or investment strategies of another account could be impaired; or such accounts could otherwise be disadvantaged. For example, if one account buys a security and another account subsequently establishes a short position in that same security or with respect to another security of that issuer, the subsequent short sale could result in a decrease in the price of the security which the first account holds. Conversely, potential conflicts can also arise if account decisions effected for one account could result in a benefit to other accounts. This could occur if, for example, one account purchases a security or covers a short position in a security, which increases the price of the same security held by other accounts, therefore benefitting those other accounts. These effects can be particularly pronounced with respect to less liquid securities.

Currently, MFSI advises or sub-advises a number of accounts on behalf of SLF's or its subsidiaries' clients (including Canadian mutual fund trusts managed by Sun Life Global Investments (Canada) Inc.) as well as proprietary assets of SLF or its subsidiaries, and MFSI may have an incentive to favor such accounts. Please refer to Item 12, *Brokerage Practices,* for a discussion of the manner in which MFSI addresses such potential conflicts of interest.

Certain accounts to which MFSI or another MFS Global Group member provides investment management services are beneficially owned, in whole or in part, by a member of the MFS Global Group and/or their respective officers and employees. The MFS Global Group's management of such accounts present conflicts of interest, depending on the particular circumstances of each case: (i) in cases of investment of proprietary assets, the MFS Global Group member has an incentive to favor its investments to maximize its return; (ii) where a portfolio manager holds a personal investment in such accounts, the portfolio manager has an incentive to favor accounts in which he/she is invested in order to maximize the return of his/her investment; and (iii) in cases of investment by officers and employees of MFSI or its affiliates, the MFS Global Group member has an incentive to favor the personal investments of its employees and officers. Please refer to Item 12, *Brokerage Practices,* for discussions of the manner in which MFSI addresses such potential conflicts of interest.

Members of the MFS Global Group have also established and seeded a number of accounts for the purpose of establishing a performance record to enable the MFS Global Group to offer such an account's investment style to clients. MFSI could purchase on behalf of one or more accounts the same securities or other financial instruments as those held in a seeded account, whether such accounts are managed in a similar or different style. The MFS Global Group has an incentive to favor these seeded accounts to create a good track record that will help to maximize distribution opportunities. However, as described in Item 12, *Brokerage Practices*, the MFS Global Group has adopted allocation policies and procedures that are designed to treat all accounts fairly and equitably over time.

Further, employees of the MFS Global Group could invest or otherwise have an interest in securities owned by or recommended to MFSI's clients. Please refer to the heading *MFS Investment Management Code of Ethics/Personal Investing Policy*, below, for a discussion of the manner in which MFSI addresses these potential conflicts of interest.

As described above, MFSI could purchase shares of any MFS Global Fund on behalf of an institutional account. Although MFSI does not expect to regularly make such investments, to the extent that MFSI does so, the institutional account will receive a credit equal to the amount of the management fee paid by the relevant MFS Global Fund(s) to MFS or its affiliates attributable to the account's investment in the MFS Global Fund. See Item 5, *Fees and Compensation*, and the Offering Documents for the relevant MFS Global Fund for more information.

Conflicts may also arise in cases where accounts invest in different parts of an issuer's capital structure. If an issuer in which different accounts hold different classes of securities (or other assets, instruments or obligations issued by such issuer) encounters financial problems, decisions regarding the terms of any workout may create conflicts of interests. MFSI has implemented policies and procedures designed to identify such potential conflicts of interest when they occur and address them by, among other things, ensuring that, where conflicts of interest exist, no portfolio manager is responsible for making investment decisions with respect to more than one such category.

MFS Investment Management Code of Ethics/Personal Investing Policy

The MFS Investment Management Code of Ethics/Personal Investing Policy (the "Policy") and the MFS Code of Business Conduct (together, the "Policies"), applicable to MFSI as a subsidiary of MFS, include standards of business conduct requiring employees to comply with pertinent U.S. and non-U.S. securities laws as applicable and the fiduciary duties an investment adviser owes its clients. The overarching purpose of the Policies is to ensure that we always act in the best interests of our clients. Accordingly, in governing the personal trading of employees, including officers and directors, the Policies require them to always place client interests ahead of their own and to never (i) take advantage of their position to misappropriate investment opportunities from clients; (ii) seek to defraud a client or do anything that could have the effect of creating a fraud or manipulation; or (iii) mislead a client. All employees are obligated to report personal and beneficially owned accounts as well as holdings and transactions in reportable securities, including mutual funds managed or sub-advised by MFS. In addition, employees are obligated to certify to transactions and holdings in reportable securities. However, neither MFSI nor any of its employees are obligated to refrain from investing in securities held by the accounts that it manages except to the extent that such investments violate applicable law, the Policies or other policies of MFS or MFSI.

In addition, employees deemed to be Access Persons (which, as defined in the Policy, includes, among others, all investment personnel) must receive pre-clearance authorization to execute transactions in designated reportable securities for personal and beneficially-owned accounts.

Portfolio managers are prohibited from trading a security for their personal account (i) for seven calendar days before or after a transaction in a security or derivative of the same issuer in a client account managed by the portfolio manager. Portfolio managers are also prohibited from short-term trades in funds that they manage (*i.e.*, personally (i) buying and selling, or (ii) selling and buying, shares of any mutual fund managed by the portfolio manager within a 14 calendar day period). For these purposes, research analysts who support accounts that do not otherwise employ portfolio managers are themselves treated as portfolio managers.

All employees are required to certify at least annually that they have complied with the terms of the Policies. Violations of the Policies are reviewed with the MFS committee charged with oversight of the Policies, which determines appropriate disciplinary action that may be taken for violations. Disciplinary action includes, but is not limited to, written violation notices, restrictions on personal trading, profit disgorgement and/or termination of employment.

In limited circumstances, the MFS committee charged with oversight of the Policies has the authority to grant exceptions to the provisions of the Policies on a case-by-case basis.

MFSI or its employees have business or personal relationships with financial services providers or intermediaries (*e.g.*, a broker-dealer, custodian or distributor), service providers or a security issuer (collectively "business relationships") that could incentivize MFSI or the employee to favor the business relationship or their own personal interests over a client or to favor certain clients over others. The MFS Code of Business Conduct requires all employees to always act in the best interests of our clients.

A copy of the Policies is available to clients and prospective clients upon request.

As the situations described under the headings "Participation or Interest in Client Transactions" and "MFS Investment Management Code of Ethics/Personal Investing Policy" give rise to potential conflicts of interest, MFSI has implemented policies and procedures relating to, among other things, vendor management, employee conduct, portfolio management and trading practices, personal securities transactions, insider trading, gifts and entertainment, political contributions, outside activities and conflicts of interest. These policies and procedures are intended to identify and mitigate conflicts of interest with or among clients, MFS employees and business partners, and to resolve them appropriately when they do occur.

Inside Information Policy

MFSI and the other members of the MFS Global Group could, from time to time, come into possession of material, nonpublic information which, if disclosed, might affect an investor's decision to buy, sell or hold a security. Under applicable law, MFSI would generally be prohibited from improperly disclosing or using such information for its benefit or for the benefit of any other person, regardless of whether such other person is an advisory client. Accordingly, should a member of the MFS Global Group come into possession of material, nonpublic information with respect to any issuer of securities, MFSI likely would be prohibited from communicating such information to, or using such information for the benefit of, its clients, and has no obligation or responsibility to disclose such information to, nor responsibility to use such information for the benefit of, such clients. To this end, MFS maintains an Inside Information Policy, to which the members of the MFS Global Group, including MFSI, are subject, that establishes procedures reasonably designed to prevent the misuse of material, nonpublic information concerning an issuer of securities by MFSI and its employees. The Inside Information Policy provides that if any employee of a member of the MFS Global Group obtains material, nonpublic information concerning an issuer of securities, the MFS Global Group, including MFSI, is prohibited from using such information for their own and their clients' benefit, with limited exceptions permitted by law. For purposes of the Inside Information Policy, "using" material, nonpublic information includes trading activity while in possession of such information. In some cases, this could prevent MFSI from executing client-requested trades.

Investment in MFSI's Ultimate Parent Company

As a matter of corporate policy, MFSI does not invest the assets of any client in securities issued by SLF.

Identification and Resolution of Trade Errors

From time to time, a trade error may occur in an account managed by MFSI. MFS maintains a Trade Error Policy, to which the MFS Global Group is subject. The purpose of the Trade Error Policy is to describe what constitutes a trade error and the steps MFSI takes to remediate such errors. Generally, MFSI will compensate clients for actual losses directly resulting from a trade error in an expeditious manner, consistent with MFSI's fiduciary obligations and with client contractual terms relating to trade errors, if applicable. Gains that settled in the client account remain in the client's account. Clients are notified as soon as possible after an error impacting their account has been identified, in order to facilitate their review of the error and related correction. Trade errors are reported to MFS' Compliance and Enterprise Risk Management Departments and associated documentation, including a description of the error, resolution and action(s) taken to prevent re-occurrence are reviewed generally monthly by the MFS committee charged with oversight of trade errors. The committee's members include a cross-functional group of senior professionals.

MFSI is subject to a conflict of interest in determining whether and how to notify clients of an error, correct the error and reimburse for any losses. Such conflict arises because MFSI has an interest in avoiding the reputational or economic consequences of an error. MFSI employees may be subject to a similar conflict of interest if such employee believes he or she would face negative personal consequences in connection with reporting trade errors or other errors. The Trade Error Policy requires investment personnel to review account transactions regularly and to promptly identify and report any errors. Additionally, MFSI has implemented segregation of duties between portfolio management, trading and operations to increase the likelihood that errors will be identified and reported.

Portfolio Manager Compensation

The MFS Global Group seeks to align portfolio manager compensation with the goal to provide clients with long-term value through a collaborative investment process. Therefore, the MFS Global Group uses long-term investment performance as well as contribution to the overall investment process and collaborative culture as key factors in determining portfolio manager compensation. In addition, the MFS Global Group seeks to maintain total compensation programs that are competitive in the asset management industry in each geographic market where it has employees. In determining portfolio manager compensation, the MFS Global Group uses quantitative means and qualitative means to help ensure a sustainable investment process. Portfolio manager total cash compensation is a combination of base salary and performance bonus. The performance bonus is based on a combination of quantitative and qualitative factors, generally with more weight given to the former and less weight given to the latter.

Item 12 – Brokerage Practices

The following is a general discussion of MFSI's brokerage practices. In certain circumstances, brokerage practices may be varied by specific direction of a client, as discussed below.

Trading Practices—Generally

Where it has discretion to do so, MFSI seeks best execution for all accounts by executing transactions in such a manner that an account's total costs or proceeds in each transaction are the most favorable under the circumstances. Trading processes differ with respect to fixed income and equity securities, and the discussion of trading practices below will differ depending on security type. The Trading department has responsibility for selection of brokers, negotiation of commission rates and overall trade execution. MFSI places trades in various manners including through different broker/dealers, agency brokers, principal market-making dealers, smaller brokers and dealers, which may specialize in particular regions or asset classes, futures commission merchants and OTC derivatives dealers (each, a "broker" for purposes of the discussion in this section), as well as via electronic trading platforms, including electronic communications networks ("ECNs") (including, without limitation, multilateral trading facilities ("MTFs") and alternative trading systems ("ATSs")). These trading platforms often, in the case of equity transactions, execute transactions at a commission rate lower than that charged by a full-service broker. Additionally, subject to its obligation to seek best execution, MFSI may also execute transactions with Luminex Trading & Analytics LLC ("Luminex"), an ATS of which MFS owns a 4.9% stake. While there may appear to be an economic incentive for MFSI to route orders to Luminex to enhance its profitability, Luminex's objective is to run as close to break-even as possible while remaining financially sound and self-sustaining. Since Luminex does not currently seek to earn a profit on transactions, MFSI would not expect to realize an economic incentive by routing more trades to Luminex.

When making trading decisions, MFSI can select strategies or methods or directly select venues in order to seek best execution for client transactions. These decisions are influenced by a number of factors which are described more specifically below. Transaction costs related to trading may include market impact costs and opportunity costs as well as broker spreads and commission costs (which in the U.S., are typically measured in cents per share, while in most non-U.S. jurisdictions, are typically measured in basis points).

Selection of Brokers

The specific criteria used in selecting a broker will vary depending upon the nature of the transaction, the market in which it is executed, the extent to which it is possible to select among multiple brokers and the extent to which a client has limited MFSI's brokerage discretion, *e.g.*, if the client has mandated the use of a particular broker or has otherwise limited MFSI's full brokerage discretion, as more fully described below. In instances where MFSI has discretion to select brokers, MFSI seeks to deal with brokers reasonably expected to seek and provide best execution and related services.

Client-Directed Brokerage and Other Client-Imposed Limits on Broker Selection

At its discretion, MFSI can accept accounts for which MFSI must utilize only brokers chosen by the client or accounts on which clients impose reasonable limits on MFSI's trading discretion. Under certain of such circumstances, MFSI requires a client to relieve MFSI of its obligation to seek best execution of the client's transactions (ERISA may prohibit such a waiver for accounts subject to ERISA).

The practice of clients instructing MFSI to direct brokerage transactions for their accounts to a broker or brokers selected by the client is sometimes referred to as "client-directed brokerage." Certain institutional clients may desire to enter into arrangements (which are often referred to as "commission recapture" arrangements) with certain brokerage firms that provide for the client to receive a credit for part of the brokerage commission paid by the client, which is applied against expenses of the client's account. However, as described in more detail below under the heading "Research and Other Soft Dollar Benefits," the MFS Global Group has voluntarily undertaken to reimburse clients from its own resources for Research Commissions, as defined below, and therefore, MFSI no longer can accommodate client requests for these types of arrangements.

Clients also should understand that directing brokerage, or allowing only certain approved brokers for execution, limits or removes MFSI's discretion to select brokers to execute client transactions and thus to seek best execution. Additionally, trades for clients who direct brokerage for execution or for clients who are prohibited from utilizing a broker or venue selected by MFSI for executing other clients' orders for the same securities generally will not be aggregated with, and may be placed after, orders for the same securities for other client accounts managed by MFSI. Under these circumstances, even if the client has not explicitly waived or otherwise limited MFSI's duty to seek best execution, the direction by a client of a particular broker to execute transactions, the need to use a different broker to execute a client's order by virtue of an affiliation between the client and the broker or the need to use a different broker to execute a client's order by virtue of the broker not being listed on a client's approved broker list, operates as a limit on MFSI's ability to freely select brokers and could result in higher commissions, greater spreads or less favorable prices than might be the case if MFSI could negotiate commission rates or spreads freely, aggregate transactions with other client trades through a different broker or select executing brokers based on best execution. In some cases, restrictions such as these may preclude the client from the investment opportunity altogether.

Depending on the nature of the direction, MFSI can, but is not required to, instead use "step-outs" to allow such clients to participate in aggregated trades. In step-out transactions, MFSI instructs the broker that executes a transaction to allocate, or step out, a portion of such transaction to the broker to which the client has directed trades. The brokers to which the executing broker has stepped out would then clear and settle the designated portion of the transaction, and the executing broker would clear and settle the remaining portion of the transaction that has not been stepped out. Each broker may receive a commission or brokerage fee with respect to the portion of the transaction that it clears and settles.

Similarly, at the instruction of a client, MFSI will trade derivatives only with brokers with which the client has entered into derivatives agreements. This may result in pricing and other economic terms for such derivative transactions that may be less beneficial to the account than those for the same type of transaction entered into for other accounts under a derivatives agreement negotiated by MFSI with a counterparty selected by MFSI. A client instructing MFSI to use the client's derivatives agreement, rather than allowing MFSI to negotiate the agreement, should understand that MFSI will be unable to control certain terms or conditions of any transaction entered into under the client's agreement. In addition, limiting trading to a few counterparties with which the client has existing derivatives agreements may increase counterparty risk for the client.

<u>Certain Other Circumstances in Which MFSI's Brokerage Discretion Is Limited</u>

In certain circumstances, such as a "buy in" for failure to deliver, MFSI is not able to select the broker who will transact to cover the failure. For example, if an account sells a security short and is unable to deliver the securities sold short, the broker through whom the account sold short must deliver securities purchased for cash (*i.e.*, effect a "buy in," unless it knows that the account either is in the process of forwarding the securities to the broker or will do so as soon as possible without undue inconvenience or expense). Similarly, there can also be a failure to deliver in a long transaction and a resulting buy in by the broker through whom the securities were sold. If the broker effects a buy in, MFSI will be unable to control the trading techniques, methods, venues, or any other aspect of the trade used by the broker.

Seeking Best Execution

MFSI seeks best execution of client transactions, subject to any client-imposed restrictions. We define best execution as a process that seeks to execute account transactions that MFSI believes will provide the most favorable qualitative execution, including execution price and commission, spread or other transaction costs, reasonably available under the circumstances. This process involves the evaluation of the trading process and execution results over extended periods. In seeking best execution, MFSI takes into account several factors that it considers to be relevant which include without limitation and in no particular order, the following:

- price
- size of transaction
- nature of market or the security
- amount of the commission or "spread"
- timing and potential for impact of the transaction, considering market prices and trends
- reputation, experience and stability of the broker involved
- willingness of the broker to commit capital
- need for anonymity in the market
- the quality of services rendered by the broker in other transactions.

In seeking best execution, MFSI is not required to take into account charges imposed upon clients by third parties, such as ticket charges that may be imposed by the client's custodian.

Brokers generally will either receive (i) a commission, which is generally negotiable and can vary depending on the type of broker and market, or (ii) for trades executed on a "net" basis in lieu of a commission, a "spread" representing the difference (or a portion of the difference) between the buying price and the selling price. Foreign equity securities are typically subject to a fixed notional commission rate which is negotiated on a country-by-country basis. Fixed income transactions are generally traded OTC and do not include a stated commission. As described above, the broker retains the spread or a portion of the spread.

Commission rates for equity securities and some derivatives will vary depending upon the trading methods, venues and brokers selected, as well as the market(s) in which the securities are traded and their relative liquidity. As noted above, MFSI can utilize a variety of brokers and trading venues and strategies in order to seek best execution for client transactions. MFSI evaluates various factors in selecting brokers to execute trades, including the ability to execute trades with a minimum of market impact, the speed and efficiency of executions, electronic trading capabilities, adequacy of capital, commitment of capital when necessary or desirable, market color provided to the investment adviser, execution services and accommodation of the investment adviser's special needs. MFSI may employ outside vendors to provide reports on the quality of broker executions. With respect to transactions in derivatives, MFSI trades only with brokers with whom it has legally-required or client-requested documentation in place.

In the case of securities purchased from underwriters, the cost of such securities generally includes a fixed underwriting commission or concession.

Research and Other Soft Dollar Benefits

The MFS Global Group utilizes a global investment platform built on the principle of close collaboration among members of its investment team, where research and investment ideas are shared. MFS Global Group investment professionals rely on their own internal research in making investment decisions even though they utilize external research provided by brokers or other research providers to help develop investment ideas. External research is also used to help understand market consensus, sentiment or perception, and identify relative inefficiencies more quickly and effectively.

The MFS Global Group makes decisions on the procurement of external research separately and distinctly from decisions on the selection of brokers that execute transactions for client accounts. The MFS Global Group will only execute a transaction with a broker who provides external research when, in the MFS Global Group's judgment, the broker is capable of providing best execution for that transaction. However, as permitted by Section 28(e) of the Securities Exchange Act of 1934, as amended ("Section 28(e)"), the MFS Global Group may cause certain clients to pay a broker that provides "brokerage and research services" (as defined in Section 28(e)) to the MFS Global Group an amount of commission for effecting a securities transaction for clients in excess of the amount other brokers would have charged for the transaction if the MFS Global Group determines in good faith that the greater commission is reasonable in relation to the value of the brokerage and research services provided viewed in terms of the MFS Global Group's overall responsibilities to its clients. The brokerage and research services received may be useful and of value to the MFS Global Group in serving both the accounts that generated the commissions and other clients of the MFS Global Group. Accordingly, not all of the research and brokerage services provided by brokers through which client securities transactions are effected may be used by MFSI in connection with the client whose account generated the brokerage commissions.

The MFS Global Group has undertaken to bear the costs of external research for all accounts it advises, either by paying for external research out of its own resources, or by voluntarily reimbursing clients from its own resources for excess commissions paid to obtain external research. For accounts subject to a regulatory prohibition on the payment of excess commissions for research, including accounts that are directly or indirectly subject to the Markets in Financial Instruments Directive in the EU or U.K. ("MiFID II accounts"), the MFS Global Group will pay for external research out of its own resources. For all other accounts, the MFS Global Group operates a commission sharing arrangement that generates commission "credits" for the purchase of external research from commissions on equity trades in a manner consistent with Section 28(e). Under this arrangement the MFS Global Group may cause a client to pay commissions in excess of what the broker or other brokers might have charged for certain transactions in recognition of brokerage and research services provided by the executing broker. The MFS Global Group has voluntarily undertaken to reimburse clients from its own resources in an amount equal to all commission credits generated under this arrangement.

The research services obtained by the MFS Global Group through the use of commission credits may include: access to corporate management; industry conferences; research field trips to visit corporate management and/or to tour manufacturing, production or distribution facilities; statistical, research and other factual information or services such as investment research reports; access to analysts; reports or databases containing corporate, fundamental, and technical analyses; portfolio modeling strategies; and economic research services, such as publications, chart services, and advice from economists concerning macroeconomics information, and analytical investment information about particular corporations.

Through the use of eligible brokerage and research services acquired with commission credits, the MFS Global Group initially avoids the additional expenses that it would incur if it developed comparable information through its own staff or if it purchased such services with its own resources. As a result, clients may pay more for their account transactions in the first instance than if the MFS Global Group caused clients to pay execution only rates. However, because the MFS Global Group has voluntarily undertaken to reimburse clients from its own resources for commission credits generated from client brokerage, the MFS Global Group ultimately assumes the additional expenses that it would incur if it purchased external research with its own resources. If the MFS Global Group determined to discontinue this voluntary undertaking, it may have an incentive to select or recommend a broker based on its interest in receiving external research rather than the client's interest in receiving lower commission rates.

Although the MFS Global Group generally bears the costs of external research, we generally do not pay or reimburse clients with respect to research that is generally made available by a broker to all of its customers and that the MFS Global Group generally considers to be of *de minimis* value, or for external research provided by executing brokers in fixed income transactions that incur mark-ups, mark-downs, and other fees rather than commissions. With respect to fixed income, the MFS Global Group believes that executing brokers in fixed income transactions do not charge lower mark-ups, mark-downs, commission equivalents or other fees if clients forego research services. Consequently, the MFS Global Group does not believe it pays higher mark-ups, mark-downs, commission equivalents or other fees to brokers on fixed income transactions than it would if it did not receive any research services from brokers. The MFS Global Group will pay an estimated amount for fixed income research out of its own resources with respect to MiFID II accounts, but not other client accounts.

Allocation of Investment Opportunities, Order Execution and Allocation of Executed Orders

MFSI and other members of the MFS Global Group owe their clients a fiduciary obligation to put client interests first. Since MFSI and the other members of the MFS Global Group manage multiple accounts it is inevitable that the same investment opportunity may be appropriate for multiple accounts. This creates the potential for MFSI to favor one account over another. It is the policy of MFSI and the other members of the MFS Global Group to allocate investment opportunities among the accounts they manage fairly and equitably over time. This means that MFSI and the other members of the MFS Global Group have in place policies and procedures designed to ensure that they do not favor one account over another, but it does not mean that MFSI will treat all accounts identically.

The policies and procedures described in this section apply to Wrap Program clients only to the extent an order is "stepped out" and do not apply to foreign exchange transactions which are described under the heading "Foreign Currency Exchange (FX) Transactions" below. For information about MFSI's other trading practices for Wrap Program clients, please see the information under the heading "Wrap Program Brokerage Arrangements, Order Execution and Allocation," below.

Indication of Interest

MFSI makes investment decisions for accounts based on the objectives, restrictions, guidelines and risk tolerances of each account. When investment opportunities present themselves, portfolio managers will typically seek to indicate their interest in those opportunities among similarly-managed accounts either (i) *pro rata* based on an account's assets in the case of equity securities; or (ii) in a manner designed to keep the characteristics of those accounts similar in the case of fixed income securities.

However, since the decision regarding how to best indicate for an investment opportunity will typically depend on many factors, it is possible that indications and positions across similar accounts may differ. Relevant factors include, without limitation: an account's investment objective, strategies, restrictions or other instructions; the composition and characteristics of an account; the impact of the purchase relative to achieving desired account characteristics; concentration of positions; minimum denominations; cash availability and expected flows for an account; liquidity; the tax needs of an account; avoiding having an account hold odd-lot or small positions; the availability of other appropriate or substantially similar investment opportunities; risk tolerance; and legal and regulatory restrictions.

The MFS Global Group generally limits aggregate ownership by all accounts that the MFS Global Group manages to a fixed percentage of a single issuer's outstanding common equity. These limits are based partly on regulatory and/or legal considerations related to substantial shareholdings and partly on investment risk management considerations. The firm's legal department performs a review of legal, corporate and regulatory considerations and, if permissible and appropriate, will submit to the MFS Global Group's Investment Management Committee ("IMC") a request for approval to increase the ownership limit. When the maximum level has been reached on an aggregate basis, portfolio managers are not permitted to acquire additional shares (absent the prior approval of the IMC), until aggregate ownership by all accounts falls below the maximum level. Consequently, accounts could be unable to acquire certain investments in which the portfolio manager might wish to invest and in which other accounts have previously invested and continue to hold, which can adversely affect absolute and relative returns.

Execution and Aggregation of Orders

Traders execute orders promptly, fairly and expeditiously consistent with MFS Global Group execution policies and procedures. When executing orders, traders may aggregate multiple orders for the same instrument into a single trade as long as aggregation is unlikely to work to the overall disadvantage of any participating account over time.

Traders will not aggregate orders for Related Accounts (which include accounts that are managed by MFS for the sole benefit of itself or its subsidiaries) with orders for client accounts, and will trade Related Accounts in a manner that the trader believes will not disadvantage other client accounts. Related Accounts do not include accounts owned by employees or officers of MFS or its subsidiaries, created by MFS to establish a track record for future distribution or accounts seeded by MFS and open for sale to third parties. Additionally, members of the MFS Global Group manage assets for SLF and its subsidiaries (other than the MFS Global Group), and such accounts are not considered to be Related Accounts. In cases where MFS Global Group-seeded accounts or SLF-seeded or SLF subsidiary-seeded accounts are participating with other client accounts in a limited opportunity offering, the other client accounts will receive less of the limited opportunity than they would otherwise have received if the MFS Global Group-SLF- or SLF subsidiary-seeded accounts did not participate. MFSI seeks to ensure fairness among these accounts over time through application and monitoring of its allocation policies and procedures.

There are times that MFSI will trade a particular security for client accounts at the same time that Wrap Program sponsors are trading in the same securities for Wrap Program accounts advised by MFSI. Wrap Program sponsors may complete the order(s) for Wrap Program accounts more quickly or more slowly than MFSI, and may experience higher or lower execution prices. MFSI generally does not aggregate orders for Wrap Program accounts with other client accounts managed by the MFS Global Group, but may do so when stepping out an order for one or more SMA Programs, subject to best execution and other considerations. In cases where MFSI does not aggregate such orders, the Wrap Program accounts may be traded, in the trader's discretion, simultaneously or in rotation with the other client accounts.

Allocation of Executed Trades

There are times when MFSI or another member of the MFS Global Group cannot obtain a sufficient quantity of an instrument to fill the orders for all accounts participating in an aggregated trade. In those cases, MFSI will allocate the amount received as follows:

- For equity securities offered in an initial public offering, oversubscribed secondary offering, or subject to an MFS Global Group internal ownership limit ("Limited Offerings"), MFSI will allocate the amount received according to standards established by the IMC and documented in procedures approved by the MFS Global Group's Trade Oversight Management Committee ("TOMC"). These procedures will generally provide for *pro rata* allocation based on each participating account's share of Relevant Assets (as determined by the IMC), subject to adjustments to accommodate minimum thresholds, minimum lot sizes and denominations and other adjustments to facilitate equitable and efficient allocation.
- For trades in equity instruments other than through Limited Offerings and for fixed income instruments, fills of combined orders are allocated among participating accounts *pro rata* based on order size, subject to the minimum denomination and lot size requirements for the instrument.
- For fixed income instruments issued in the new issue market, under certain circumstances, MFSI may give priority to certain accounts with state-specific or other restrictive mandates.

Each account that participates in an aggregated trade will receive the average price for that trade and will share the transaction costs (other than costs related to payment for research, if any) *pro rata* based on the account's participation on the transaction. MFSI may exclude certain accounts from the allocation of costs relating to the payment of research on a *pro rata* basis if consistent with applicable law (*e.g.*, Section 28(e)).

MFSI may round allocations to meet minimum lot-size and denomination requirements for each participating account. MFSI may also adjust allocations to satisfy minimum holding thresholds at the account level as established by MFSI from time to time to address liquidity or other concerns.

Trading may reallocate executed trades by adding new or follow-on orders post-execution if the orders are received within a reasonable period of time during the trading day and either of the following two conditions are satisfied: (i) trading reasonably believes that the addition of the orders will not have a material adverse impact on the accounts participating in the original order; or (ii) the additional orders are based on the same event, information or analyst recommendation that prompted the original order, determined in accordance with standards identified periodically by the IMC or TOMC.

The allocation policies and procedures also prohibit allocations of Limited Offerings to: (i) Wrap Program accounts; or (ii) any account for which MFSI does not believe that applicable law or the rules or regulations of any governmental or self-regulatory organization would permit such investments.

Post-Trade Date Allocations

MFSI may allocate instruments to an account after trade date as long as the reasons for post-trade date allocations are documented, and approved in accordance with the allocation policies and procedures. Examples of reasons for post-trade date allocations include, but are not limited to: orders executed while systems necessary to make accurate allocations are unavailable; or changes to allocations resulting from an error.

Wrap Program Brokerage Arrangements, Order Execution and Allocation

As described above in Item 4, Advisory Business, MFSI provides advisory services to SMA Programs, which may be in bundled or dual-contract arrangements, and Model-Delivery Services. The bundled or wrap fees charged to Wrap Program participants generally cover the costs of brokerage commissions and other charges only for transactions effected through a Wrap Program sponsor or its affiliates. However, MFSI's arrangements with certain SMA Program sponsors allow MFSI the discretion to select other brokers for participant's account transactions (a practice called "stepping out" trades). Nevertheless, MFSI expects to direct brokerage transactions for Wrap Program participants through a sponsoring broker or its affiliates almost all of the time because MFSI believes that any benefit that may be experienced from executing brokerage transactions with a third-party broker will typically be outweighed by the incremental commission that would be incurred by the participant. Directing brokerage transactions through a sponsor or its affiliates may adversely affect the quality of execution that participants might otherwise receive for certain types of trades. As a result of information limitations arising under the Wrap Program structure in most instances, MFSI is not in a position to effectively monitor or evaluate the nature and quality of the services participants receive from the Wrap Program sponsor, including execution services.

For Model-Delivery Programs and SMA Programs where trades are effected through the sponsor (which is expected to be almost all cases), MFSI will release orders and portfolio model changes according to a rotation methodology designed to treat all participating sponsors fairly and equitably over time. In its discretion, MFSI may choose to provide trading guidance to one or more Wrap Program sponsors. Such instructions may include, among others, participation rates, limit orders or, for ADR trades, instructions to access local market liquidity. Additionally or alternatively, in its discretion, MFSI may slow the pace of the rotation when it believes one or more securities are subject to liquidity constraints as described below. MFSI believes that slowing the overall pace of trading among Wrap Program sponsors in these cases will result in a reduced impact to the average price of the security achieved by all sponsors, thereby mitigating the effects of multiple large orders, including any orders for other non-Wrap Program clients of MFSI, competing in the market. Under these circumstances, some Wrap Program sponsors would not receive the communication of the order or portfolio model change until later in the day and the likelihood that such sponsors would not be able to complete the whole order before markets close would increase. In considering whether a security is subject to liquidity constraints, MFSI may take into consideration, among other factors, the percent of average daily volume of a trade in isolation, whether MFSI or another MFS Global Group member will be active (or expects to be active) in trading the security on behalf of other client accounts, the percent of average daily volume for the trade taking into account these other client accounts, as well as the trader's knowledge of a potential event in the security or expectations around volatility in the security ("Liquidity Factors").

There are times when MFSI will release orders and portfolio model changes to Wrap Program sponsors in rotation at the same time that it trades the same securities for non-Wrap Program accounts. MFSI may complete the order(s) for non-Wrap Program clients more quickly or more slowly than the Wrap Program sponsors. Consequently, Wrap Program clients and non-Wrap Program clients may experience different execution prices when trading the same securities in the market at the same time.

Maintenance trades, which are trades required due to opening new accounts, closing existing accounts, and effecting additions to or reductions in open accounts (including trades to recognize gains or losses, and trades to implement new or different restrictions), are processed differently from trades resulting from investment decisions. For most SMA Programs, MFSI generally directs maintenance trades to the Wrap Program sponsor. For Model Delivery Programs, the sponsor (or a third party like an overlay manager) performs all maintenance trades in accordance with the last-delivered portfolio models. MFSI neither participates in, nor is responsible for, Model Delivery Program maintenance trades. Participants in Wrap Programs should consult their sponsor's Wrap Fee Program Brochure and/or ask sponsors for more information about how maintenance trades are effected for their account.

A sponsor may require MFSI to trade all securities transactions for its Wrap Program with the sponsor, impose restrictions upon MFSI from trading with a broker other than the sponsor, prohibit MFSI from stepping out to an affiliate of the sponsor or permit MFSI to step out from the sponsor without any restriction. Participants in Wrap Programs should consult their sponsor's Wrap Fee Program Brochure and/or ask program sponsors about any restrictions imposed on MFSI.

As described above, certain Wrap Program sponsors permit MFSI to step out from the program's sponsor. When permitted to step out, MFSI determines whether to execute Wrap Program trades with the program sponsor or to execute those trades with another broker. In making this determination, MFSI may consider, among other factors, the Liquidity Factors described above.

MFSI can, but is not required to, aggregate trades for all the Wrap Program accounts that are being stepped out ("Step-Out Wrap accounts"). The trader can elect to execute all orders attributable to all Step-Out Wrap accounts in combination, simultaneously or successively in a rotation MFSI believes to be equitable, as determined in the trader's discretion. For example, if MFSI believes that one or more Step-Out Wrap accounts is not permitted to transact with the broker chosen by the trader, for reasons of affiliation or otherwise, then such Step-Out Wrap account orders may be executed with a different broker at the same time as the other Step-Out Wrap account orders are being executed or by participating in a rotation MFSI believes to be equitable with the other Step-Out Wrap account, as determined in the trader's discretion.

Orders for Step-Out Wrap accounts are unlikely to be aggregated with, or executed through the same executing broker as, open orders for the same security for non-Wrap Program accounts. Additionally, orders for Step-Out Wrap accounts, if received while orders for other non-Wrap Program accounts are being executed for the same security, may be executed generally either simultaneously with the other orders or through a rotation MFSI believes to be equitable with the other non-Wrap Program accounts' orders, as determined in the trader's discretion.

Although MFSI expects to step out infrequently, when it does so, MFSI may elect to provide trade execution services for some Wrap Program accounts (*i.e.*, the Step-Out Wrap accounts), but not others (*i.e.*, the non-Step-Out Wrap accounts). This could occur, for example, when a Wrap Program account has a smaller asset size in aggregate and MFSI believes the benefits associated with stepping out would be minimal. When this occurs, the Wrap Program sponsors for the non-Step-Out Wrap accounts will execute those trades. In these cases, MFSI will release the order, or, for Model-Delivery Programs, the model account, to the sponsors of the non-Step-Out Wrap accounts in a rotation it believes to be equitable, but it will not trade the Step-Out Wrap accounts in this rotation. As a result, with respect to a particular order, trading on behalf of Step-Out Wrap accounts is not subject to the same rotation to which trading by the non-Step-Out Wrap accounts will be subject and trading for Step-Out Wrap accounts will occur during a different timeframe than trading for non-Step-Out Wrap accounts.

When MFSI steps out, in order to facilitate the allocation of investments to individual SMA Program participants, MFSI can elect to allocate executed trades on a *pro rata* basis or randomly among Wrap Program sponsors or participant accounts, as determined in MFSI's discretion.

ADR Trading Considerations

The MFS Research International ADR SMA strategy generally gains exposure to foreign securities on behalf of Wrap Program participants through the investment in ADRs. Transactions in ADRs involve fees and expenses not typically involved in non-ADR transactions.

There are times when the market in ADRs in the U.S. is not sufficiently liquid for an advantageous purchase or when the U.S. markets are not open, and in those cases an ADR may be "created." "Creation" of an ADR involves the purchase of ordinary shares of a foreign issuer and deposit of such shares with an ADR custodian, which creates the ADR. When MFSI elects to create an ADR (in cases where it steps out), a broker initiates the transaction and then steps out the transaction to the Wrap Program sponsor. Upon a sale, the ADR is "collapsed," and the underlying shares of the foreign issuer are sold in the foreign market. In those cases, Wrap Program participants will incur a proportionate share of any costs associated with the creation of such ADR in which the Wrap Program participant's assets are invested, and can also incur fees associated with creating or collapsing ADRs. For example, depending upon where the underlying stock is traded, an exchange fee or stamp fee could be charged, and ADR conversion fees are also charged. Participants in Wrap Programs should consult their sponsor's Wrap Fee Program Brochure and/or ask sponsors about the sponsor's trading practices and any expenses relating to ADRs.

<u>Other Trading Practices</u>

Crossing

MFSI may "cross" opposing trades (*e.g.*, a buy order and a sell order for the same security) and may elect to do so for accounts where crossing is permitted, consistent with MFSI's duty to seek best execution for all accounts participating in the cross trade. In engaging in cross trades, MFSI may have an incentive to favor one account over another by exchanging securities at a price that is advantageous to the favored account, or selling illiquid securities from the favored account to another account. Consistent both with Section 206 of the Advisers Act and Rule 17a-7 under the 1940 Act, as applicable, MFSI has adopted policies and procedures governing purchases or sales of securities between eligible accounts (ERISA accounts are not generally eligible accounts) managed by MFSI, or purchases or sales of securities between an account managed by MFSI and one managed by another member of the MFS Global Group. Under these procedures:

- the transaction will be a purchase or a sale for no consideration other than a cash payment against prompt delivery of a security for which market quotations are readily available or are deemed to be readily available;
- the transaction will be consistent with the investment objectives, policies and restrictions of each party to the transaction;

- except for customary transfer fees, no brokerage commission, fee or other remuneration will be paid in connection with the transaction; and
- the transaction will be effected at the then-current market price of the security.

The MFS Global Group does not effect cross trades where a party is prohibited or materially restricted from participating in cross trades by agreement or applicable law.

Foreign Currency Exchange (FX) Transactions

Each account will be set on MFS' trading system with a single operating currency (which will not necessarily be the same as the reporting currency of the account). Account trades and flows that occur in currencies other than the operating currency will be converted to the operating currency by processing a foreign exchange (FX) transaction.

Foreign income and dividend repatriation FX transactions are FX transactions executed in order to convert dividends, interest payments and other income received in a currency other than the account's operating currency ("foreign currency") into the account's operating currency. With respect to foreign income and dividend repatriation FX transactions, MFSI will direct the client's custodian bank to execute the FX transactions in order to repatriate all income to the operating currency of the account, unless the client requests otherwise.

Securities-related FX transactions are FX transactions executed in connection with specific purchase and sale transactions in individual securities in order to effect an exchange between the account's operating currency and the foreign currency in which a particular security is denominated. With respect to securities-related FX transactions, clients of MFSI may choose to have FX transactions effected either through MFSI or through their respective custodian. Where MFSI has been given authority to effect securities-related FX transactions for a client, MFSI is permitted to execute FX transactions for the account with brokers MFSI selects at its discretion for currency management purposes, unless the scope of authority given to MFSI by the client enables the client to direct otherwise (*e.g.,* by reason of any client-directed brokerage requirements the client may have, any brokerage affiliation issues the client may have, and/or any specific approved broker lists the client may have provided to MFSI). Generally, transactions for accounts with similar currency needs will be aggregated based on the currencies involved as well as matching trade and settlement date requirements. In situations where MFSI encounters offsetting currency needs for accounts at approximately the same time, and where the other details of the needs match, net transactions will be executed. In such cases, the participating accounts must be eligible for netting transactions. For example, MFSI will not consider accounts subject to ERISA to be eligible to participate in such netting transactions, and, depending on a non-ERISA account's particular restrictions, including, for example, any client-directed brokerage or custodian bank requirements, a non-ERISA account may or may not be eligible to participate in netting transactions. Where the client has chosen to have securities-related FX transactions effected through its custodian, MFSI will direct the client's custodian bank to execute securities-related FX transactions (the custodian bank may have different netting practices).

For all accounts (regardless of whether the client has chosen to have FX transactions effected through its custodian or through MFSI), the client's custodian bank or a third-party agent will generally process FX transactions related to securities transactions and income and dividend repatriations for transactions in countries that restrict transactions in their currency due to regulatory or foreign exchange controls (*i.e.*, so-called “restricted markets”). MFSI will provide the client’s custodian bank or third-party agent with FX instructions for all security settlements in such restricted markets on a trade by trade basis, which instructions are in turn sent by the custodian bank or third-party agent to its trading desk or local sub-custodian for execution.

For any FX transaction executed through an institutional client’s custodian (whether for security transaction purposes at the client’s direction or foreign income and dividend repatriation purposes as part of MFSI’s standard process), the client generally negotiates the fees charged by the custodian on these FX transactions, and MFSI generally does not evaluate the services provided to the client.

MFSI recognizes that FX transactions may positively or negatively affect performance and does not seek to take any investment view on operating currency related FX transactions.

In some cases, where permitted and consistent with the investment style for an account and determined to be appropriate for the client, MFSI will also execute FX transactions to obtain currency exposure and/or for risk management purposes for the client, depending upon the client account’s specific mandate and investment guidelines. In these cases, MFSI is permitted to execute FX transactions for the account with brokers that MFSI selects at its discretion for such purposes, unless directed otherwise by a client. In these cases, MFSI will follow the same aggregation and netting practices described above.

Item 13 – Review of Accounts

Internal Reviews of Accounts

All accounts are managed day-to-day by investment personnel of MFS who are also officers of MFSI, and who are supervised by senior employees of the MFS Global Group.

MFSI monitors client accounts on an on-going basis and performs periodic reviews. Further reviews may also be triggered by changes to account strategy or market conditions. Accounts are regularly reviewed from different perspectives by different groups within the MFS Global Group including the portfolio management, Global Investment and Client Support and Compliance teams. Semi-annual risk reviews, led by members of the Investment Risk Management Team, with participation and direction from the IMC, are an integral component of the review process. The IMC, chaired by the Chief Investment Risk Officer, and comprised of senior investment professionals, including the Chief Investment Officer and Directors of Trading, provides governance and oversight to all matters relating to the management of investment personnel; portfolio management, research and trading; the establishment and monitoring of investment policies/procedures; and the monitoring and management of investment risk.

Client Reporting

Periodic reports (oral, written or both) are provided to clients from time to time in a form mutually agreed with MFSI. MFSI typically provides clients with both quarterly and monthly written reports. Quarterly reports include account commentary, performance and attribution, market value, account holdings and transaction detail in addition to information on corporate actions. Monthly reports are more concise and include performance and market value. In addition, as agreed with MFSI, customized reporting is available. Written reports are delivered via e-mail and also can be retrieved directly and securely by clients from MFSI's website. MFSI also typically provides a similar range of information orally to clients through in-person meetings, virtual meetings, conference calls, webinars and client conferences. As discussed above, MFSI may base its performance reporting upon its own valuation of account assets, as agreed to with a client. In presenting its performance, MFSI is incentivized to overstate performance by overvaluing account holdings. Please see under Item 5—*Fees and Compensation*, for more information.

Reports can be sent by a third-party service provider on behalf of MFSI.

Annual audited financial statements are prepared for each private fund sponsored by MFSI, and the fund and its investors receive copies of such statements, generally within 120 days following the fund's fiscal year end.

Item 14 – Client Referrals and Other Compensation

Many of MFSI's clients retain investment consultants to assist with the selection of investment managers such as MFSI. Typically, such investment consultants are compensated by the client, not MFSI. However, MFSI could also have its own relationship with a client's investment consultant in connection with services provided by the consultant to MFSI, including, without limitation, competitive universe databases, manager performance analytics, investment forums, and business or product consulting engagements. MFSI pays such consultants for these services and believes that the payments it makes to such consultants are fair in relation to the services purchased. Such payments are not intended by MFSI to, and do not, compensate a consultant for recommending, or induce such consultants to recommend, MFSI's services or products to the clients of the consultants. In addition, MFSI provides money management services to certain investment consultants for their own account that could (but are in no event required to) recommend MFS Global Group services or products to one or more of their clients. MFSI seeks to maintain arm's-length relationships when receiving or providing services to investment consultants.

To the extent that MFSI enters into solicitation or referral arrangements with a third party to solicit or refer new clients to MFSI, it intends to comply with the disclosure and other requirements applicable to such relationships under applicable laws and regulations, which include providing disclosure to clients who have been solicited by a person to whom MFSI pays a fee. With respect to its business outside of the U.S., MFSI has in the past and may from time to time in the future use local companies in certain jurisdictions for a fee to assist it in obtaining new clients. MFSI may be required to pay fees to certain third party agents that have been retained by clients to assist the client in the selection of investment managers. Although the third party agent has been retained by the client, the obligation to pay a referral fee becomes the responsibility of the investment manager in the event that the investment manager enters into an investment management agreement with the client. To the extent SEC client disclosure rules or other requirements are applicable to such arrangements, MFSI will comply with such requirements.

Item 15 – Custody

MFSI generally does not maintain custody of client funds or securities because it does not have possession or have authority to obtain possession of such funds or securities. Client funds and securities managed by MFSI are held on the client's behalf with third-party custodians. However, MFSI has custody under the Advisers Act over the MFS Private Funds by virtue of its role as managing member and investment adviser. Investors in such funds will receive audited financial statements annually, within 120 days following the fund's fiscal year end.

Additionally, to the extent that a client has given MFSI authorization to deduct advisory fees from the client's account, MFSI will typically be deemed to have custody of such client accounts. Clients should review any statements received from MFSI or a custodian carefully, and to the extent they receive statements from both MFSI and a custodian, they are urged to compare such statements carefully.

Item 16 – Investment Discretion

As discussed in Item 4, *Advisory Business*, MFSI is generally retained on a discretionary basis to manage client assets consistent with the investment strategy or mandate. Before assuming discretionary authority, MFSI requires a client to enter into a written investment management agreement with MFSI. Any limitations on MFSI's discretion in the case of a particular client will be agreed upon in advance and set forth in the investment management agreement between MFSI and such client or other governing documents. Such limitations may include reasonable restrictions on investing in certain securities, derivatives or types of securities or derivatives, as described in Item 4, *Advisory Business*, and client-directed brokerage and other limitations on MFSI's authority to freely select brokers to execute client transactions, as described in Item 12, *Brokerage Practices*. Limitations on MFSI's discretion will likely result in your account experiencing different performance returns (higher or lower) than other similar institutional accounts in the same investment mandate.

In order for MFSI to fully exercise its discretionary investment management authority, MFSI asks clients to execute and deliver any and all agreements, instruments, contracts, assignments, bond powers, stock powers, transfer instructions, receipts, waivers, consents and other documents, provide any and all information and perform any and all such acts, as MFSI may deem necessary or reasonably desirable (collectively, "Necessary Actions"). If a client fails to perform any Necessary Action, MFSI may be unable to fully exercise its discretionary investment management authority and, consequently, the performance of the client's account may differ from the performance of similarly-managed accounts of MFSI with respect to which all Necessary Actions have been fully performed.

In addition, the IMC of MFS (as defined in Item 12, *Brokerage Practices*), which is comprised of members of senior management and representatives of the investment departments, meets on a regular basis to establish and monitor investment policies and procedures. These policies and procedures govern, among other things, the exercise of MFSI's discretionary authority. The IMC also provides ongoing oversight of investment personnel, including portfolio management, research and trading.

Unsupervised Assets

From time to time, clients may leave in the custodial account subject to MFSI's discretionary management certain securities or other property over which MFSI has not been given discretionary authority ("Unsupervised Assets"). MFSI may request that the client (or, for SMA Program participants, the participant's financial advisor) confirm in writing the identity of any Unsupervised Assets. Unless otherwise agreed to with the client (or for SMA Program participants, as agreed to with the participant or the participant's financial advisor), MFSI will not provide investment advisory services of any kind with regard to Unsupervised Assets. MFSI will have no duty, responsibility, or liability with respect to the Unsupervised Assets and will not take the Unsupervised Assets into consideration when managing the portion of the account for which it provides investment advice.

Item 17 – Voting Client Securities

The MFS Global Group has adopted the MFS Proxy Voting Policies and Procedures ("Proxy Voting Policy") with respect to securities owned by the clients for which it serves as investment adviser and has the power to vote proxies. The MFS Global Group's policy is that proxy voting decisions are made in what it believes at the time to be the best long-term economic interests of its clients and not in the interest of any other party or in the MFS Global Group's own corporate interests, including its institutional relationships or the distribution of MFS Fund shares.

The MFS Global Group has retained a proxy administrator to provide certain proxy voting administrative services. Subject to monitoring by the MFS Global Group, the proxy administrator automatically votes proxies in accordance with the MFS Global Group's predetermined criteria, as set forth in the Proxy Voting Policy, for all proxy matters that do not require the particular exercise of discretion or judgment. In these circumstances, if the proxy administrator, in applying the Proxy Voting Policy's predetermined criteria, expects to vote against management with respect to a proxy matter and MFSI becomes aware that the issuer has filed additional solicitation materials sufficiently in advance of the deadline for casting a vote at the meeting, MFSI will consider such information when casting its vote. With respect to proxy matters that require the particular exercise of discretion or judgment, the MFS Proxy Voting Committee or its representatives considers and votes on those proxy matters. In analyzing all proxy matters, MFSI uses a variety of materials and information, including, but not limited to, the issuer's proxy statement and other proxy solicitation materials (including supplemental materials), our own internal research and research and recommendations provided by other third parties (including research of the proxy administrator).

MFSI also generally votes consistently on the same matter when securities of an issuer are held by multiple accounts. However, there are circumstances where one client's securities are voted differently from another client's securities. One reason why MFSI could vote differently on the same matter is if MFSI has received explicit voting instructions from a client to vote differently on behalf of its account. From time to time, MFSI also receives comments on the Proxy Voting Policy from its clients. These comments are carefully considered by the MFS Proxy Voting Committee, which is responsible for reviewing Proxy Voting Policy and revising them as appropriate, in MFSI's sole judgment.

The Proxy Voting Policy is intended to address potential material conflicts of interest on the part of MFSI or other members of the MFS Global Group that are likely to arise in connection with the voting of proxies on behalf of MFSI's clients. If such potential material conflicts of interest do arise, MFSI will analyze and document them and will ultimately vote the relevant proxies in what MFSI believes to be the best long-term economic interests of its clients. The MFS Proxy Voting Committee is responsible for monitoring and reporting with respect to such potential material conflicts of interest.

A copy of our Proxy Voting Policy can be obtained by visiting mfs.com/proxy voting. MFSI will also furnish a copy of the Proxy Voting Policy to any client upon such client's request. A client can additionally request at any time a record of all votes cast for its account. The record reflects the proxy issues that MFSI voted for the client during the past year, and the position taken with respect to each issue. A client can also request a report identifying any situations in which MFSI may not have voted in accordance with specific guidelines of its proxy voting policies and procedures with respect to the client's account.

Item 18 – Financial Information

Not Applicable.

Privacy Policy

FACTS	WHAT DOES MFS DO WITH YOUR PERSONAL INFORMATION?
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
What?	The types of personal information we collect and share depend on the product or service you have with us. This information can include: ▪ Social Security number and account balances ▪ Account transactions and transaction history ▪ Checking account information and wire transfer instructions When you are *no longer* our customer, we continue to share your information as described in this notice.
How?	All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons MFS chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does MFS share?	Can you limit this sharing?
For our everyday business purposes– such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes– to offer our products and services to you	No	We don't share
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes– information about your transactions and experiences	No	We don't share
For our affiliates' everyday business purposes– information about your creditworthiness	No	We don't share
For nonaffiliates to market to you	No	We don't share

Questions?	Call **800-225-2606** or go to **mfs.com**.

Who we are	
Who is providing this notice?	MFS Funds, MFS Investment Management, MFS Institutional Advisors, Inc., and MFS Heritage Trust Company.

What we do	
How does MFS protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include procedural, electronic, and physical safeguards for the protection of the personal information we collect about you.
How does MFS collect my personal information?	We collect your personal information, for example, when you ▪ open an account or provide account information ▪ direct us to buy securities or direct us to sell your securities ▪ make a wire transfer We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.
Why can't I limit all sharing?	Federal law gives you the right to limit only ▪ sharing for affiliates' everyday business purposes—information about your creditworthiness ▪ affiliates from using your information to market to you ▪ sharing for nonaffiliates to market to you State laws and individual companies may give you additional rights to limit sharing.

Definitions	
Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies. ▪ *MFS does not share personal information with affiliates, except for everyday business purposes as described on page one of this notice.*
Nonaffiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies. ▪ *MFS does not share with nonaffiliates so they can market to you.*
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. ▪ *MFS doesn't jointly market.*

Other important information

If you own an MFS product or receive an MFS service in the name of a third party such as a bank or broker-dealer, their privacy policy may apply to you instead of ours.

The information below is provided for clients subject to ERISA

ERISA Section 408(b)(2) Fee Disclosure and
Form 5500 Schedule C Information

MFS Institutional Advisors, Inc. ("MFSI")

INTRODUCTION

As you may know, U.S. Department of Labor regulations under Section 408(b)(2) of the Employee Retirement Income Security Act of 1974, as amended (“**ERISA**”), require covered service providers, including investment advisers, to provide written compensation disclosure to certain ERISA-covered retirement plans ("**Plans**") in relation to the services provided to them. This is a one-time disclosure, unless notice is required due to material changes. In this notice, we will refer to those regulations as the “**Section 408(b)(2) Regulations**". In addition, Plan sponsors filing a Form 5500 Schedule C are required to report certain direct and indirect compensation paid with respect to a Plan. Please note that the Section 408(b)(2) Regulations and Form 5500 Schedule C requirements do not apply to SEP IRAs, SIMPLE IRAs, traditional or Roth IRAs, or owner-only Keogh-type plans.

This disclosure document is directed to employers/fiduciaries of Plans that invest in a single-contract separate account sponsor program (at MFSI these are called a Wrap Program). The purpose of this document is to identify documents that contain information relating to fees and services for purposes of satisfying the Section 408(b)(2) Regulations and Form 5500 Schedule C reporting requirements. The MFSI Form ADV, Part 2A ("**Firm Brochure**") is referenced in this notice. If you need a copy, please contact Orville Clarke, MFS Relationship Manager, 617-954-7248.

A. Identifying Information:

This document was prepared by **MFS Institutional Advisors, Inc., 111 Huntington Avenue, Boston, MA 02199. EIN: 04-3247425**

B. MFSI's Status as Fiduciary and Investment Adviser:

MFSI is registered with the Securities and Exchange Commission as an investment adviser under the Investment Advisers Act of 1940, as amended, and is a fiduciary within the meaning of ERISA Section 3(21)(A)(i) with respect to the investment management of the Plan's Wrap Program account. MFS is a "covered service provider" as defined in the Section 408(b)(2) Regulations.

C. MFSI's Services:

MFSI provides investment advisory services for the Plan's account through a Wrap Program and provides periodic reporting related to the account. For additional information, see your agreement with your Wrap Program sponsor. Also see the discussion of advisory services provided through a Wrap Program in the Firm's Brochure (***Item 4 – Advisory Business)***. MFS does not provide investment advice with respect to a Plan's decision to invest or divest in a strategy managed by MFS.

D. MFSI's Compensation and Manner of Payment:

Investment Management Fee: See the fee information in your agreement with the Wrap Program sponsor. For additional information concerning how MFSI is compensated for providing advisory services through a Wrap Program, see the Firm's Brochure (heading "Wrap Program Fees and Expenses" under *Item 5, Fees and Compensation).*

Non-Cash Compensation (gifts and entertainment) (Indirect Compensation): MFSI, its parent, Massachusetts Financial Services Company, and other affiliates (collectively, for purposes of this section, "**MFS**") will take reasonable steps to ensure that employees do not accept, in the course of business, any inducements which may lead to conflicts of interest. MFS's gifts and entertainment policy instructs employees that they should not accept a gift or entertainment relating to a client that is subject to ERISA. MFS believes that any gifts and entertainment received by MFS employees are received in the context of a general business relationship and should not be viewed as attributable or allocable to any particular investor or product (including any Wrap Program). In any event, if the value of gifts and entertainment received by MFS employees during the relevant calendar year were allocated by MFS to its clients and fund investors pro rata based on the value of their accounts in relation to total assets under management, MFSI believes the value allocated to their accounts would be beneath the reporting thresholds for non-monetary compensation set forth in the Form 5500 Schedule C instructions.

E. Termination Compensation:

MFSI receives an advisory fee through the date that services are terminated. For more information, see the fee information in your agreement with the Wrap Program sponsor.

CAUTION FOR PLAN ADMINISTRATOR

THIS DISCLOSURE DOCUMENT IS NOT, AND SHALL NOT BE DEEMED TO CONSTITUTE, LEGAL ADVICE TO RETIREMENT PLANS REGARDING COMPLIANCE WITH FORM 5500 SCHEDULE C REPORTING REQUIREMENTS AND IS ONLY INTENDED TO FURNISH INFORMATION TO SUCH PLANS TO ASSIST THEM IN COMPLYING WITH THE FORM 5500 SCHEDULE C REPORTING OBLIGATIONS.

Following this page you will see the Form ADV Part 2B for the Large Cap Value Strategy and following that you will see the Form ADV Part 2B for the Research International Strategy.

Following this page you will see the Form ADV Part 2B for the Large Cap Value SMA Strategy.

Katherine A. Cannan

MFS Investment Management
111 Huntington Avenue
Boston, MA 02199
Phone: (617) 954-5000

March 1, 2020

This brochure supplement provides clients with information about Katherine Cannan that supplements the MFS Investment Management brochure, of which you should have received a copy. Please contact MFS Investment Management at (617) 954-5000 if you did not receive a copy of the brochure. If you have any questions about the contents of this brochure supplement, please contact either Kevin Beatty, at (617) 954-4065, or Alison O'Neill Mackey, at (617) 954-4011, who are co-CIOs of Equity - Americas.

EDUCATIONAL BACKGROUND & BUSINESS EXPERIENCE

Katherine A. Cannan

Year of Birth: 1985

Education

Northwestern University, Bachelor of Arts Degree, Economics, 2007

Harvard Business School, MBA, 2013

Business Experience

Equity Portfolio Manager, MFS, 1/2020 - Present

Research Analyst, MFS, 9/2013 - Present

Portfolio managers and analysts associated with MFS Investment Management must meet certain standards set forth by the firm. Generally, MFS Investment Management requires portfolio managers and analysts to have a college degree or a minimum of four years related experience, have displayed a high degree of integrity in previous business background, have high standards of morals and ethics and be committed to providing quality investment advice.

Professional Licenses/Designations

None.

DISCIPLINARY INFORMATION

This individual has no material disciplinary events to report.

OTHER BUSINESS ACTIVITIES

This individual has no other business activities to report.

ADDITIONAL COMPENSATION

This individual has no additional compensation to report.

SUPERVISION

The individuals responsible for monitoring Katherine Cannan's advisory activities are co-CIOs of Equity - Americas Kevin Beatty, who may be reached at (617) 954-4065, and Alison O'Neill Mackey, who may be reached at (617) 954-4011. In connection with such monitoring, Kevin and Alison conduct semiannual performance evaluations and, as applicable, review research notes prepared and/or participate in routine risk reviews for portfolios managed by Katherine Cannan. In addition, Kevin and Alison report to CIO Ted Maloney, who is a member of the Investment Management Committee. The Investment Management Committee meets on a regular basis, providing oversight of aspects of portfolio management, research, and trading and establishing and monitoring investment policies and procedures.

Nevin Paul Chitkara

MFS Investment Management
111 Huntington Avenue
Boston, MA 02199
Phone: (617) 954-5000

February 22, 2021

This brochure supplement provides clients with information about Nevin Chitkara that supplements the MFS Investment Management brochure, of which you should have received a copy. Please contact MFS Investment Management at (617) 954-5000 if you did not receive a copy of the brochure. If you have any questions about the contents of this brochure supplement, please contact either Kevin Beatty, at (617) 954-4065, or Alison O'Neill Mackey, at (617) 954-4011, who are co-CIOs of Equity - Americas.

EDUCATIONAL BACKGROUND & BUSINESS EXPERIENCE

Nevin Paul Chitkara

Year of Birth: 1968

Education

Boston University, Bachelor's Degree, Business Administration, 1990

Massachusetts Institute of Technology, Sloan School of Management, MBA, 1997

Business Experience

Portfolio Manager, MFS, 5/06 - Present

Portfolio managers and analysts associated with MFS Investment Management must meet certain standards set forth by the firm. Generally, MFS Investment Management requires portfolio managers and analysts to have a college degree or a minimum of four years related experience, have displayed a high degree of integrity in previous business background, have high standards of morals and ethics and be committed to providing quality investment advice.

Professional Licenses/Designations

None.

DISCIPLINARY INFORMATION

This individual has no material disciplinary events to report.

OTHER BUSINESS ACTIVITIES

This individual has no other business activities to report.

ADDITIONAL COMPENSATION

This individual has no additional compensation to report.

SUPERVISION

The individuals responsible for monitoring Nevin Chitkara's advisory activities are co-CIOs of Equity - Americas Kevin Beatty, who may be reached at (617) 954-4065, and Alison O'Neill Mackey, who may be reached at (617) 954-4011. In connection with such monitoring, Kevin and Alison conduct semiannual performance evaluations and, as applicable, review research notes prepared and/or participate in routine risk reviews for portfolios managed by Nevin Chitkara. In addition, Kevin and Alison report to CIO Ted Maloney, who is a member of the Investment Management Committee. The Investment Management Committee meets on a regular basis, providing oversight of aspects of portfolio management, research, and trading and establishing and monitoring investment policies and procedures.

Jonathan W. Sage

MFS Investment Management
111 Huntington Avenue
Boston, MA 02199
Phone: (617) 954-5000

February 22, 2021

This brochure supplement provides clients with information about Jonathan Sage that supplements the MFS Investment Management brochure. You should have received a copy of the MFS Investment Management brochure. Please contact Joseph C. Flaherty, Chief Investment Risk Officer and Co-Director of Quantitative Solutions at (617) 954-4121 or MFS Investment Management at (617) 954-5000 if you did not receive a copy of the MFS Investment Management brochure or if you have any questions about the contents of this brochure supplement.

EDUCATIONAL BACKGROUND & BUSINESS EXPERIENCE

Jonathan W. Sage

Year of Birth: 1973

Education

Tufts University, BA, Social Psychology, 1995

Boston College, MBA, 2008

Boston College, MSF, 2011

Business Experience

Portfolio Manager, MFS, 10/2005 - Present

Portfolio managers and analysts associated with MFS Investment Management must meet certain standards set forth by the firm. Generally, MFS Investment Management requires portfolio managers and analysts to have a college degree or a minimum of four years related experience, have displayed a high degree of integrity in previous business background, have high standards of morals and ethics and be committed to providing quality investment advice.

Professional Licenses/Designations

Chartered Financial Analyst

In order to become a CFA Institute chartered financial analyst (CFA), candidates must pass three six-hour exams, hold a bachelor's degree from an accredited institution (or have equivalent education or work experience) and have 48 months of qualified, professional work experience. CFAs must adhere to a strict code of ethics and standards governing their professional conduct.

DISCIPLINARY INFORMATION

This individual has no material disciplinary events to report.

OTHER BUSINESS ACTIVITIES

This individual has no other business activities to report.

ADDITIONAL COMPENSATION

This individual has no additional compensation to report.

SUPERVISION

The individual responsible for monitoring Jonathan Sage's advisory activities is Joseph C. Flaherty, Chief Investment Risk Officer and Co-Director of Quantitative Solutions, who may be reached at (617) 954-4121. In connection with such monitoring, Joseph C. Flaherty conducts semiannual performance evaluations and, as applicable, reviews research notes prepared and/or participates in routine risk reviews for portfolios managed by Jonathan Sage. In addition, Joseph C. Flaherty is a member of the Investment Management Committee, which meets on a regular basis, providing oversight of aspects of portfolio management, research, and trading and establishing and monitoring investment policies and procedures.

Form ADV Part 2 – MFS Research International ADR Strategy.

James C. Fallon

MFS Investment Management
111 Huntington Avenue
Boston, MA 02199
Phone: (617) 954-5000

February 24, 2021

This brochure supplement provides clients with information about James Fallon that supplements the MFS Investment Management brochure. You should have received a copy of the MFS Investment Management brochure. Please contact Joseph C. Flaherty, Chief Investment Risk Officer and Co-Director of Quantitative Solutions at (617) 954-4121 or MFS Investment Management at (617) 954- 5000 if you did not receive a copy of the MFS Investment Management brochure or if you have any questions about the contents of this brochure supplement.

EDUCATIONAL BACKGROUND & BUSINESS EXPERIENCE

James C. Fallon

Year of Birth: 1969

Education

University of New Hampshire, Bachelors Degree, Mass Communications, 1996

Boston University, MBA, Finance, 2000

Business Experience

Portfolio Manager, MFS, 2/2008 - Present
Research Analyst, MFS, 10/2001 - 2/2008

Portfolio managers and analysts associated with MFS Investment Management must meet certain standards set forth by the firm. Generally, MFS Investment Management requires portfolio managers and analysts to have a college degree or a minimum of four years related experience, have displayed a high degree of integrity in previous business background, have high standards of morals and ethics and be committed to providing quality investment advice.

Professional Licenses/Designations

None.

DISCIPLINARY INFORMATION

This individual has no material disciplinary events to report.

OTHER BUSINESS ACTIVITIES

This individual has no other business activities to report.

ADDITIONAL COMPENSATION

This individual has no additional compensation to report.

SUPERVISION

The individual responsible for monitoring James Fallon's advisory activities is Joseph C. Flaherty, Chief Investment Risk Officer and Co-Director of Quantitative Solutions, who may be reached at (617) 954-4121. In connection with such monitoring, Joseph C. Flaherty conducts semiannual performance evaluations and, as applicable, reviews research notes prepared and/or participates in routine risk reviews for portfolios managed by James Fallon. In addition, Joseph C. Flaherty is a member of the Investment Management Committee, which meets on a regular basis, providing oversight of aspects of portfolio management, research, and trading and establishing and monitoring investment policies and procedures.

Victoria Jane Higley

MFS Investment Management
111 Huntington Avenue
Boston, MA 02199
Phone: (617) 954-5000

March 9, 2021

This brochure supplement provides clients with information about Victoria Higley that supplements the MFS Investment Management brochure. You should have received a copy of the MFS Investment Management brochure. Please contact Gabrielle Gourgey, Institutional Portfolio Manager at (617) 954-4418 or MFS Investment Management at (617) 954-5000 if you did not receive a copy of the MFS Investment Management brochure or if you have any questions about the contents of this brochure supplement.

EDUCATIONAL BACKGROUND & BUSINESS EXPERIENCE

Victoria Jane Higley

Year of Birth: 1972

Education
Durham University UK, Bachelor of Arts Degree, Economics, 1994

Business Experience
Institutional Portfolio Manager, MFS, 9/2011 - Present

Institutional Client Director, Fidelity International, 7/2008 - 5/2011

Institutional Client Director, Equity Research Analyst, UK Portfolio Manager, UBS Asset Management, 9/1994 - 4/2008

Portfolio managers and analysts associated with MFS Investment Management must meet certain standards set forth by the firm. Generally, MFS Investment Management requires portfolio managers and analysts to have a college degree or a minimum of four years related experience, have displayed a high degree of integrity in previous business background, have high standards of morals and ethics and be committed to providing quality investment advice.

Professional Licenses/Designations

Associate of the CFA Society of the UK (ASIP)

DISCIPLINARY INFORMATION

This individual has no material disciplinary events to report.

OTHER BUSINESS ACTIVITIES

This individual has no other business activities to report.

ADDITIONAL COMPENSATION

This individual has no additional compensation to report.

SUPERVISION

The individual responsible for monitoring Victoria Higley's advisory activities is Gabrielle Gourgey, Institutional Portfolio Manager, who may be reached at (617) 954-4418. In connection with such monitoring, Gabrielle Gourgey conducts semiannual performance evaluations and, as applicable, reviews research notes prepared and/or participates in routine risk reviews for portfolios managed by Victoria Higley. In addition, Gabrielle Gourgey reports to Ted Maloney, Chief Investment Officer, who is a member of the Investment Management Committee. The Investment Management Committee meets on a regular basis, providing oversight of aspects of portfolio management, research, and trading and establishing and monitoring investment policies and procedures.

Camille E. Humphries Lee

MFS Investment Management
111 Huntington Avenue
Boston, MA 02199
Phone: (617) 954-5000

December 17, 2019

This brochure supplement provides clients with information about Camille Humphries Lee that supplements the MFS Investment Management brochure. You should have received a copy of the MFS Investment Management brochure. Please contact Kate Mead, Institutional Portfolio Manager at (617) 954-4419 or MFS Investment Management at (617) 954-5000 if you did not receive a copy of the MFS Investment Management brochure or if you have any questions about the contents of this brochure supplement.

EDUCATIONAL BACKGROUND & BUSINESS EXPERIENCE

Camille E. Humphries Lee

Year of Birth: 1963

Education

University of Virginia, BA, 1985

University of Virginia, MBA, 1990

Business Experience

Institutional Portfolio Manager, MFS 12/2000-Present

Portfolio managers and analysts associated with MFS Investment Management must meet certain standards set forth by the firm. Generally, MFS Investment Management requires portfolio managers and analysts to have a college degree or a minimum of four years related experience, have displayed a high degree of integrity in previous business background, have high standards of morals and ethics and be committed to providing quality investment advice.

Professional Licenses/Designations

Chartered Financial Analyst

In order to become a CFA Institute chartered financial analyst (CFA), candidates must pass three six-hour exams, hold a bachelor's degree from an accredited institution (or have equivalent education or work experience) and have 48 months of qualified, professional work experience. CFAs must adhere to a strict code of ethics and standards governing their professional conduct.

DISCIPLINARY INFORMATION

This individual has no material disciplinary events to report.

OTHER BUSINESS ACTIVITIES

This individual has no other business activities to report.

ADDITIONAL COMPENSATION

This individual has no additional compensation to report.

SUPERVISION

The individual responsible for monitoring Camille Humphries Lee's advisory activities is Kate Mead, Institutional Portfolio Manager, who may be reached at (617) 954-4419. In connection with such monitoring, Kate Mead conducts semiannual performance evaluations and, as applicable, reviews research notes prepared and/or participates in routine risk reviews for portfolios managed by Camille Humphries Lee. Kate Mead reports to Gabrielle Gourgey, who in turn reports to Ted Maloney, Chief Investment Officer. Ted Maloney is a member of the Investment Management Committee, which meets on a regular basis, providing oversight of portfolio management, research, and trading, as well as establishing and monitoring investment policies and procedures.