

Northwest ADV Part II

Adviser Details	Answer
Name (the "Applicant")	Northwest Investment Management (Hong Kong) Ltd
Address	11 th Floor Kinwick Centre, 32 Hollywood Road, Central, Hong Kong
Telephone	852 3657 5600
CRD Reference	153063
SEC File Number	801-71183
Date	1 st June 2010

Answers in right hand column or italics. Answers are provided where relevant below rather than in a separate Schedule F.

1.	Advisory Services and Fees	Answer
A	<p>Applicant:</p> <p>(1) Provides investment supervisory services</p> <p>(2) Manages investment advisory accounts not involving investment supervisory services</p> <p>(3) Furnishes investment advice through consultations not included in either service describe above.</p> <p>(4) Issues periodicals about securities by subscription</p> <p>(5) Issues special reports about securities not included in any service described above</p> <p>(6) Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities</p> <p>(7) On more than an occasional basis, furnishes advice to clients on matters not involving securities</p> <p>(8) Provides a timing service</p> <p>(9) Furnishes advice about securities in any manner not described above</p>	<p>100%</p> <p>Nil</p> <p>Nil</p> <p>Nil</p> <p>Nil</p> <p>Nil</p> <p>Nil</p> <p>Nil</p> <p>Nil</p>
B	Does applicant call any of the services listed above financial planning or some similar term?	No
C	<p>Applicant offers offers investment advisory services for:</p> <p>(1) A percentage of assets under management</p> <p>(2) Hourly charges</p> <p>(3) Fixed fees (not including subscription fees)</p> <p>(4) Subscription fees</p> <p>(5) Commissions</p> <p>(6) Other (<i>Performance Fees</i>)</p>	<p>Yes</p> <p>No</p> <p>No</p> <p>No*</p> <p>No</p> <p>Yes</p>
	<i>*Although the applicant's funds provide for subscription fees, the applicant has never in fact charged such fees, and does not intend to do so.</i>	
D	<p>Describe the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee:</p> <p><i>The applicant's primary service is that of investment management to the funds it manages. As part of this the</i></p>	

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	<i>applicant produces weekly performance estimates and a monthly performance report.</i>	
D	Describe the applicant's basic fee schedule, how fees are charged and whether its fees are negotiable: <i>All fees are fully disclosed and described in the relevant fund's prospectus. Fees are not generally negotiable however rebates have been agreed with certain early or large investors.</i>	
D	Describe when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its termination date: <i>All compensation is paid in arrears.</i>	

2.	Types of clients	Answer
	Applicant generally provides investment advice to:	
A	Individuals	No
B	Banks or thrift institutions	No
C	Investment companies (<i>All currently unregistered</i>)	Yes
D	Pension and profit sharing plans	No
E	Trusts, estates or charitable organisations	No
F	Corporations or business entities other than those listed above	No
G	Other	No

3.	Types of Investments	Answer
	Applicant offers advice on the following:	
A	Equity securities (1) Exchange-listed securities (2) Securities traded over-the-counter (3) Foreign issuers	Yes Yes Yes
B	Warrants	Yes
C	Commercial debt securities (other than commercial paper)	Yes
D	Commercial paper	No
E	Certificates of deposit	No
F	Municipal securities	No
G	Investment company securities (1) variable life insurance (2) variable annuities (3) mutual fund shares	No No No
H	United States government securities	Yes
I	Options contracts on: (1) securities (2) commodities	Yes Yes
J	Futures contracts on: (1) tangibles (2) intangibles	Yes Yes

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K	Interests in partnerships investing in: (1) real estate (2) oil and gas interests (3) other	No No No
L	Other: <i>Credit derivatives and asset swaps</i> <i>Derivatives linked to other securities</i>	Yes

4.	Methods of Analysis, Sources of Information, and Investment Strategies	Answer
A	Applicant's security analysis methods include: (1) Charting (2) Fundamental (3) Technical (4) Cyclical (5) Other <i>'Other' comprises relative value analysis of securities and derivatives.</i>	No Yes No No Yes
B	The main sources of information applicant uses include: (1) Financial newspapers and magazines (2) Inspections of corporate activities (3) Research material prepared by others (4) Corporate rating services (5) Timing services (6) Annual reports, prospectuses, filings with the SEC (7) Company press releases (8) Other	No Yes Yes No No Yes Yes No
C	The investment strategies used to implement any investment advice given to clients include: (1) Long term purchases (securities held at least a year) (2) Short term purchases (securities sold within a year) (3) Trading (securities sold within 30 days) (4) Short sales (5) Margin transactions (6) Option writing, including covered options, uncovered options or spreading strategies (7) Other	Yes Yes Yes Yes Yes Yes No

5.	Education and Business Standards	Answer
	Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients? <i>All portfolio management staff are required to be assessed as sufficiently experienced and competent to manage the applicable fund or component thereof.</i>	Yes

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6.	Education and Business Background
	For each member of the investment committee and each principal executive officer of applicant, provide name, year of birth, formal education after high school and business background for the preceding five years:
Name Born Education Business	<i>George Andrew Philips (Chief Executive Officer)</i> <i>1964</i> <i>BA Economics, London Guildhall University (1985)</i> <i>Mr Philips has been continually involved with the Northwest range of funds since they were launched in 1998.</i>
Name Born Education Business	<i>David Ian Rogers (Chief Investment Officer)</i> <i>1969</i> <i>BSc Physics with Astrophysics, King's College London (1990)</i> <i>Mr Rogers has been continually involved with the Northwest range of funds since they were launched in 1998.</i>
Name Born Education Business	<i>Tanvir Belal (Senior Portfolio Manager)</i> <i>1976</i> <i>BSc Economics, Birmingham University (1997)</i> <i>MSc Economics, Birkbeck College, London (1998)</i> <i>Mr Belal has been continually involved with the Northwest range of funds since joining a precursor business in 2000.</i>
Name Born Education Business	<i>Andrew Michael Higgins (Senior Portfolio Manager)</i> <i>1964</i> <i>UK Stock Exchange Exams (1981-1985)</i> <i>Mr Higgins has been continually involved with the Northwest range of funds since joining a precursor business in 2001.</i>
Name Born Education Business	<i>Mark Smith (Head of Business Development)</i> <i>1973</i> <i>BSc Physics and Computer Science, Liverpool University (1995)</i> <i>PhD High Energy Particle Physics, Liverpool University (1999)</i> <i>Mr Smith has been continually involved with the Northwest range of funds since joining a precursor business in 2003.</i>
Name Born Education Business	<i>Mark Francis Deacon (Chief Financial Officer)</i> <i>1958</i> <i>MA Mathematics, Oxford University (1979)</i> <i>MSc Mathematics and Physics, King's College London (1980)</i> <i>Mr Deacon was Chief Financial Officer of a precursor business from 2000 to 2007 and re-joined in 2009. In 2007 he established a quantitative research business.</i>

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7. Other Business Activities		Answer
A	Applicant is actively engaged in a business other than giving investment advice	No
B	Applicant sells products or services other than investment advice to clients	No
C	The principal business of the applicant or its principal executive officers involves something other than providing investment advice	No

8. Other Financial Industry Activities or Affiliations		Answer
A	Applicant is registered (or has an application pending) as a securities broker-dealer	No
B	Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser	No
C	Applicant has arrangements that are material to its advisory business or its clients with a related person who is a: (1) Broker-dealer (2) Investment company (3) Other investment adviser <i>Northwest Investment Management Ltd, a UK based company which is under common ownership with the applicant and has been delegated certain functions.</i> (4) Financial planning firm (5) Commodity pool operator, commodity trading adviser or futures commission merchant (6) Banking or thrift institution (7) Accounting firm (8) Law firm (9) Insurance company or agency (10) Pension consultant (11) Real estate broker or dealer (12) Entity that creates or packages limited partnerships	No No Yes No No No No No No No No No
D	Is applicant or a related person a general partner in any partnership in which clients are solicited to invest	No

9. Participation or Interest in Client Transactions		Answer
	Applicant or a related person:	
A	As a principal, buys securities for itself from or sells securities it owns to any client	No
B	As a broker or agent effects securities transactions for compensation for any client	No
C	As a broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer	No
D	Recommends to clients that they buy or sell securities or investment products in which applicant or a related person has	Yes

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	some financial interest	
E	<p>Buys or sells for itself securities that it also recommends to its clients</p>	Yes
	<p>For each 'Yes' above, describe when the applicant or related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions:</p> <ul style="list-style-type: none"> - <i>The applicant itself carries out no transactions.</i> - <i>Applicant's staff personal deals require pre-approval by a separate portfolio manager, and are subsequently reviewed by the Compliance Officer.</i> - <i>Deals will not be approved if client deals are pending and are discouraged within 24 hours of a client deal</i> - <i>Deals in IPO and other scarce transactions will not be approved if suitable for a client portfolio.</i> - <i>Positions should be held for 30 days minimum other than in extremis.</i> - <i>Copy contract notes and monthly statements are required to be filed with the applicant.</i> 	
	<p>Describe your code of ethics:</p> <p><i>The firm's code of ethics follows the SEC's requirement:</i></p> <ul style="list-style-type: none"> - <i>All Supervised Persons (Directors, Officers and persons with investment responsibility) must respect their fiduciary duties to client's and others including, as a minimum, complying with all the principles stated above.</i> - <i>All Supervised Persons must comply with applicable US Securities Laws.</i> - <i>All Access Persons (Directors and persons with access to dealing intentions) must report securities transactions and holdings to the Compliance Officer.</i> - <i>All Supervised Persons must report all violations of the above principles and ethics promptly to the Compliance Officer.</i> <p>State that you will provide a copy of your code of ethics to any client or prospective client upon request.</p>	Yes

10.	Conditions for Managing Accounts	Answer
	<p>Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services and impose a minimum dollar value of assets or other conditions for starting or maintaining an account.</p> <p><i>The applicant will launch a fund if it considers there is</i></p>	Yes

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	<i>sufficient demand from its normal investor base to make the product viable. With regard to managed accounts, whilst the applicant has provided such services in the past, it does not generally seek to do so.</i>	
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11.	Review of Accounts	Answer
	If the applicant provides investment supervisory services, manages investment advisory accounts or holds itself out as providing financial planning or some similarly termed services:	
A	Describe below the reviews and reviewers of accounts. For reviews, include their frequency, different levels and triggering factors. For reviewers, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and the number of accounts assigned each. <i>The suitability and composition of each portfolio is formally reviewed each quarter by the Chief Executive and Chief Investment Officer. There are no specific instructions.</i>	
B	Describe below the nature and frequency of regular reports to clients on their accounts. <i>A weekly performance estimate is sent to all investors in the funds, and a monthly performance report is likewise sent out.</i>	

12.	Investment or Brokerage Discretion	Answer
A	Does the applicant or any related person have authority to determine, without obtaining specific client consent, the: (1) Securities to be bought and sold (2) Amount of securities to be bought and sold (3) Broker or dealer to be used (4) Commission rates to be paid	Yes Yes Yes Yes
B	Does the applicant or a related person suggest brokers to clients	No
	For each 'Yes' answer to A, describe any limitations on authority.	None
	For each 'Yes' to A(3), A(4) or B, describe the factors considered in selecting brokers and determining the reasonableness of their commissions. <i>The factors are:</i> <ul style="list-style-type: none"> - <i>Cost of execution (commission and/or spread)</i> - <i>Effectiveness of execution (speed, reliability, and ability to execute related legs simultaneously)</i> - <i>Degree of overall service (consistency of presence in market, trade idea generation)</i> 	

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	<i>Commission (or spread) reasonableness is assessed by constant comparison to that offered by competing brokers.</i>	
	<p>If the value of products, research and service given to the applicant or a related person is a factor, describe:</p> <ul style="list-style-type: none"> - The products, research and services - Whether clients may pay commissions higher than those obtainable from other brokers in return for those products and services - Whether research is used to service all of applicant's accounts or just those accounts paying for it; and - Any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for product and research services received. <p><i>Note: The only research and services received from brokers are used as described above. A broker who initiates an idea taken up by the applicant would expect the trade to be executed through them, but the applicant will still ensure the commission rate or spread is appropriate. The applicant does not receive soft commissions.</i></p>	<p>N/A</p> <p>N/A</p> <p>N/A</p> <p>N/A</p>

13.	Additional Compensation	Answer
	Does the applicant or a related person have any arrangements, oral or in writing, where it:	
A	Is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients	No
B	<p>Directly or indirectly compensates any person for client referrals</p> <p><i>The applicant has a number of marketing arrangements whereby an agreed proportion of fund fees are paid to marketing representatives in respect of investors introduced into the applicant's funds.</i></p>	Yes

14.	Balance Sheet	Answer
	Applicant must provide a balance sheet on for the most recent fiscal year if applicant:	
	<ul style="list-style-type: none"> - Has custody of client funds or securities (unless applicant is registered or registering only with the SEC); or - Requires prepayment of more than \$500 in fees per client and 6 months or more in advance 	<p>No</p> <p>No</p>
	Has applicant provided a balance sheet	No