

# Wilshire

## Wilshire Advisors LLC Form ADV Part 2A

Firm Brochure

January 4, 2022

## Wilshire Advisors LLC

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This **ADV Part 2A brochure** provides information about the qualifications and business practices of Wilshire Advisors LLC, (previously, Wilshire Associates, Incorporated and hereinafter Wilshire®). If you have any questions about the contents of this brochure, please contact Wilshire at: 310 451 3051, or by email at: [compliance@wilshire.com](mailto:compliance@wilshire.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC), or by any state securities authority.

Additional information about Wilshire is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Wilshire Advisors LLC is an SEC-registered investment adviser. This registration does not imply any level of skill or training.

### Firm Brochure

To receive a complete copy of Wilshire's firm brochure, without charge, please contact us by telephone at: 310 451 3051 or by email at: [compliance@wilshire.com](mailto:compliance@wilshire.com).

# Material Changes

## Material Changes since the Last Annual Update

This section of Wilshire's brochure provides investors with a summary of material changes to Wilshire's business since our last annual update on May 15, 2021.

Andrew Stewart was appointed Deputy CEO and Chairman of Investment Solutions/Analytics

On July 26, 2021, Scott Condrón was appointed Wilshire's Chief Technology Officer and a member of the executive committee.

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# Wilshire Advisors LLC

## Firm Description

Wilshire Advisors LLC (“Wilshire”) is a privately held investment technology and advisory firm founded in 1972. The founders’ mission was to combine actuarial science with investment principles and apply scientific methods to help institutional investors manage assets and liabilities simultaneously. In its early years, Wilshire introduced the industry to its integrated asset/liability modeling and risk management and portfolio optimization models, to help plan sponsors and institutional investors arrive at optimal portfolios based on their specific needs. Throughout its history, Wilshire has been deemed a leader in the investment community by consistently delivering innovative investment research, products and services that transform complex theory into practical applications.

Wilshire is headquartered in Santa Monica, California with approximately 300 employees in 10 offices serving more than 500 clients worldwide through four primary service offerings.

## Principal Owners

Wilshire Advisors LLC is controlled by Monica Holdco (US) Inc. Monica Holdco (US) Inc. is in turn indirectly controlled by CC Monica Holdings, LLC and Motive Monica LLC (together with its affiliates, the “Owners”).

CC Monica Holdings, LLC is advised by CC Capital, a private investment firm based in New York City founded in 2015 with a focus on investing in and operating high-quality businesses for the long term, with targeted holding periods for their investments beyond what is typically found in the industry. CC Capital funds its investments through a variety of capital sources and frequently partners with executives, managers, and enterprise owners to leverage their knowledge and expertise in adding value to their portfolio companies.

Motive Monica LLC is advised by Motive Partners, a specialist private equity firm with offices in New York City and London. Motive Partners provides growth equity and makes buyout investments in software and information service companies in North America and Europe, primarily in five sectors: Banking & Payments, Capital Markets, Data & Analytics, Investment Advice & Management, and Insurance. Motive brings differentiated expertise, connectivity, and capabilities to create long-term value in financial technology companies.

## Advisory Business

### Types of Advisory Services

Wilshire is a global financial services firm providing diverse discretionary and non-discretionary investment advisory services and products to investors and intermediaries. Wilshire has assets under advisement of approximately \$1.35 trillion as of September 30, 2021. Wilshire has approximately \$93 billion in assets under management, providing discretionary investment services with respect to funds or accounts as follows:

- Wilshire sponsored funds including Wilshire Private Market Funds, the Wilshire Mutual Funds and VITs, the Wilshire Solutions Funds Trust and the Wilshire Institutional Master funds;
- Wilshire’s Collective Investment Trusts;
- Funds sponsored by third parties for which Wilshire serves as sub-adviser with discretion over security selection, asset allocation and/or manager selection;
- OCIO services where Wilshire has the discretion to hire and terminate investment managers and rebalance portfolio assets;
- Model portfolios where Wilshire has discretion over the model;
- Delegated consulting where Wilshire has the discretion to adjust the asset allocation of a portfolio to meet the ranges dictated by the chosen glide path; and

- Defined contribution plans where Wilshire has the discretion over the fund line-up offered to plan participants.

Wilshire's products, services, investment approach and advice may differ between clients (including discretionary accounts and even where similarly situated) and all of Wilshire's products and services may not be available to all clients. Clients may utilize different classes of the same issuer that have different rights, including, without limitation, with respect to liquidity and fees. The exercise of differentiated rights on behalf of one client may impact results and/or the ability of another client to engage in a transaction, investment or activity. Non-discretionary clients may have different rights in the same investment. For example, a private investment (or possibly redemption) on behalf of a discretionary client may prevent the investment into a fund (or redemption out of a fund) of a non-discretionary client. In provision of Wilshire's services Wilshire may use its own products including, but not limited to, the Wilshire Solutions Funds Trust, Wilshire's Collective Investment Trusts, Wilshire Mutual Funds and VITs, Wilshire's master fund platform, and Wilshire's private market funds. Different clients will also have differing fees and expenses apportioned depending on the means through which they receive service or advice.

Different services within Wilshire may have different approaches to managers, portfolios, funds or investment products. Some service provisions may favor, and some client portfolios may be better suited for, more active management based on investment ideas derived from short-term market views ("dynamic tilts"). The use of dynamic tilts may affect (positively or negatively) the volatility and expenses of implementing an investment strategy or portfolio and further cause differences between clients. As well, additional obligations (i.e. contractual, regulatory, or legal) can require Wilshire to impose additional more restrictive limits or alter business activity and services; including providing advice, transacting in securities or engaging in other investment activities for clients or proprietary accounts. For example, in instances in which all of Wilshire is subjected to a non-disclosure agreement (NDA) restrictions will be imposed by that NDA on various activities, as required by the NDA or detailed in Wilshire's NDA policy, Compliance Manual and Code of Ethics.

Wilshire may also offer products and services that compete in the market with products and services of clients relying on Wilshire for advice, or even such products or services. For example, Wilshire may build products from indexes that compete with other users of our index. Wilshire may advise clients about investment funds that compete with funds managed by Wilshire.

Greater detail regarding the advisory services provided by Wilshire are as follows:

## Solutions for Institutional Investors

Wilshire provides discretionary and non-discretionary investment solutions and services to public and private defined benefit and defined contribution pension funds, endowments, foundations, healthcare organizations, insurance companies and sovereign wealth funds. Wilshire assists clients in developing and implementing an investment plan, including setting investment objectives, engaging in manager selection and determining asset allocation, in-line with the client's risk tolerance and return goals.

Wilshire's approach with regards to its institutional advisory services is founded on its belief that industry research and our experience over 40 years demonstrate that asset allocation has the greatest impact on a portfolio's long-term risk and return profile. Wilshire's extensive toolkit of proprietary technology and research provide practical solutions that clients can easily and effectively implement. Wilshire monitors both the plan and the performance of each underlying manager to evaluate the client's success in obtaining its investment objectives.

Clients are provided regular reports detailing Wilshire's assessment, and access to Wilshire's qualitative and quantitative software tools to assist in developing and implementing investment objectives.

### Outsourced Chief Investment Officer (OCIO) Solutions

Wilshire provides discretionary services to clients who wish to outsource their investment process in full or in part. Wilshire's discretionary solutions provide all the services of Wilshire's non-discretionary consulting practice and assume the decision-making authority to hire and fire investment managers as well as implement asset allocation and manager transition strategies in accordance with the investment policy. The service is provided on a customized basis or in a commingled solution as described below.

### The Wilshire Solutions Funds Trust

Wilshire serves as the investment manager to the Wilshire Solutions Funds Trust (“WST”), a pooled investment vehicle consisting of a series of funds. WST is a commingled investment platform offered to clients who seek a pre-packaged solution to access Wilshire’s discretionary services. A complete description can be found in WST’s offering documents.

### Actuarial Consulting

Wilshire’s actuarial consulting practice provides traditional actuarial services to defined benefit and defined contribution plan sponsors. These services include funding and accounting actuarial valuations, benefit administration and strategic consulting. Wilshire assists plan sponsors to develop and manage their plan policies.

### Private Markets Solutions

Wilshire provides its clients discretionary and non-discretionary private equity and real asset investment solutions and services. Wilshire delivers its services and solutions through i) commingled funds (funds of funds); ii) customized separately managed accounts; and iii) advisory services. Discretionary solutions may be comprised of primary partnership investments, purchases of LP interests in a secondary market, and direct or indirect co-investments alongside private equity fund managers in individual assets and/or securities. Non-discretionary advisory solutions may be comprised of private capital program design, strategy development, investment sourcing, due diligence, monitoring and reporting of private equity fund managers and partnerships for institutional investors. Wilshire’s private markets-focused senior investment professionals execute both diversified and focused investment mandates from four offices in the United States, Europe and Asia, providing a comprehensive approach to the private equity needs of its clients.

Wilshire monitors private markets investments on behalf of its clients and limited partners. Monitoring activity may involve on-site and telephonic portfolio updates, annual meeting attendance, review of amendments to limited partnership agreements, monitoring of investment pace, capital call schedule and distributions, and ensuring funds adhere to stated investment mandates. In many cases Wilshire will request and take seats on fund LP advisory boards. Wilshire utilizes a proprietary investment database to track the status of underlying investments in each partnership. A formal quantitative analysis of relative fund performance is reviewed by Wilshire’s Private Markets Investment Committee quarterly.

### Solutions for Financial Intermediaries

#### Investment Advisory Services

Wilshire offers discretionary and non-discretionary investment advisory services to financial institutions and intermediaries, commingled funds and mutual fund complexes. Wilshire’s financial intermediary clients include insurance companies, broker-dealers, banks, retirement plan service providers, investment managers and family offices. Services include outcome-oriented asset allocation and manager selection services (ranging from advising on existing asset allocation programs or manager platforms to full-scale implementation of multi-asset class, multi-manager investment programs), providing asset allocation model portfolios, sub-advisory services, and ERISA 3(21) and 3(38) fiduciary services with respect to fund lineups for retirement accounts delivered through plan providers. In provision of Wilshire’s advisory services Wilshire may use its own products including the Wilshire Mutual Funds or Wilshire’s Collective Investment Trusts.

#### Wilshire Mutual Funds

Wilshire provides discretionary investment management services to Wilshire Mutual Funds, Inc. and Wilshire Variable Insurance Trust (collectively, the “Funds”). These services include the management of asset class specific multi-manager funds and a global fund. Wilshire manages the Funds primarily through the use of investment managers as sub-advisors to the portfolios of the Funds; other registered investment companies, utilizing a fund of funds approach and by directly investing in securities or derivatives.

#### Wilshire Collective Investment Trust

Wilshire provides discretionary investment management services to the Wilshire Collective Investment Trusts (collectively, the “Trusts”). These services include the management of asset class specific multi-manager funds. Wilshire selects

investment managers as sub-advisors to manage the investment portfolios of the Trusts. Wilshire gains exposure to investment manager strategies within the Trusts through a variety of vehicles, including separate accounts, collective investment funds, mutual funds, and exchange-traded funds.

## Sub-Advisory Services

Wilshire serves as discretionary and non-discretionary sub-advisor to registered investment companies and private funds sponsored and/or managed by third parties. Wilshire's role with respect to each such fund is dictated in each case by the authority given to Wilshire by the sponsor/investment manager of each such fund.

## Hedge Fund Advisory, Risk Premia, Liquid Alternatives and Managed Account Services

Wilshire offers hedge fund manager and risk premia strategy research, selection and advisory services to its clients, as well as research and advisory services for registered investment companies categorized as liquid alternative strategies. Wilshire also operates hedge fund managed account platforms as a turn-key alternative investment management solution open to qualified investors. The platforms provide investors the opportunity to allocate capital across one or more segregated portfolios, each with a unique investment strategy and profile. The platforms offer clients a customizable means to access alternative investments with enhanced transparency and liquidity. Investors in third-party feeder vehicles are not deemed to be Wilshire "clients" under the Investment Advisers Act of 1940 (the "Investment Advisers Act"), but are entitled to the rights and benefits described in the applicable disclosure documents, management agreements, limited liability company agreements and other applicable constituent documents.

Wilshire and Asset Management One USA Inc. ("AMO") maintain a shared database (the "Database") of investable risk premia index products by banks ("Bank Risk Premia Strategies"); and develop products and services utilizing the Database both together and independently. Wilshire shares with AMO a percentage of its revenues derived from Bank Risk Premia Strategies utilized on Wilshire Institutional Master Fund II SPC where AMO is not retained as the sub-advisor with respect to such strategies. Wilshire and AMO also share revenues where one of the two are engaged to provide advisory services or products involving Bank Risk Premia Strategies to a third party and engages the other to provide support or services with respect to such engagement.

## Wilshire Managed Portfolios

Wilshire Managed Portfolios provide financial advisors with a turnkey way of accessing Wilshire's expertise in asset allocation, manager selection and portfolio construction often using Wilshire's mutual funds and/or mutual fund/ETF based model portfolios. Wilshire Managed Portfolios are generally organized around the following themes:

- Wilshire Asset Allocation Portfolios – several distinct series of portfolios which seek to provide broad diversification across asset classes and investment managers. These portfolios contain a range of risk/return profiles designed to suit the individual risk tolerance levels of financial advisors' clients.
- Wilshire Diversified Alternatives Portfolio – seeks to provide diversified exposure to a range of liquid alternative strategies and investment managers.
- Wilshire Active Income Portfolios – seek to provide exposure to a range of income-generating asset classes and investment managers, while generating an attractive risk-adjusted yield as well as total return.

Wilshire markets these managed portfolios directly to independent broker-dealers, RIAs, multi-family offices and wealth management platforms.

## Client Agreements

Prior to the start of any client relationship, Wilshire enters into an agreement with the client. The agreement outlines the terms and conditions of the relationship including a description of the services to be provided by Wilshire, responsibilities of the client, fees as well as other standard contractual terms. Investment goals, objectives and/or guidelines for each advisory client are documented in each client agreement. Clients may impose restrictions on investing in certain securities or types of securities. Advisory agreements may not be amended or assigned without client consent.

The following categories of agreements define our typical client relationships:

Discretionary Investment Management Agreement – Wilshire develops, manages and monitors a client’s portfolio with full discretion to implement investment decisions in accordance with an agreed upon investment policy detailing objectives, time frame and acceptable risks. Wilshire takes a top down, macro approach, providing portfolio construction for the client and hiring third party managers to construct asset portfolios in line with Wilshire’s broad investment mandate.

Non-Discretionary Investment Consulting Agreement – Wilshire advises a client in the development of an investment policy and assists in manager selection and monitoring, performance monitoring and risk analysis.

License Agreement – This is used for clients who want to license Wilshire’s analytical tools or indexes.

Relationships with clients that invest in Wilshire investment vehicles are regulated by the governing documents of the investment vehicles. Wilshire may also enter into an agreement with clients for unique, specified services.

## Termination of Agreements

Generally, after an agreed upon initial term, an advisory client of Wilshire may terminate an agreement with ninety (90) days prior written notice. At termination, fees will typically be billed on a pro rata basis for services provided and Wilshire will refund any unearned portion of paid fees. Wilshire’s agreements for sub-advisory services, private markets separately managed accounts and co-mingled closed-end funds may have alternative termination terms.

# Non-Investment Advisory Services

## Types of Services

Wilshire has fifty years of expertise providing investment firms worldwide with multi-asset class solutions for global risk and performance attribution analytics, GIPS reporting and index services. Institutions served include central and custodial banks, asset management firms, insurance companies, plan sponsors, mutual fund companies and hedge funds. Wilshire's analytics and index solutions include:

## Analytics

A suite of services for global performance attribution, risk management and GIPS compliance. Our clients benefit from access to comprehensive security data, time-tested models and flexible reporting capabilities, including data visualization dashboards powered by business intelligence tools such as Microsoft Power BI or Tableau. Robust capability sets such as scenario analysis and portfolio optimization help clients make better investment decisions and evaluate their impact. Services include: Wilshire Axiom, Wilshire Atlas, Wilshire Abacus, and Wilshire iQComposite;

## Indexes and Benchmarks

Wilshire provides a wide range of broad and sub-market indexes, benchmarks that measure institutional performance and custom indexes;

- Wilshire's broad and sub-market indexes (e.g., Wilshire 5000 Total Market Index<sup>SM</sup>, Wilshire Large-Cap Index<sup>SM</sup>) aim to provide investors with a more accurate measurement of a given market. Wilshire indexes, such as the family of Wilshire Risk Parity Indexes, may be used to build investible products;
- Benchmarks for institutional investor performance provide insight into how institutional investors have allocated assets across US plans over time and the impact of those decisions (e.g., Wilshire Trust Universe Comparison Service<sup>®</sup>, Wilshire Cooperative);
- Wilshire custom indexes: clients leverage Wilshire's index expertise to help bring new ideas to market quickly. Services range from idea generation, research and testing, assistance to develop and implement a methodology, and/ or acting as the calculation agent (e.g., Powered by Wilshire<sup>SM</sup>).
- Wilshire may also develop, manage or distribute products built upon its or its clients' indexes.

## Client Agreements

Prior to the start of any client relationship, Wilshire enters into an agreement with the client. The agreement outlines the terms and conditions of the relationship including a description of the services to be provided by Wilshire, responsibilities of the client, fees as well as other standard contractual terms. License agreements are generally used for clients who want to license Wilshire's analytical tools.

Relationships with clients that invest in Wilshire investment vehicles are regulated by the governing documents of the investment vehicles. Wilshire may also enter into an agreement with clients for unique, specified services.

## Termination of Agreements

Generally, license agreements have a minimum one-year term and auto-renew on a yearly basis unless terminated ninety days in advance of the term end.

# Types of Clients and Fees

## Description of Clients

Wilshire provides investment advisory services primarily to institutional investors such as pension and profit-sharing plans, trusts, estates, charitable organizations and corporations, and to retirement plans, individual retirement investors and retail investors through financial intermediaries such as recordkeepers, broker-dealers, investment advisors and insurance companies. Wilshire may also provide investment services to U.S. or foreign government entities, state or municipal government entities, public international organizations, investment limited partnerships, and other types of investment vehicles.

Client relationships vary in scope and length of service. Minimum account size can also vary across products. Generally, the minimum account size for institutions will range from \$1,000,000 to \$50,000,000 and for retail investors will vary with Wilshire's relationship with the financial intermediary. In certain situations, Wilshire will accept a startup fund or product with zero assets. In those cases, a minimum fee may be negotiated.

Wilshire provides non-advisory services to institutional investors and asset managers.

## Fees Generally

Wilshire's advisory fees differ depending on the size of the client, services provided, complexity of the solution and the relationship established. Fees may include i) a fixed fee; ii) a percentage of assets under management or advisement; iii) a usage fee for a particular service (e.g., a license fee for analytical tools); and iv) a performance fee.

Wilshire, in its sole discretion, may waive any minimum fee requirements and/or charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.). All advisory fees are negotiable.

## Fee Schedule

### **Solutions for Institutional Investors**

#### *Non-discretionary advisory services*

Wilshire typically charges an annual fixed retainer fee between \$35,000 and \$4 million for general non-discretionary advisory services.

#### *Discretionary advisory services*

Wilshire typically charges from 10 to 65 basis points on assets under management for general discretionary advisory services.

#### *Actuarial services*

Wilshire typically charges from \$10,000 to \$500,000 for actuarial services.

#### *Life-cycle or targeted retirement date investment programs*

Wilshire typically charges from 5 to 25 basis points on assets under management for life-cycle or targeted retirement date investment programs.

#### *Risk Management*

Wilshire typically charges an annual fixed fee between \$250,000 and \$3 million for full-service risk management consulting that delivers the risk measurement and monitoring tools required to implement a risk management program.

## *Investment Management*

For serving as investment manager to the WST, Wilshire charges a fee on assets under management as agreed to between Wilshire and the investor, subject to a minimum annual fee of \$100,000 per investor. The minimum fee may be waived in Wilshire's sole discretion.

## *Wilshire Compass*

Wilshire charges a fixed retainer fee annually for the use of Wilshire Compass. Additional costs may be incurred, depending on the number of users to be supported at each client site and/or on other factors.

## Private Markets Solutions

### *Separate account management*

Wilshire generally charges a management fee of between 50 and 100 basis points on committed or invested capital for separate accounts. Certain additional services may also be contracted and charged on a fee-for-service basis. The minimum capital commitment under management for a separate account is generally \$25,000,000, which may be reduced in Wilshire's sole discretion.

### *Fund of funds*

Wilshire serves as the investment manager to pooled investment vehicles, whose limited partners are charged a management fee based on the value of committed capital or invested capital and may charge a performance fee. Fees vary and are as disclosed in the offering documents for each investment vehicle. Commingled vehicles generally require a minimum investment of \$5,000,000, which may be reduced in Wilshire's sole discretion.

### *Non-discretionary advisory services*

Wilshire may charge a project-based fee, an annual fixed retainer fee or a fee based on a percentage of assets under management for non-discretionary advisory services.

### *Expenses*

Expenses incurred in establishing and managing private market funds will typically be borne by the fund, in accordance with its limited partnership agreement and disclosure and subscription documentation. Advantages and services resulting from expenses paid by Wilshire's funds will from time to time accrue to the benefit of Wilshire and other Wilshire clients. For example, funds will pay the expenses of background checks on fund managers of the funds in which Wilshire invests. Wilshire's advisory clients will benefit from the knowledge gained by Wilshire in reviewing those background checks without sharing in the expense.

## Solutions for Financial Intermediaries

Wilshire charges both fixed retainer and asset-based fees for advisory services. Fixed retainer fees typically range from \$100,000 to \$5 million, depending upon the type of advisory services provided. Wilshire's asset-based fees typically range from 5 to 50 basis points for multi-asset advisory services, offered either under a non-discretionary or discretionary mandate. Fees for custom hedge fund of fund strategies, including risk premia, generally range from 10 to 120 basis points and in certain instances includes a performance fee of up to 20%. Fees charged for access to hedge fund strategies on the Wilshire Managed Account Platform range from 25 to 75 basis points. Wilshire shares with AMO a percentage of its revenues derived from Bank Risk Premia Strategies utilized on the Wilshire Institutional Master Fund II SPC. Wilshire and AMO may share a percentage of revenues from products or advisory engagements derived from the use of the joint intellectual property contained in the Database (a shared database of investable risk premia index products offered by banks).

Fees charged for the management of Wilshire Mutual Funds, Inc. and Wilshire Variable Insurance Trust vary by fund and range from 10 to 60 basis points. Details can be found in each Fund's Prospectus and Statement of Additional Information. Fees charged for Wilshire Managed Portfolios range from 15-50 bps. Generally, the portfolios that include Wilshire Mutual Funds have a zero fee option.

## Analytics

### *Wilshire Analytics*

Wilshire typically charges a fixed retainer fee depending on the number of users to be supported at each client site and/or on other factors.

### *Wilshire Custom Indexes*

Wilshire charges either a fixed fee or 1 to 25 basis points on assets under management for services to clients engaging Wilshire's index expertise. Fees are commensurate with the services provided.

### *Wilshire Index Products*

Wilshire charges from 1 to 25 basis points on assets under management for products developed from Wilshire's indexes.

## Custom Services

Wilshire will provide specified services for special projects upon request. In such cases, Wilshire provides the prospective client a proposal letter that outlines the scope of the project and the applicable fee. Generally, such projects are of short duration and fees are payable as agreed upon with the client.

### Fee Billing

Fees are generally billed monthly or quarterly. Payment in full is expected upon receipt of the invoice.

For advisory clients, fees may be paid out of the client's investment account by the client's custodian. A client must consent in advance to direct debiting of its investment account. When we collect fees in this manner, at the same time we bill the custodian, we will send the client an invoice showing the amount of the fees, the value of the assets on which they are based, and the fee computation. Upon termination, fees will be billed or refunded, as appropriate, on a pro rata basis for the portion of the quarter completed. The portfolio value at the beginning of the period is used as the basis for the fee computation, adjusted for the number of days during the billing quarter prior to termination.

### Other Fees

Client accounts may incur other fees not associated with Wilshire (e.g., administrative, custodian and/or transaction fees). Client accounts also incur brokerage commissions, which are discussed in the "Brokerage Practices" section of this brochure. Expenses other than advisory and performance fees and brokerage commissions, such as custody fees, are generally paid directly by a client to the service provider.

Funds are generally subject to operating expenses, including advisory fees paid to the investment managers and sub-advisors of the funds. If Wilshire invests a client's assets in a fund (proprietary or nonproprietary), the client will bear a proportionate share of the operating expenses of the fund; in addition to the fees it pays Wilshire. If Wilshire invests a discretionary client's assets in a fund managed by Wilshire, Wilshire may waive its advisory fee with respect to those assets; however in such instances, Wilshire, as the investment adviser to the fund, will receive a management fee directly from the fund.

Where an advisor engages Wilshire to provide index calculation services with respect to an index that the fund tracks or uses as a benchmark, Wilshire's fees for its index services are paid out of the assets of the fund as a fund expense.

### Performance Based Fees

Wilshire may charge a performance fee for certain services to its clients qualified to participate in performance fee arrangements under the Investment Advisers Act. These fees are generally charged on a percentage of the profits earned from investments, at times only after a minimum return has been achieved. The pertinent fee agreement provides details about how these fees are charged.

The use of performance-based fees may result in conflicts of interest. Advisors may devote more time to developing and analyzing investment strategies or allocate opportunities preferentially to accounts for which it could share in investment gains. Wilshire professionals allocate client assets according to our policies. Therefore, accounts with performance-based fees are not granted preferential allocations and no client, regardless of fee model, is favored over another.



# Methods of Analysis, Investment Strategies and Risk of Loss

## Methods of Analysis

Since 1972, Wilshire has pioneered analytical-driven investment consulting and asset management solutions to manage risk. Wilshire was an early innovator of integrated asset/liability modeling, as well as risk management and portfolio optimization models to help plan sponsors and institutional investors arrive at optimal portfolios based on their specific needs. Industry research and our experience lead us to believe that the asset allocation decision has the greatest impact on a portfolio's long-term return and risk profile. Wilshire embraced this important concept over 40 years ago when the firm introduced its integrated asset/liability modeling technique to the industry.

The investment strategy for a specific client is based upon the objectives stated by the client during consultations and as mutually agreed through an investment policy statement. Wilshire has 40 years of experience in assisting clients to develop investment policies, procedures and guidelines. Investment policy and guidelines are integral to all aspects of Wilshire's investment advisory services.

For those clients for which Wilshire has investment discretion, Wilshire primarily selects asset managers as sub-advisors to whom Wilshire delegates day-to-day portfolio management, invests in other investment funds, which it monitors and oversees and invests directly in securities or derivatives. These investment managers or funds execute various types of investment strategies. Wilshire's selection and monitoring of investment managers is based on various criteria, including, without limitation, investment performance, risk management, investment philosophy, organizational structure, experience and commitment.

Wilshire also engages in quantitative, rules-based investment analytics, which are used in a variety of applications including monitoring broker-dealers' investment platforms and selecting securities for investment portfolios.

## Risk of Loss

All investment programs have certain risks that are borne by the investor. Wilshire's investment approach seeks to mitigate risk and ensure clients are compensated for the risk they take. The risk for each client varies in accordance with their policies, procedures, goals, guidelines and stated risk tolerance. In addition, all of Wilshire's clients will encounter risks, including, but not limited to:

**Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying value or the company's circumstances. For example, political, economic and social conditions may trigger market events.

**Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.

**Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.

**Currency Risk:** Foreign investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

**Reinvestment Risk:** Future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e., interest rate). This risk primarily relates to fixed income securities.

**Industry Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil companies are subject to the vagaries of both broadly fluctuating demand, and accordingly, prices for their product. They carry a higher degree of risk of loss in comparison to an electric company, which has a more predictable demand for its product at a regulated price.

**Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not, given the lengthy process to sell real estate.

**Financial Risk:** Financial risk represents a broad spectrum of risk associated with a company's financings, including loans and the risk of default.

**Business Risk:** Wilshire's business structure and model may represent and introduce risk to the client. Risks of conflicts of interest are as described above. In some instances, obligations (i.e. contractual, regulatory, or legal) can require Wilshire to impose restrictive limits on or alter business activity and services; including providing advice, transacting in securities or engaging in other investment activities for clients or proprietary accounts. For example, in instances in which all of Wilshire is subjected to a non-disclosure agreement (NDA), restrictions will be imposed by that NDA on various activities, as required by the NDA or detailed in Wilshire's NDA policy, Compliance Manual and Code of Ethics.

## Disciplinary Information

### Legal and Disciplinary

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's evaluation of the adviser or the integrity of the adviser's management. While Wilshire may be engaged in various civil litigation matters from time to time, to the best of Wilshire's knowledge there is no current or pending litigation against Wilshire that would affect its ability to fulfill contractual commitments. Wilshire has no reportable legal or disciplinary events.

## Other Financial Industry Activities and Affiliations

### Financial Industry Activities

Wilshire acts in the capacity of investment adviser to the Wilshire Mutual Funds, Inc. and the Wilshire Variable Insurance Trust. In addition, certain personnel of Wilshire serve as officers and/or directors of Wilshire Mutual Funds, Inc. and the Wilshire Variable Insurance Trust.

Wilshire is registered as a Commodity Pool Operator and Commodity Trading Adviser with the National Futures Association and certain Wilshire employees have been registered as Associated Persons. Certain Wilshire employees are also registered representatives with Foreside Financial Group, LLC, a registered broker-dealer.

### Affiliations

Operations in Amsterdam and Hong Kong, are conducted through affiliated companies, Wilshire Associates Europe B.V. (“WAEBV”) and Wilshire Hong Kong Limited (“WHKL”). Operations in the United Kingdom are conducted through Wilshire Opco (UK) Limited, also an affiliated company. Wilshire’s participation as general partner in various offshore limited partnership investment vehicles is conducted through entities controlled by Wilshire Global Advisors LLC or Wilshire Holdco (UK) Limited (both affiliated entities).

WAEBV distributes Wilshire products and services and provides research and advisory support for Wilshire’s business in Europe. Members of Wilshire who are employees of WAEBV are involved in the due diligence and ongoing monitoring of Wilshire’s private markets investments.

WHKL provides research support for Wilshire’s private markets business. Employees of WHKL are involved in the due diligence and ongoing monitoring of Wilshire’s private markets investments.

Wilshire also maintains a legal presence in Australia through its affiliate Wilshire Australia Pty Limited (“WAPL”). WAPL, which wholly owns Wilshire Global Advisors Limited (“WGAL”), has a financial services license under Australian law.

CC Capital and Motive Partners, and the companies they control, became affiliates of Wilshire following the Transaction.

# Conflicts of Interest

## Conflicts of Interest

A conflict of interest exists when circumstances create a risk that Wilshire or its personnel's professional judgment, recommendations or actions on behalf of a client might be unduly influenced by a secondary interest relating to Wilshire itself, its personnel, a related party or another client. A conflict of interest may exist regardless of intent; nonetheless, it is Wilshire's policy to make recommendations and decisions based solely upon the best interests of the client and without regard to any benefit (economic or otherwise) that Wilshire receives or might receive. The existence of a conflict of interest does not necessarily mean that anyone has acted inappropriately. Conflicts may arise from activities necessary for the provision of Wilshire's services and even beneficial to Wilshire's clients, such as Wilshire gaining new expertise or tools that allow it provide new or enhanced products and services to clients. However, conflicts of interest do represent risks which need to be managed.

Without limitation, conflicts of interest arise when Wilshire

- i. develops and markets products or services using its own underlying tools and products (e.g. a fund or ETF developed from one of Wilshire's indexes);
- ii. provides advice or a recommendation to a client with regards to Wilshire's own products or services;
- iii. provides advice or a recommendation with regards to a product or service with which Wilshire competes;
- iv. evaluates, reviews or recommends an investment manager or other financial services provider with which Wilshire has a business relationship or to which it provides services;
- v. makes a decision that impacts clients differently; or
- vi. recommends the services of a third party from which Wilshire obtains a benefit (economic or otherwise).

Wilshire recognizes that its ownership structure creates the potential for conflicts of interest. The Owners are private equity investment firms of the type with which Wilshire does business, evaluates, recommends, and makes investments. Other financial entities with which Wilshire does business, evaluates, recommends, or make investments, have economic interests in Wilshire or the Owners. For example, Ares Management Corporation became a lender to the Owners in the purchase of Wilshire.

The Owners may seek to benefit from Wilshire in other ways that would represent a conflict of interest. For example, the Owners could benefit from Wilshire's access to pools of capital, relations with large institutional investors and market influence. In addition, the Investor Group could seek to influence Wilshire's advice to its clients. Further, the Owners may purchase other businesses which may compete with or be complementary to Wilshire and which could benefit from Wilshire's position in the financial services industry.

To mitigate the potential for conflict, Wilshire will maintain an organizational structure and conflicts management process that will ensure independence of its investment processes. While the parent of the Owners, which is controlled by Motive Partners and CC Capital, will be responsible for the strategic direction of Wilshire, Wilshire will continue to function as an independent fiduciary.

It is a conflict of interest when Wilshire uses its own products (such as its Mutual Funds, CITs or private funds) to implement asset allocation models or a client's portfolio. Generally, Wilshire requires the client to direct Wilshire in the use of Wilshire products and will make the client aware of the conflict of interest. Wilshire may seek to further mitigate these conflicts by charging a single flat fee for bundled services, where this is possible. However, Wilshire recognizes that this does not eliminate the conflict as Wilshire obtains other benefits from the use of its own products apart from fees, such as the growth in assets for its funds.

Other conflicts of interest arise because Wilshire has extensive business relationships with, provides services to, or competes against investment managers and other financial services providers that Wilshire evaluates and recommends. Wilshire, for example, engages sub-advisors to manage portions of its discretionary funds. It may also be engaged as a sub-advisor by third-party funds. As well, Wilshire's manager research team, which produces manager evaluations may participate in providing certain services to financial services providers, including investment managers and financial services providers that

Wilshire may recommend to advisory clients. Wilshire also offers products and services that directly compete with products and services evaluated by Wilshire. For example, Wilshire evaluates other fund of fund providers or builds products from our indexes that compete with other products which use our (or competitive) indexes.

Wilshire also receives differentiated fees or other compensation (including performance-based fees) from clients and may have incentives to favor some clients or accounts over others. For example, certain investors that are invested in pooled investment vehicles may pay higher or lower fees and expenses or may be subject to higher or lower incentive allocations than similarly situated investors that are invested in the same pooled investment vehicle. Amounts may vary as a result of differentiated factors that may include the particular circumstances of the investor or the size and scope of the overall relationship. Fee and expense allocations to investors may differ depending on the class of shares. In addition, Wilshire provides products and services that compete with those that we evaluate or recommend.

Wilshire recognizes that there are potential conflicts of interest between Wilshire's obligation to provide objective advice to clients and our relationships with the investment managers and financial services providers we recommend to those clients.

It is Wilshire's policy to make evaluations, recommendations and decisions based solely upon the best interests of the client and without regard to any benefit (economic or otherwise) that Wilshire or its affiliates receive or might receive. Wilshire is committed to ensuring that it appropriately manages conflicts of interests in providing its products and services and that it does not consider an investment manager's or financial service provider's business relationship with Wilshire, its affiliates, or lack thereof, in performing evaluations for or making recommendations to its advisory clients. Wilshire has implemented policies and procedures that seek to mitigate conflicts of interest through appropriate oversight, transparency and controls.

## Oversight

The Wilshire Conflicts Management Committee ("CMC"), which includes the President and Chief Operating Officer, Chief Financial Officer, Chief Compliance Officer and other members of management, is responsible for overseeing the management of activities and situations involving potential conflicts of interest. **Members of the CMC associated with the Owners may not participate in decisions which have a conflict of interest related to such members. When determined appropriate by the CMC, it may delegate issues to other Wilshire committees, such as the Wilshire Investment Oversight Committee, to provide oversight or an independent assessment of issues where a conflict of interest is present. Conflicts of interests that have been identified by the CMC, without limitation, include:**

- Conflicts arising between Wilshire and the Owners or their affiliates.
- Wilshire providing advice or information to a current advisory client about a fund or other investment vehicle for which Wilshire or one of its affiliates is the investment manager.
- Wilshire provides advice or information to a current advisory client about additional services.
- Wilshire provides advice or information to a new client about its ability to provide both investment advisory and discretionary investment services (through either a separate account or a Wilshire vehicle).
- Wilshire is contemplating a product or service that may compete with a product or service of a client.

## Transparency

Wilshire has an obligation to make full and fair disclosure of material facts to its clients. A fact is considered material when there is a substantial likelihood that a reasonable individual would consider it important or where knowledge of the information would be necessary for the client to make an informed decision.

Wilshire's policy is to disclose material conflicts of interest to its clients and prospective clients. Wilshire will provide existing and prospective investment advisory clients with a Conflicts Disclosure Report ("Disclosure Report"), providing a summary of relevant conflicts identified by Wilshire and listing all relationships that Wilshire has with investment managers and other relevant financial services providers along with a summary of the types of services that Wilshire may provide to those entities. Wilshire also provides certain advisory clients with a Disclosure Report when making a manager recommendation or when otherwise deemed appropriate. Clients receiving a Disclosure Report may request more detailed information about managers or service providers with which the client has or is considering a relationship by contacting Compliance or their

client service representative. For each manager or financial services provider for which a client has requested additional information, Wilshire will, where appropriate, provide a more detailed report.

When Wilshire recommends a Wilshire fund or other product or service to a client, Wilshire will provide the client with relevant disclosures including identification of the potential conflict of interest and the benefits (economic and otherwise) that Wilshire may obtain from a client's investment; and, when deemed necessary, the client will be required to acknowledge and accept such conflict.

## Controls

Wilshire seeks to implement appropriate controls to mitigate conflicts. Controls include well defined investment procedures and appropriate oversight in the execution of investment and operations functions. Wilshire also seeks to manage the flow of information or limit certain activities, where relevant and appropriate. For example, Wilshire seeks to limit access to information only to those personnel necessary to the provision of services to a client. Wilshire generally does not use ethical walls to limit the sharing of information within its advisory business. Investment advisory personnel have multiple roles and often the personnel necessary for an assignment cannot be divided into different groups around which to erect ethical walls. In these instances, Wilshire will seek other means to mitigate any actual or potential conflict that may arise, including disclosure or greater supervisory oversight.

The following, without limitation, reflects Wilshire's material controls:

- Wilshire will not evaluate, recommend or invest in any of the Owners' funds or investment opportunities;
- Ethical walls have been established between Wilshire and the Owners (and their affiliates) to prevent the flow of information regarding specific investments, recommendations and client portfolio holdings and activities; for greater certainty, no Wilshire employee that is also affiliated with the Owners (or their affiliates) will participate in Wilshire's investment processes;
- ERISA clients to whom Wilshire provides advisory services (other than investors in a Wilshire fund) may not be marketed additional Wilshire products and services; and
- Non-ERISA, advisory clients to whom Wilshire provides advisory services (other than investors in a Wilshire fund) may be introduced to other Wilshire services and products or advised as to the suitability of such an investment by its Wilshire adviser in accordance with Wilshire's other policies and procedures or in accordance with any restrictions imposed by the CMC.

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

## Code of Ethics

Wilshire's Code of Ethics ("Code") was adopted in compliance with the requirements of the Investment Advisers Act and the Investment Company Act of 1940. The Code emphasizes Wilshire's fiduciary duty to its advisory clients and the obligation of the firm's personnel to uphold that fundamental duty. The Code addresses securities-related conduct and focuses principally on personal securities transactions, conflicts of interest, political contributions and employee reporting requirements.

Wilshire has implemented Schwab Compliance Technologies to assist in the management, monitoring and reviewing of employee personal securities accounts and transactions. Employees, with limited exceptions, are required to maintain accounts at approved broker-dealers and are required to obtain pre-approval prior to trading securities listed on the firm's Restricted Companies List ("RCL"). The RCL includes certain publicly traded companies that are clients of Wilshire's advisory business units (excluding Wilshire Compass clients), individual securities being actively held or traded by a portfolio over which Wilshire has discretionary control, or companies in which Wilshire believes it could be in possession of material nonpublic information about such companies. As detailed above CC Capital and Motive Partners as well as all publicly traded entities controlled by them will be added to the RCL. Business unit managers, in consultation with Wilshire's Compliance Department, otherwise determine whether or not to include companies on the RCL.

On an annual basis Wilshire requires employees to certify that they are in compliance with the Code. Wilshire will provide clients and prospective clients with a copy of the Code upon request.

# Brokerage Practices

## Selecting Brokerage Firms

Wilshire does not have any affiliation with firms that sell products (i.e., broker-dealers). Select employees of Wilshire who engage in activity that may require their registration as a licensed agent of a broker-dealer are registered with a brokerage firm through which Wilshire distributes investment products. Wilshire does not otherwise regularly execute or direct trading on individual securities and Wilshire does not generally make recommendations to clients regarding brokerage services.

## Best Execution

On occasion, Wilshire may execute transactions through a broker-dealer on behalf of Wilshire managed funds or empower an agent to trade on behalf of Wilshire managed funds. When directly selecting a broker-dealer Wilshire will seek to have orders executed at prices that are as favorable as possible under prevailing market conditions. Wilshire will seek broker-dealers that can provide the best qualitative execution, taking into consideration various factors, including, but not limited to the asset being traded, the capability of the firm to execute trades efficiently, quality of price execution, the competitiveness of commission rates and transaction fees, Wilshire's limited trading activity, and the overall level of customer service. Thus, while Wilshire will give significant weight to the competitiveness of the available commission and transaction rates, it may not necessarily select the broker-dealer that offers the lowest possible rates. Additionally, even where Wilshire uses its best efforts to seek the lowest possible commission rate, it may not obtain the lowest rate for any particular transaction.

If a client directs Wilshire to effect transactions through a particular broker-dealer, Wilshire may not be able to seek best execution services or prices from such directed broker-dealers nor may it be able to "bunch" the client's transactions with orders for other accounts. As such, the client may incur higher commissions or other transaction costs than would otherwise be the case had the client determined to effect transactions through the brokerage relationships generally recommended by the advisory firm.

With respect to Wilshire client assets that are managed by a third-party investment manager, the investment manager has a fiduciary obligation to seek best execution for all transactions executed on behalf of the client in accordance with its own policies and procedures.

## Soft Dollars

Wilshire does not have any soft dollar arrangements. Wilshire does receive payment from third parties for analytic services as a result of soft dollar arrangements by our clients.

## Order Aggregation

Wilshire does not regularly execute transactions for multiple clients with a broker-dealer. Were it to arise, Wilshire may aggregate transactions if it were unlikely that aggregation would work to the disadvantage of any client whose order is to be aggregated. However, it is possible that the effect of aggregation may work to a clients' disadvantage in relation to a particular order.

## Review of Accounts

### Periodic Reviews

Each business unit performs periodic account reviews, as appropriate, when market conditions dictate or as agreed upon with the client. Client account reviews involve various Wilshire personnel and may include portfolio managers, consultants and members of our manager research team.

### Review Triggers

Other conditions that may trigger a review are changes in applicable tax laws, new investment information, and/or changes in a client's situation.

### Regular Reports

Clients receive periodic communications on at least a quarterly basis. The updates may include a valuation statement, portfolio statement, fact sheets, and/or market commentary.

## Client Referrals

Wilshire engaged Morgan Stanley Japan Securities Co., Limited ("MSJ") to assist Wilshire's marketing efforts with respect to the Wilshire Private Markets Japan Unit Trust (the "Japan Fund"). The Japan Fund is a feeder vehicle through which Japanese investors may invest in Wilshire managed pooled investment vehicles. The Japan Fund has invested in Wilshire Private Markets Japan Master Fund III, Ltd. ("Fund III"). Fund III has invested in each of Wilshire Asia Private Markets Fund VII, L.P., Wilshire European Private Markets Fund VII, L.P. and Wilshire U.S. Private Markets Fund VII, L.P. Wilshire will pay MSJ a subscription fee equal to 1% of the commitment amount of the Japanese investors in the Japan Fund. In addition, Wilshire will pay MSJ 30.77% of the annual management fee paid to Wilshire by each of Wilshire Asia Private Markets Fund VII, L.P., Wilshire European Private Markets Fund VII, L.P. and Wilshire U.S. Private Markets Fund VII, L.P. with respect to investments in such funds by the Japan Fund. In addition, Wilshire pays MSJ an amount equal to 100% of the first two years of annual management fees paid to Wilshire for the investment into Wilshire Asia Private Markets Fund VIII (Offshore), L.P. by certain Japanese investors.

Investors in the Japan Fund are subject to the same management fees and carried interest. Investors introduced by MSJ are charged a subscription fee. Notwithstanding the foregoing, certain funds established by Wilshire with investment strategies substantially identical to the Japan Fund do not require the payment of a carried interest or a subscription fee and have fees and expenses which could be substantially lower than those of the Japan Fund.

Wilshire has engaged TopCap Partners, Inc. to refer potential private markets prospects to Wilshire, primarily in European markets. Wilshire will pay TopCap Partners, Inc. fees in accordance with our agreement. Clients referred by TopCap Partners, Inc. will pay no additional fees for substantially similar services provided by Wilshire.

Wilshire has engaged Moravia Capital AG to refer potential private markets prospects to Wilshire, primarily in European markets, all of whom are required to be non-U.S. citizens or residents. Wilshire will pay Moravia Capital AG fees in accordance with our agreement. Clients referred by Moravia Capital AG will pay no additional fees for substantially similar services provided by Wilshire.

## Custody

### Private Investment Funds

Wilshire is deemed to have custody of the assets held by private investment funds for which Wilshire serves as general partner or managing member. With respect to the assets held by these funds, Wilshire takes the following steps: 1) all assets held by the funds are held by qualified custodians; 2) the funds are audited annually by a member of the Public Company

Accounting Oversight Board; 3) either Wilshire or the applicable custodian sends, not less than quarterly, statements to all investors in a fund; and 4) audited financial statements prepared in accordance with "generally accepted accounting principles" will be distributed to all investors in a fund within 120 days (180 days for a fund of funds) of the end of each fiscal year.

## Investment Discretion

### Discretionary Authority

Wilshire provides investment discretionary services and accepts discretionary authority to manage assets on behalf of clients, as more fully detailed above under Types of Advisory Services. Wilshire's discretionary authority on behalf of a client will be as detailed in the client's investment advisory agreement, including any investment restrictions.

## Voting Client Securities

### Proxy Votes

Non-discretionary clients are expected to vote their own proxies unless they delegate this responsibility to the applicable investment manager. Wilshire may have responsibility for voting proxies for discretionary clients and where a client has designated Wilshire such responsibility. In those instances, Wilshire will act prudently and in the best interest of its clients, in accordance with our policies.

## Financial Information

### Financial Condition

Wilshire does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients.

## Information Security Program

### Information Security

Wilshire maintains an information security program to reduce the risk that personal and confidential information may be breached.

## Business Continuity Plan

### General

Wilshire has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key people.

### Disasters

The Business Continuity Plan covers natural disasters such as pandemics, earthquakes, snowstorms, hurricanes, tornados, and flooding. The Plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, T-1 communications line outage, Internet outage, railway accident and aircraft accident. Electronic files are backed up daily and archived offsite.

## Alternate Offices

Alternate offices and working remotely are identified to support ongoing operations in the event the main office is unavailable. It is our intention to contact all clients, within a reasonable timeframe, of a disaster that dictates moving our office to an alternate location.

## Privacy Notice

### Privacy Notice

Wilshire is a global company and conducts business around the world, including within regions with unique rules that apply to the collection, processing, and retention of Personal Information (as defined below) from individuals within those areas. Wilshire has developed specific policies relevant to those regions which can be obtained upon requests.

Wilshire considers privacy to be a fundamental aspect of our relationships. We are committed to maintaining the confidentiality, integrity, and security of private, personal and confidential information in our possession. In the course of providing our products and services, we may collect, retain, and use private, personal and confidential information for the purpose of administering our operations, and complying with legal and regulatory requirements. The kinds of information we may collect will depend on the nature of the relationship in which we are engaged and may include Personal Information (as defined below) for all applicable global privacy laws. This information may include contact details such as address, email address and telephone number and, where required for contractual, legal or regulatory obligations, additional information (including, but not limited to, date of birth, bank account details and tax identification documents or numbers).

The term “Personal Information” as used in this Privacy Policy, and for purposes of all global privacy laws, means any information that identifies, relates to, describes, is reasonably capable of being associated, or could reasonably be linked, directly or indirectly to an identified or identifiable natural person; an identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person.

In most cases, we collect information directly from the person or entity with whom we have the relationship (e.g. through account applications, investment policy statements, website usage, customer surveys, and electronic or verbal correspondence); but may also obtain information from other sources (e.g. transactions; brokers, consultants or financial advisory firms; or public registers for background searches). Wilshire, generally, does not disclose private, personal and confidential information with outside organizations except for third party processors and service providers that are essential in administering our operations, or as otherwise required or permitted by law. As is common in the industry, non-affiliated companies may from time to time be used to provide certain services, such as preparing and mailing prospectuses, reports and account statements. These companies may be provided access to private, personal and confidential information solely to provide the specific service or as otherwise required or permitted by law. We may also provide confidential information to brokerage, financial advisory, or other third-party financial intermediaries.

Regulation S-AM (“Reg S-AM”) prohibits a registered investment adviser from using information about an individual consumer that has been obtained from an affiliated entity for marketing purposes unless the information sharing practices have been disclosed and the consumer has not opted out.

Prior to using any information about an individual obtained from an affiliated entity for marketing purposes, Wilshire is responsible for ensuring that the affected natural person prospective Clients or Investors have received clear and conspicuous notice of the information sharing arrangement and an opportunity to opt out, and that the affected individual Clients or Investors have not opted out.

Wilshire is responsible for ensuring that all individual Clients and Investors receive clear and conspicuous disclosures about Wilshire’s information sharing arrangements with affiliated entities. Among other things, all such notices will include a reasonable and simple method for opting out of the information sharing arrangements. Wilshire is also responsible for processing and tracking individual Clients’ and Investors’ opt-out requests. A copy of Wilshire’s Information Sharing for Marketing Purposes disclosure to individual Clients and Investors is available upon request.

Wilshire is a global company and conducts business around the world, including within regions with unique rules that apply to the collection, processing, and retention of personal information from individuals within those areas. Additional policies and procedures applicable to global data privacy laws, including General Data Protection Regulation (“GDPR”, together with other EEA data privacy laws “EEA Laws”), the California Consumer Privacy Act of 2018 and the Cayman Islands Data Protection Law, 2017, are described in Wilshire’s Privacy Policy which applies to relevant individuals within those jurisdictions.

Wilshire reserves the right to disclose private, personal and confidential information where we believe in good faith that disclosure is required either under law or to cooperate with regulators or law enforcement authorities. In addition, we may disclose Personal Information to a non-affiliated third party upon the owner’s written request.

Wilshire takes seriously the obligation to safeguard private, personal and confidential information (including Personal Information). We maintain appropriate safeguards which includes the use of security procedures to prevent revealing such information.

Any questions regarding Wilshire’s Privacy Policy should be referred to the Chief Compliance Officer. As required by regulations, Wilshire provides this statement to its clients annually regarding their rights to privacy.