

Blackfriars Asset Management Limited

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This brochure provides information about the qualifications and business practices of Blackfriars Asset Management ~~Limited~~ (“Blackfriars”). If you have any questions about the contents of this brochure, please contact us at product.specialist@blackfriarsam.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 Blackfriars ~~Asset Management~~ also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2. Summary of Material Changes

~~The following sections have been revised:~~

~~Cover Page—Change in Blackfriars registered address~~

There are no material changes.

Item 3. Table of Contents

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Item 4. Advisory Business

Blackfriars ~~Asset Management~~ (the “Firm” or “we” or “us”) is a limited company organised under the laws of the United Kingdom. The Firm is a wholly owned subsidiary of ~~The~~ Hamon Investment Group ~~(PTE) Limited~~ (Hamon). Hamon are a Singapore Incorporated Investment Management group based in Hong Kong.

The Firm was organised and has been providing investment advisory services since 1998, the year we began as WestLB Asset Management (“West AM”), then a 100% owned subsidiary of WestLB AG. We have operated via several legal entities and names, including West LB Mellon Asset Management (UK) Limited (“WMAM UK”) and West LB Asset Management (“WestAM”). The key dates of our corporate history are as follows:

- 1998 West AM operations transferred into WestLB Asset Management (UK) Limited (“WestLB UK”).
- 2006, Mellon Financial Corporation and WestLB AG entered into a joint venture that changed the organization structure of WestLB UK and resulted in a name change to WestLB Mellon Asset Management (UK) Limited (“WMAM UK”).
- 2007 The Bank of New York Company, Inc. merges with Mellon Financial Corporation to form BNY Mellon.
- 2008 BNY Mellon acquires 100% of WMAM UK.
- 2009 WMAM UK changes name to become Blackfriars Asset Management Limited (“Blackfriars”).
- August 2011. Hamon ~~Investment Group~~ acquires 100% ownership of Blackfriars.

We provide discretionary investment advisory services for institutional investors in the form of separate accounts and pooled investment vehicles (“Funds”) that are exempt from registration in the United States, and to other investment advisers through subadvisory agreements. Our funds are organised in various jurisdictions, including the U.S. We market and distribute our investment advisory services globally and our client base includes U.S.-based investors as well as clients from Asia and Europe. Our business is not limited to U.S. regulation, but is also regulated in the U.K. by the Financial Services Authority.

We offer investment advisory services tailored to meet clients’ individual investment goals. For separate account mandates, we work with clients to create investment guidelines mutually acceptable to both parties. When creating investment guidelines, these clients may impose investment restrictions in certain individual securities or types of securities. However, each of

our funds has an investment objective and a set of investment policies and/or guidelines. For this reason, we cannot tailor the investment advisory services we provide to investors in these funds. In addition, we generally cannot impose individual investment restrictions on our investment strategies for underlying investors in the funds.

We are an emerging markets equity specialist. Our core strategy is the Global Emerging Markets (“GEM”) strategy which invests primarily in equity securities, including initial public offerings, issued by companies domiciled in emerging markets worldwide. We also offer Europe Middle East and Africa (EMEA) strategies which include Eastern European Funds with Frontier Market exposure and single country Russia portfolios. Latin America strategies or single country Brazilian equity portfolios. We also offer a thematic product in the form of an Emerging Market Infrastructure strategy. Please see Item 8 of this brochure for more information on the methods of analysis, investment approach and risk of loss for these strategies.

The Firm manages US\$~~365-\$506~~ million on a discretionary basis as at ~~289~~th February 201~~32~~.

Item 5. Fees and Compensation

Separate Account Fees: We provide investment advisory separate account services for a fee. This fee is typically charged as a percentage of your assets under our management. While this fee is typically expressed as an annual percentage, it is calculated based on average daily net assets and charged on a quarterly basis in arrears. Fees are paid automatically from assets or billed separately. Additional fees and expenses may be incurred for items such as custody, brokerage and other transaction costs, administrative and other expenses. Examples of other costs and expenses may include markups, mark-downs and other amounts included in the price of a security, odd-lot differentials, transfer taxes, wire transfer fees and electronic fund fees. Please review your investment advisory agreement for further information on how we charge and collect fees. Item 12 provides more information on brokerage practices.

Our typical fee schedule applicable to separate accounts is shown below:

Account Net Asset Value (“NAV”)	Advisory Fee (stated as a % of the account NAV)
First \$25m	1.00 %
Next \$25m (up to \$50m)	0.85%
Next \$50m (up to \$100m)	0.70%
Next \$100m (up to \$250m)	0.50%
Amounts above \$250m	0.40%

The advisory fee rates apply to the value of the account within the value ranges shown. E.g., for a portfolio with an average daily net asset value of US\$100m, the fee payable would be US\$812,500 (\$25M @ 100 bps. + \$25M @ 85 bps. + \$50M @ 70 bps.).

We reserve the right, in our sole discretion, to negotiate or modify (either up or down) the basic fee schedule(s) set forth above for any client due to a variety of factors, including but not limited to: the level of reporting and administrative operations required to service an account, the investment strategy or style, the number of portfolios or accounts involved, and/or the number and types of services provided to the client. Because our fees are negotiable, the actual fee paid by any client or group of clients may be different from the fees reflected in our basic fee schedule(s) set forth above.

Pooled Investment Vehicle Fees: The funds we manage charge a base management fee of between 1 and 2 percent of the fund's net asset value. Fees are calculated based on average daily net assets and paid to the fund quarterly in arrears. Funds may also be subject to additional charges such as custody, brokerage and other transaction costs, administrative and other expenses. Fees are not generally negotiable, though they may be waived or deferred at the discretion of the fund in accordance with the fund's offering materials. Such waivers and deferrals will cause some clients or groups of clients to pay fees that are different from the basic fee schedules disclosed in fund offering materials. Please see the applicable fund's offering materials for further information regarding fees. Please see Item 12 of this brochure for more information on brokerage.

Item 6. Performance Fees and Side-by-Side Management

The Firm does not currently manage any portfolios on a performance fee basis, however we are happy to discuss this arrangement with prospective clients if required.

Advisers are subject to certain fiduciary standards under federal law and owe clients an affirmative duty of utmost good faith to act solely in the best interests of the client and to make full and fair disclosure of all material facts, particularly where the adviser's interests may conflict with the client's best interest. In this section, we describe our side-by-side management activities and the inherent ~~conflicts~~conflicts in such arrangements.

"Side-by-side management" refers to the Firm's simultaneous management of different types of client accounts/investment products. For example, we manage separate accounts and funds for clients at the same time. Our clients have a variety of different investment objectives, policies, strategies, limitations and restrictions. Our affiliates likewise manage a variety of separate accounts, managed accounts, and pooled investment vehicles.

Side-by-side management gives rise to a variety of potential and actual conflicts of interest for us, our employees and our supervised persons. Below we discuss the conflicts that we and our

employees and supervised persons face when engaging in side-by-side management and how we deal with them.

Note that we manage our accounts consistent with applicable law, and we follow procedures that are reasonably designed to treat our clients fairly and to prevent any client or group of clients from being systematically favored or disadvantaged. For example, the Firm has trade Allocation policies and procedures which are designed and implemented to ensure that all clients are treated fairly and equally, and to prevent these conflicts from influencing the allocation of investment opportunities among clients. Please see Item 12 for an explanation of the Firm's Trade allocation policies and procedures.

Conflicts of Interest Relating to Accounts with Different Strategies

We and our affiliates manage numerous accounts with a variety of strategies, which may present conflicts of interest for the Firm. For example, a long/short position in two client accounts simultaneously can result in a loss to one client based on a decision to take a gain in the other. Taking concurrent conflicting positions in certain derivative instruments can likewise cause a loss to one client and a gain to another.

Conflicts of Interest Relating to "Proprietary Accounts"

Neither the firm nor its affiliates operate proprietary accounts.

Other Conflicts of Interest

As noted previously, we and our affiliates manage numerous accounts with a variety of interests. This necessarily creates potential conflicts of interest for the Firm. For example, we or our affiliate may cause multiple accounts to invest in the same investment. Such accounts may have conflicting interests and objectives in connection with such investment, including differing views on the operations or activities of the portfolio company, the targeted returns for the transaction and the timeframe for and method of exiting the investment. Conflicts may also arise in cases where multiple Firm and/or affiliate client accounts are invested in different parts of an issuer's capital structure.

Item 7. Types of Clients

Type of Clients: We provide advisory services to institutional clients such as, banking or thrift institutions, U.S. registered investment companies, U.S. and "offshore" (non-U.S.) private investment funds, UCITS, other non-U.S. regulated funds, and pension and profit sharing plans (other than plan participants).

Account Requirements: We generally require clients to enter into a written investment management agreement with us, granting us authority to manage their assets. Separate accounts

are subject to a **\$20 Million** minimum account size. We reserve the right to waive the minimum account size requirements. Separate accounts are also subject to a \$100,000 minimum annual fees; see Item 5 for more information on separate account fees. Investments in funds are also subject to minimum investment requirements. Please refer to the offering documents of such funds for more information.

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

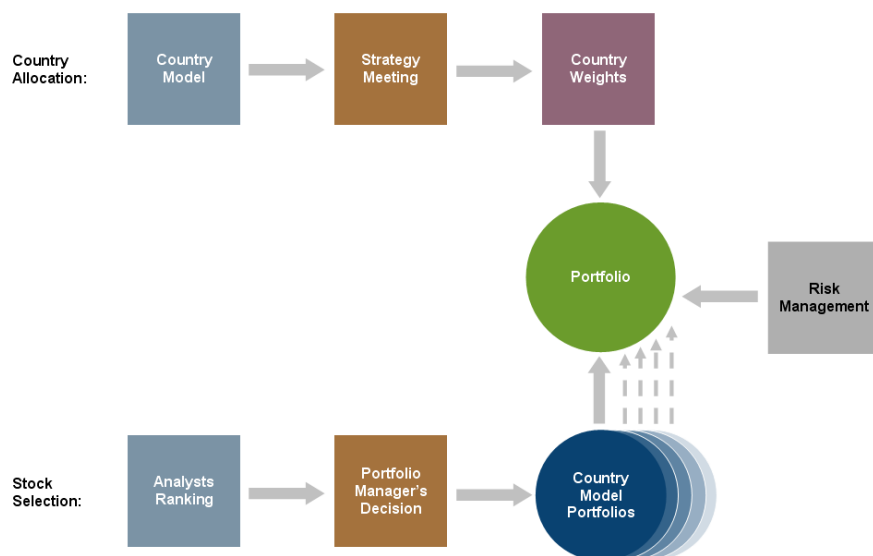
Blackfriars is an Emerging Markets Equity specialist and manages a range of emerging market strategies as described in Item 4.

The strategies invest primarily in equity and equity related securities, including common and preferred stock, depositary receipts and participation notes., of issuers domiciled in emerging market countries. The strategy may also participate in initial public offerings. Our portfolio managers consider, but are not bound by, countries contained in the MSCI Global Emerging Market Benchmark in determining whether a country is an “emerging markets country.” Countries currently classified by the Investment Manager as an “emerging markets country” include, but are not limited to, Argentina, Brazil, Bulgaria, Chile, China, Colombia, Croatia, Czech Republic, Ecuador, Egypt, Hungary, India, Indonesia, Ivory Coast, Jordan, Lebanon, Malaysia, Mexico, Morocco, Nigeria, Pakistan, Peru, Philippines, Poland, Qatar, Russia, Slovakia, South Africa, South Korea, Sri Lanka, Taiwan, Thailand, Turkey, Ukraine, Uruguay, and Venezuela.

We may use derivatives including, without limitation, options, synthetic index instruments, forwards contracts and swaps. The portfolio will normally be un-hedged, except with respect to currency transactions, but we may, from time to time, consider hedging part or all of the portfolio where appropriate. Techniques and instruments used for reasons other than hedging will be used only to the extent they do not hinder the quality of the investment portfolio of the strategy.

Blackfriars does not make any investments in any country which is subject to OFAC-administered economic sanctions programs.

Our investment strategies utilize two core building blocks combined with risk management to construct portfolios as shown.



These two core elements, described below, are used in varying proportion depending on the type of strategy

Risk Budget	Country Allocation	Stock Selection
Global Emerging Market Strategy	50%	50%
Regional & Thematic Strategies	10%	90%
Single Country Strategies	0%	100%

Country allocation

The starting point for country allocation is the use of a quantitative model. Our model systematically analyses the countries in the index and represents a disciplined country allocation process. We analyse a specific combination of different market and economic factors to generate rankings for each country. The model ranks 20 countries in the MSCI Emerging Markets Index, in order of attractiveness according to the weighted factor score.

The bottom ten countries with the lowest rankings are to be held underweight to a maximum of 5% below the country's benchmark weight or zero-weighted where the benchmark weight is less than 5%. The total sum of these active underweights is then distributed evenly across the ten countries awarded the model's highest rankings, subject to liquidity or risk constraints.

Judgement

We recognise that, despite the GEM model's strong track record, there are always factors which are not measurable through quantitative analysis (e.g. political risk) and it is important that these are not overlooked. As such, on occasion, the model's recommendation will be overridden. If this is the case the override will always seek to reduce risk. These judgements are normally made at the monthly strategy meeting.

Monthly Strategy Meeting

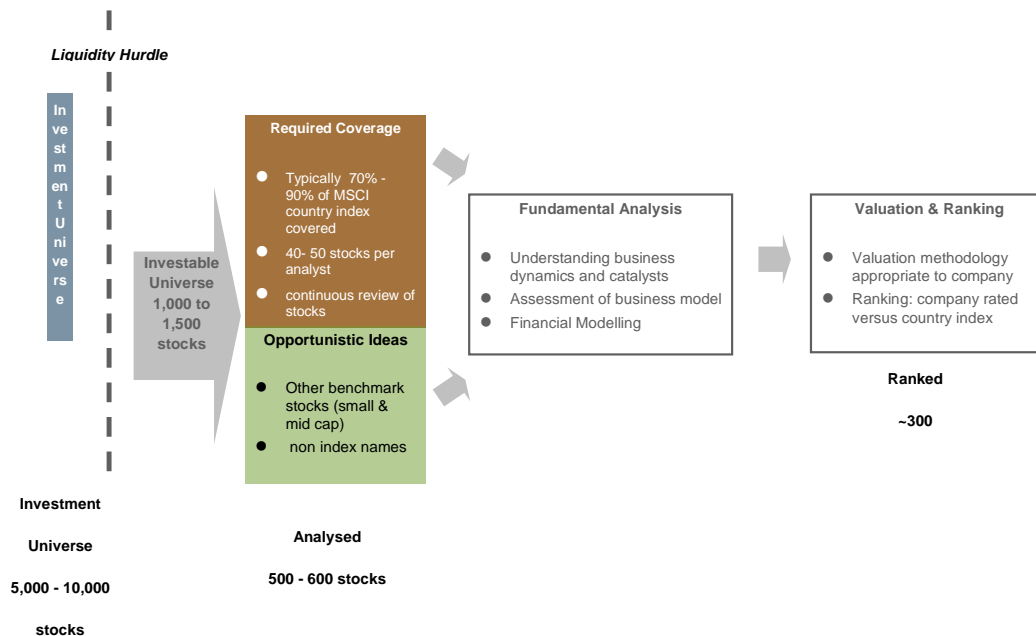
All emerging market team members participate in this meeting, during which each country is discussed and output from the model is reviewed. A decision is then taken as to whether any judgemental elements such as political factors are significant enough to override the model's recommended positions.

The recommended weighting for each market is debated by the whole team and a final decision taken by the three Global Portfolio Managers.

Our strategy for asset allocation is implemented immediately after the monthly strategy meeting. We may change allocations between meetings, although this is rare. Stock rebalancing and selection are driven by changes to analyst recommendations, and may occur throughout the month as investment views change.

Stock Selection

The other core building block of our strategies is stock selection. Our process is illustrated schematically below.



Our stock research effort focuses heavily on fundamental analysis, with the team conducting detailed systematic research of companies from a bottom up perspective.

We believe that no single valuation technique can be applied uniformly across the different countries and companies that make up the Emerging Market asset class. Therefore, analysts are encouraged to take a flexible and individual approach to stock valuation, by applying the techniques they believe are most appropriate for that particular stock and region, and as these techniques may differ, it would not be appropriate to conscript the various measures into a style factor chart.

Our research method is particularly relevant for emerging markets. Greater diversity among emerging market countries necessitates a more pragmatic and flexible approach.

The majority of our research is conducted in-house, and documented in a research repository accessible by the whole team. Within this research folder, analysts add financial models, financial forecasts and other valuation metrics, as well as notes detailing their views on the company's strategy, business model and "strengths, weaknesses, opportunities, threats" or "SWOT" analysis. When researching a new stock, analysts prepare information on company background, meet with company management, and conduct other research or valuations.

Our portfolio managers and analysts are all experts in their respective regions with good local knowledge, and there is a strong focus on in-house financial forecasts and valuations over merely filtering broker research.

We believe it is crucial to meet with a company prior to investing, to gain a better understanding of the various drivers of a company's success – such as management quality, business strategy and market position relative to peers. On average, analysts meet with companies between business trips, investor conferences, corporate road shows to London, and financial results conference calls. We aim to visit each company rated by our analysts at least once a year, whilst ensuring this is the minimum for all companies held within the portfolio.

Regardless of the technique used, analysts must be able to substantiate their research and the reasoning behind a ranking for a particular stock.

Cash Management

The strategies are typically run fully invested though they are permitted to hold cash to varying degrees. In the event that cash is held, it is invested in overnight money market instruments issued by approved counterparties. The firm does not invest in money market funds or other collective investment vehicle for the purposes of liquidity management.

Risk Assessment

Each investment strategy we offer invests in a variety of securities and employs a number of investment techniques that involve certain risks. Investing in securities involves risk of loss that the investor should be prepared to bear.

The portfolio managers also assess and manage the overall risk profile of a strategy's portfolio. The currency exposure of a strategy's portfolio typically is unhedged to the U.S. dollar, since currency is an implicit part of the country allocation and stock selection process.

Our strategies may, but are not required to, use derivatives, such as futures, options, forward contracts and swaps, as a substitute for investing directly in an underlying asset, to increase returns, to manage market and/or interest rate risk, or as part of a hedging strategy. The strategies also may engage in short-selling, typically for hedging purposes, such as to limit exposure to a possible market decline in the value of its portfolio securities.

The section that follows sets forth information concerning the material risks involved with each of our emerging market strategies.

General risks. Investing in securities involves risk of loss that the investor should be prepared to bear. We do not guarantee or represent that our investment program will be successful. Our past results are not necessarily indicative of our future performance and our investment results may vary over time. We cannot give any assurance that the investment of money will be profitable, and in fact, substantial losses may be incurred. Your investments with us are not a bank deposit and are not insured or guaranteed by the FDIC or any other government agency.

International Investing. Investing in securities of non-U.S. issuers, positions which generally are denominated in foreign currencies, involve both opportunities and risks not typically associated with investing in U.S. securities. These include: fluctuations in exchange rates of

foreign currencies; possible imposition of exchange control regulation or currency restrictions that would prevent cash from being brought back to the U.S.; less public information with respect to issuers of securities; less governmental supervision of stock exchanges, securities brokers and issuers of securities; difficulties in obtaining and enforcing a judgment against a foreign issuer; different accounting, auditing and financial reporting standards; different settlement periods and trading practices; less liquidity and frequently greater price volatility in foreign markets than in the U.S.; imposition of foreign withholding and other taxes; and sometimes less advantageous legal, operational and financial protections applicable to foreign subcustodial arrangements. See “Foreign Custody Arrangements” below.

The securities markets of emerging countries are substantially smaller, less developed, less liquid and more volatile than the securities markets of the U.S. and other more developed countries. Disclosure and regulatory standards in many respects are less stringent than in the U.S. and other major markets. There also may be a lower level of monitoring and regulation of the markets and the activities of investors in certain less developed countries, and enforcement of existing regulations can be extremely limited.

The cost of investing in securities of non-U.S. issuers is higher than the cost of investing in U.S. securities. Investments in securities denominated in foreign currencies also involve the additional cost of converting the foreign currency into U.S. dollars.

Emerging market risk. Emerging markets tend to be more volatile than the markets of more mature economies, and generally have less diverse and less mature economic structures and less stable political systems than those of developed countries. The securities of companies located or doing substantial business in emerging markets are often subject to rapid and large changes in price. In particular, countries with emerging markets may have relatively unstable governments, present the risk of sudden adverse government or regulatory action and even nationalization of businesses, restrictions on foreign ownership, or prohibitions of repatriation of assets, and may have less protection of property rights than more developed countries. The economies of countries with emerging markets may be based predominantly on only a few industries, may be highly vulnerable to changes in local or global trade conditions, and may suffer from extreme debt burdens or volatile inflation rates. Local securities markets may trade a small number of securities and may be unable to respond effectively to increases in trading volume, potentially making prompt liquidation of substantial holdings difficult.

Transaction settlement and dividend collection procedures also may be less reliable in emerging markets than in developed markets.

Asian emerging market risk. Many Asian economies are characterized by over-extension of credit, frequent currency fluctuations, devaluations and restrictions, rising unemployment, rapid fluctuations in inflation, reliance on exports, and less efficient markets. Currency devaluation in one Asian country can have a significant effect on the entire region. The legal systems in many Asian countries are still developing, making it more difficult to obtain and/or enforce judgments. Furthermore, increased political and social unrest in some Asian countries could cause economic and market uncertainty throughout the region. The auditing and reporting standards in some Asian emerging market countries may not provide the same degree of shareholder/investor

protection or information to investors as those in developed countries. In particular, valuation of assets, depreciation, exchange differences, deferred taxation, contingent liability and consolidation may be treated differently than under the auditing and reporting standards of developed countries.

Foreign Custody Arrangements. In addition to the general risks associated with international investing described above, maintaining assets in foreign countries involves generally higher costs and greater risks than those associated with similar U.S. investments, particularly in the case of assets maintained in emerging countries. The scope and range of custodial services offered in many foreign countries may be more limited than in the U.S. and, as a result, the Fund's assets may be maintained with banks, brokers and other financial institutions offering more limited custody services, and possessing less experience, less developed procedures for safekeeping of assets, poorer capitalization, and greater risks of bankruptcy, insolvency and fraud, than would typically be the case in the U.S. Assets maintained in certain foreign countries also may be subject to other types of risks that either are not present or less pronounced in the U.S. and other more established markets, including political and economic risks (including nationalization of foreign bank deposits or other assets, and poor political and economic infrastructure and stability), commercial and credit risks (including poorly developed and regulated banks and financial systems), liquidity risks (including restrictions on repatriation and convertibility of currencies), legal and regulatory risks (including risks relating to evolving and/or undeveloped legal systems and regulatory frameworks) and operational risks (including risks relating to maintenance of shareholder title, clearing and settlement procedures and market transparency). Although we intend to invest in companies and governments of countries with relatively stable political environments, there can be no assurance that the strategy will not suffer a loss of part or all of its investments as a result of the aforementioned risks.

Foreign currency risk. Investments in foreign currencies are subject to the risk that those currencies will decline in value relative to the U.S. dollar. Currency rates in foreign countries may fluctuate significantly over short periods of time. A decline in the value of foreign currencies relative to the U.S. dollar will reduce the value of securities held by the strategy and denominated in those currencies. Foreign currencies are also subject to risks caused by inflation, interest rates, budget deficits and low savings rates, political factors and government control.

Market risk. The stock markets of emerging market countries can be extremely volatile. The market value of a security may decline due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. A security's market value also may decline because of factors that affect a particular industry or industries, such as labour shortages or increased production costs and competitive conditions within an industry.

Stock investing risk. Stocks generally fluctuate more in value than bonds and may decline significantly over short time periods. There is the chance that stock prices overall will decline because stock markets tend to move in cycles, with periods of rising and falling prices. The market value of a stock may decline due to general market conditions that are not related to the particular company, such as real or perceived adverse economic conditions, changes in the

outlook for corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally. A security's market value also may decline because of factors that affect a particular industry, such as labour shortages or increased production costs and competitive conditions within an industry, or factors that affect a particular company, such as management performance, financial leverage, and reduced demand for the company's products or services.

Investments in Equity Securities Generally. Common stock and similar equity securities generally represent the most junior position in an issuer's capital structure and, as such, generally entitle holders to an interest in the assets of the issuer, if any remaining, after all more senior claims to such assets have been satisfied. Holders of common stock generally are entitled to dividends only if and to the extent declared by the governing body of the issuer out of income or other assets available after making interest, dividend and any other required payments on more senior securities of the issuer.

Transactions on Non-U.S. Exchanges; Counterparty Risk. We engage in trading on markets outside the U.S. Transactions on non-U.S. exchanges are not regulated by U.S. governmental agencies, such as the SEC. Some non-U.S. exchanges, in contrast to exchanges in the U.S., may be "principals markets" similar to the forward markets, in which responsibility for performance is only that of the principal with whom a trader has entered into a transaction, and not of an exchange or clearing corporation. In some cases, a broker with whom we enter into a transaction may in effect take the opposite side of trades made for us. Because some non-U.S. exchanges generally lack a clearinghouse system such as that utilized by exchanges in the U.S., market disruptions may be more likely to occur on non-U.S. exchanges.

The participants in these markets typically are not subject to the type of strict credit evaluation and regulatory oversight applicable to members of "exchange based" markets, and transactions in these markets are not normally settled through clearinghouses that guarantee the trades of their participants. This results in the risk that a counterparty may not be able to settle a transaction with us in accordance with its terms because of a credit or liquidity problem of the counterparty, thereby exposing the portfolio to loss (or potential elimination of the gain the portfolio would experience had the counterparty performed). In addition, in the case of a default by a counterparty, the portfolio could become subject to adverse market movements while it attempts to execute a substitute transaction.

"Counterparty risk" is accentuated in the case of contracts having longer maturities, where events may intervene to prevent settlement, or where the portfolio has concentrated its transactions with a single or small number of counterparties. The portfolio is not restricted from dealing with any particular counterparty or from concentrating any or all of their transactions with one counterparty. While we will attempt to limit "counterparty risk" by transacting with well-capitalized and established institutions, there can be no assurance that we will have access to the information necessary to evaluate the creditworthiness of the portfolio's counterparties nor that its evaluation will be accurate or timely.

Clearance and settlement risk. Many emerging market countries have different clearance and settlement procedures from developed countries. There may be no central clearing mechanism of settling trades and no central depository or custodian for the safe keeping of securities. The

registration, record-keeping and transfer of instruments may be carried out manually, which may cause delays in the recording of ownership. Increased settlement risk may increase counterparty and other risk. Certain markets have experienced periods when settlement dates are extended, and during the interim, the market value of an instrument may change. Moreover, certain markets have experienced periods when settlements did not keep pace with the volume of transactions resulting in settlement difficulties. Because of the lack of standardized settlement procedures, settlement risk in emerging markets is more prominent than in more mature markets.

Issuer risk. The value of a security may decline for a number of reasons which directly relate to the issuer, such as management performance, financial leverage and reduced demand for the issuer's products or services.

Smaller company risk. To the extent a strategy invests in small and midsize companies it will be subject to additional risks because the earnings and revenues of these companies tend to be less predictable (and some companies may be experiencing significant losses), and their share prices more volatile than those of larger, more established companies. The shares of smaller companies tend to trade less frequently than those of larger, more established companies, which can adversely affect the pricing of these securities and the fund's ability to sell these securities.

Derivatives risk. Our emerging market strategies may use derivative instruments, such as options, futures and options on futures (including those relating to securities, indexes, foreign currencies and interest rates), swaps and forward contracts. A small investment in derivatives could have a potentially large impact on a strategy's performance. The use of derivatives involves risks different from, or possibly greater than, the risks associated with investing directly in the underlying assets. Derivatives can be highly volatile, illiquid and difficult to value, and there is the risk that changes in the value of a derivative held by the strategy will not correlate with the underlying instruments or the strategy's other investments. Derivative instruments also involve the risk that a loss may be sustained as a result of the failure of the counterparty to the derivative instruments to make required payments or otherwise comply with the derivative instruments' terms.

Additionally, some derivatives our strategies may use involve leverage (e.g., an instrument linked to the value of a securities index may return income calculated as a multiple of the price movement of the underlying index). This economic leverage will increase the volatility of these instruments as they may increase or decrease in value more quickly than the underlying security, index, futures contract, or other economic variable. The strategy may be required to segregate permissible liquid assets to cover its obligations relating to its purchase of derivative instruments.

Leveraging risk. The use of leverage, such as engaging in reverse repurchase agreements, lending portfolio securities, entering into forward currency contracts and engaging in forward commitment transactions, may magnify a strategy's gains or losses. Because many derivatives have a leverage component, adverse changes in the value or level of the underlying asset, reference rate or index can result in a loss substantially greater than the amount invested in the derivative itself.

IPO risk. The prices of securities purchased in IPOs can be very volatile. The effect of IPOs on the strategy's performance depends on a variety of factors, including the number of IPOs the strategy invests in relative to the size of the strategy and whether and to what extent a security purchased in an IPO appreciates or depreciates in value. Therefore, IPO investments may magnify the returns of the strategy.

Liquidity risk. When there is little or no active trading market for specific types of securities, it can become more difficult to sell the securities at or near their perceived value. In such a market, the value of such securities and the strategy's share price may fall dramatically. Investments in foreign securities tend to have greater exposure to liquidity risk than domestic securities.

Non-diversification risk. Our strategies are non-diversified, which means that a relatively high percentage of a strategy's assets may be invested in a limited number of issuers. Therefore, a strategy's performance may be more vulnerable to changes in the market value of a single issuer and more susceptible to risks associated with a single economic, political or regulatory occurrence than a diversified strategy.

Country and sector allocation risk. While the portfolio managers use the country and sector weightings of the strategy's benchmark index as a guide in structuring the strategy's portfolio, they may overweight or underweight certain countries or sectors relative to the index. This may cause the strategy's performance to be more or less sensitive to developments affecting those countries or sectors.

Market sector risk. A strategy may significantly overweight or underweight certain companies, industries or market sectors, which may cause the strategy's performance to be more or less sensitive to developments affecting those companies, industries or sectors.

Depository receipts ("DR") risk. DRs generally represent securities of non-U.S. issuers and may include sponsored or unsponsored DR programs. In an unsponsored facility, the depository issues the DRs without an agreement with the company that issues the underlying securities. Holders of unsponsored DRs generally bear all the costs of such facility, and the depository of an unsponsored facility frequently is under no obligation to distribute shareholder communications received from the company that issues the underlying securities or to pass through voting rights to the holders of the DRs with respect to the underlying securities. Therefore, sponsored DR facilities may provide holders with more information about the issuer of the underlying security.

Item 9. Disciplinary Information

The Firm has no information applicable to this Item.

Item 10. Other Financial Industry Activities and Affiliations

Hamon ~~Investment Group~~ provides discretionary investment management services to a variety of clients. The Group's client base includes professional clients of an institutional nature, such as pension funds, mutual funds and financial services institutions.

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

The Blackfriars ~~Asset Management~~ a Code of Ethics establishes ~~the ethical~~ the ethical framework and sets the expectations for business conduct. In addition, it clarifies our responsibilities to clients, suppliers, government officials, competitors and the communities we serve and outlines important legal and ethical issues including:

1. Conflicts of Interest: gifts, entertainment and other payments; personal conflicts of interest; fiduciary appointments and bequests; outside affiliations, outside employment and certain outside compensation issues; and disclosure of relationships and transactions;
2. Proper Use and Care of Information and Proper Recordkeeping: proprietary information and intellectual property; data integrity and corporate information; use of e-mail and internet; accurate accounting and internal controls; use of non-public or "inside" information; talking to the media; and document retention;
3. Dealing with Customers, Prospects, Suppliers, and Competitors: business relationships with customers, prospects, suppliers, and competitors; business decisions; exploitation of relationships and use of the company's name, letterhead or facilities; knowing your customer; and recognizing and reporting illegal, suspicious, or unusual activities;
4. Doing Business With the Government: complying with government contracts, government contracting laws and regulations; integrity in the sales and marketing process; truthful, accurate statements and recordkeeping; safeguarding government information and property; cooperating with government audits and investigations; and meeting employment and labour obligations;
5. Personal Finances: personal investments; personal brokerage accounts; contributions to political parties; contributions to not-for-profit entities; and individual employees' regulatory requirements); and
6. Compliance with the Law: among other matters illegal or criminal activities; investigations; and protection of company assets.

In addition, the Code of Ethics also includes the Personal Accounting Dealing Policy which applies to all staff members ~~and is~~ and is designed to reinforce our reputation for integrity by avoiding even the appearance of impropriety and to ensure compliance with applicable laws in the conduct of our business. The policy sets forth procedures and limitations that govern the personal securities transactions of our employees in accounts held in their own names as well as accounts in which they

have indirect ownership. Our employees, may, under certain circumstances and consistent with the policy, purchase or sell for their own accounts securities that we also hold within client portfolios.

Personal Account Dealing Policy Overview:

1. Employees are subject to preclearance and personal securities reporting requirements, with respect to discretionary accounts in which they have direct or indirect ownership;
2. Transaction reporting is not required for non-discretionary accounts, transactions in exempt securities or certain other transactions that are not deemed to present any potential conflicts of interest;
3. Pre-clearance is not required for transactions involving certain exempt securities (such as open-end investment company securities that are not Proprietary Funds or money market funds and short-term instruments, non-financial commodities; transactions in non-discretionary accounts (approved accounts over which the employee has no direct or indirect influence or control over the investment decision-making process); transactions done pursuant to automatic investment plans; and certain other transactions detailed in the policy which are either involuntary or deemed not to present any potential conflict of interest;
4. The Compliance Officer maintains a “restricted list” of companies whose securities are subject to trading restrictions. This list is used by the Compliance Officer to determine whether or not to grant trading authorisation;
5. The acquisition of any securities in a private placement requires prior written approvals;
6. Securities held within personal accounts are subject to a minimum holding period whereby, purchasing and selling, or selling and purchasing the same or equivalent security within 60 calendar days is discouraged, and any profits must be disgorged; and
7. No employee should knowingly participate in or facilitate late trading, market timing or any other activity with respect to any fund in violation of applicable law or the provisions of such fund’s disclosure documents.

A copy of our Code of Ethics will be provided upon request.

Interest in Client Transactions:

Note that while each of the following types of transactions may present conflicts of interest for us, as described below, we manage our accounts consistent with applicable law, and we follow procedures that are reasonably designed to treat our clients fairly and to prevent any client or group of clients from being systematically favoured or disadvantaged.

“Principal transactions” are generally defined as a transaction where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any client. A principal transaction may also be deemed to have occurred if a security

is “crossed” between an affiliated pooled investment vehicle and another client account. We do not engage in principal transactions or in cross transactions.

Our affiliates may invest in the same securities that we or our affiliates recommend to clients. When a Firm affiliate holds for its own benefit the same securities as a client, the affiliate could be viewed as having a potential conflict of interest. For example, our affiliate could be seen as harming the performance of the client's account for its own benefit if it short-sells the securities in its own account while the same securities are held long in the client account, causing the market value of the securities to move lower. The Firm does not hold, buy or sell securities for our own account. In relation to the trading activities of our affiliates, we ensure that there are sufficiently robust information security controls in place such that affiliates are unable to have access to our trading positions or views and therefore are unable to use this information for the benefit of their own trading activities.

Item 12. Brokerage Practices

Broker Selection:

The firm has the authority to direct securities transactions on behalf of our clients to broker/dealers we select. In doing so, we seek best execution of such transactions. When seeking best execution, we consider the quality of the execution services provided by the broker and review among other things, commission rates, a firm’s trading expertise, reputation and integrity, facilities, financial services offered, willingness and ability to commit capital, access to under-written offerings and secondary markets, reliability both in executing trades and keeping records, fairness in resolving disputes, value provided, execution capability, financial responsibility and responsiveness to us and likelihood of trade settlement.

We may cause client accounts to pay a broker/dealer (and member of an exchange) for effecting a securities transaction in excess of the amount of commission another broker/dealer (member of an exchange), would have charged for effecting that securities transaction, where we determine in good faith that the commission is reasonable in relation to the value of the research services and products provided by such broker/dealer.

Soft dollar and Client Commission Arrangements

Section 28(e) of the Securities Exchange Act of 1934 provides a safe harbor that allows an adviser to use dollars generated from brokerage commissions from client transactions (“soft dollars”) to pay for brokerage and research services provided by broker-dealers or third parties. In the selection of qualified broker/dealers to execute certain transactions, a broker/dealer may be selected that provides, along with trade execution services, proprietary or third party brokerage and research services and products. Such services and products may include:

1. models and research databases;
2. company, industry and market analysis;

3. market data;
4. security exchange pricing and news services; and
5. independent or proprietary research.

The firm does not engage in traditional soft dollar arrangements but does participate in a limited number of Client Commission Arrangements (CCAs) which are deemed to fall within the meaning of Section 28 (e).

CCAs are arrangements whereby participating brokers pay commissions over and above trade execution commissions into a pool or account. The pool of commissions can be used by the firm to pay for research services provided by non – broker / dealer firms.

Services which can be paid for using CCAs include investment research services, which might include research reports analyzing the performance of a company or sector. CCAs provide a benefit to the firm and to the clients of the firm by allowing access to the services of specialist research firms which would not be available under a standard commission payment arrangement.

Our selection process for brokers who we enter into CCAs with is equivalent to our standard broker dealer selection process, but includes an evaluation as to the robustness of their commission payment arrangements.

For a limited number of broker/dealers, we have in place client commission arrangements in the form of Commission Sharing Agreements (CSAs). CSAs enable the firm to access research services provided by non – broker/dealer firms whilst remaining in compliance with applicable laws and regulations. .

Other Brokerage Practices Conflicts of Interest: In addition to conflicts of interest associated with client commission arrangements, the following brokerage practices may lead to an actual or potential conflict of interest when selecting broker-dealers to execute client trades:

1. receiving client referrals from a broker-dealer
2. acting on a clients direction to use a particular broker-dealer; and

Brokerage for Client Referrals: We do not direct securities transactions to any broker/dealer in exchange for referral of investment management clients.

Directed Brokerage: We may accept direction from a client to place trades for a client's account with a particular broker/dealer. At times, a client will instruct us to direct a portion of its commissions to a specified broker/dealer. In the event that such direction occurs, we may have limited capability to negotiate commission levels or obtain volume discounts. In addition, we, in meeting the client's brokerage directive, may not be able to aggregate these transactions with transactions we effect for other accounts we manages and we may delay placing the orders for directed accounts until our orders for other accounts have been completed. As a result, the net

price paid or received by the directed account may be different than the price paid or received by our other accounts. Directing brokerage may cost clients more money.

Due to the directed brokerage arrangements that a number of the Firm's clients may have in place, the overall Firm-wide commission rates may be higher than they otherwise would be if the Firm did not participate in any client directed brokerage programs.

Trade Aggregation: For various reasons (including efficiency, control of order flow, avoidance of conflicts in security executions and rotation of various investment opportunities), orders entered at the same time in the same security for different clients (including accounts in which our employees may have an interest), at our discretion, may be aggregated for execution purposes. In such situations, investors will pay the *pro rata* portion of the commission charged for the entire order. As noted above, on occasion a client may, in writing, direct us to use a particular broker / dealer to execute portfolio transactions for its accounts. Where investor client has directed that a specific broker be used to execute transactions, such transactions will not be aggregated with other orders entered at the same time in the same security. In these situations, commissions may not be negotiable, and best execution may not be achieved.

Trade Allocation: For all emerging market equity mandates, investment decisions are implemented uniformly across all accounts. The allocation process of aggregated trades is managed on the trading desk based on direction from the portfolio managers. In cases where the allocation is less than the amount requested or sought, Blackfriars' policy is to ensure that all accounts are treated fairly and consistently, in particular taking care to ensure that smaller accounts and funds are not in any way disadvantaged and that the larger accounts and funds are not left with small positions that are void of economic merit. Shares are allocated across all accounts on a weighted *pro rata* basis at average price. In the case of initial public offerings (IPOs), if a trade is not executed in its entirety, a fund or an account will generally receive shares only if the amount equals at least 0.20% of the value of the fund or account.

Item 13. Review of Accounts

Portfolio ~~composition~~composition and investment performance are monitored on a regular basis by the portfolio manager to determine whether holdings and account activity:

1. adhere to client directed guidelines;
2. are consistent to portfolios with similar mandates; and
3. reflect our tactical strategy given the market outlook.

Accounts demonstrating any inconsistencies will be subject to further analysis by our Senior Management Committee and/or Chief Compliance Officer. Such instances will be referred to the Senior Management Committee if they are identified as exceptions by virtue of the Compliance monitoring programme.

On a daily basis for each business day, adherence to investment guidelines is reviewed on both a pre and post deal basis by our trading system. The **Compliance ~~M~~anager** ~~and (as appropriate) the Chief Compliance Officer~~, monitors exception reports and in the event that

an exception is identified, the Compliance Manager reviews the report item in order to identify whether the security is a genuine violation of the investment restrictions and if so, discusses the circumstances with the relevant portfolio manager. If there is a genuine violation, Compliance will determine what remedial action is required to correct the position and, if any compensating payments are required. Compliance ensures that an error report is compiled to document the situation and remedial actions taken in order that the firm can track any systemic or repeat issues in the future.

On a monthly basis, our Senior Management Committee reviews performance across all portfolios and investigates outliers, via investigation of causes of the potential disparity. The Senior Management Committee is comprised of the Head of Emerging Market Equities, Chief Operating / Finance Officer and Chief Executive Officer in addition to other Board Directors.

Client reporting is provided periodically according to client requirements. Typically, we provide monthly or quarterly reports in writing, covering matters such as portfolio performance, market activity, forward looking investment ideas and economic commentary.

Item 14. Client Referrals and Other Compensation

Unaffiliated Solicitors and Placement Agents. We may hire third parties to solicit new investment advisory clients. The commissions or fees, if any, payable to such solicitors (also referred to as placement agents) with respect to solicitation of investments with us will be paid solely by us. Clients will not pay fees for these solicitations. These solicitors have an incentive for the client to hire us because we will pay the solicitor for the referral. The prospect of receiving solicitation/placement fees may provide such placement agents and/or their salespersons with an incentive to favour these sales over the sale of interests of other investments with respect to which the placement agent does not receive such compensation, or receives lower levels of compensation. In addition, to the extent permitted by law, certain placement agents and their respective affiliates may provide brokerage and certain other financial and securities services to us or our affiliates. Such services, if any, will be provided at competitive rates.

Item 15. Custody

Rule 206(4)-2 under the Advisers Act (the “Custody Rule”) defines “custody” to include a situation in which an adviser or a related person holds, directly or indirectly, client funds or securities or has any authority to obtain possession of them, in connection with advisory services provided by the adviser.

For purposes of the Custody Rule, we are deemed not to have “custody” of client assets.

Item 16. Investment Discretion

We typically accept discretionary investment authority over client assets, and clients must grant this discretionary authority to us in writing via a contract and/or through an appointment to become the investment adviser of a private fund. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives and guidelines for the particular client account.

Clients must deliver their investment guidelines and restrictions to us in writing, and we will adhere to such guidelines and restrictions when making investment decisions.

Item 17. Voting Client Securities

We have adopted a Proxy Voting Policy, related procedures and voting guidelines that apply to those clients for which we have a regulatory obligation to vote proxies and to clients that have given us, through the investment advisory agreement, the authority to vote proxies. In voting proxies, we will seek to act solely in the best interest of the client.

We take our responsibilities as a shareholder seriously and are interested in the medium-to-long term performance of the companies in which we invest on behalf of clients. We therefore seek to ensure that we participate, where required to do so by legal or contractual obligation, in the decision making process of the companies in which we own shares. However, we do not support the misuse of our position as a minority shareholder. We will carefully review proposals that would limit shareholder control or could affect the value of a client's investment. We generally will oppose proposals designed to protect a company's management unnecessarily from the wishes of a majority of shareholders. However, we will generally support proposals designed to provide management with short-term protection from outside influences so as to allow management to achieve long-term goals. We will try to ensure that company's management reasonably responds to social issues, in particular where it is not likely to affect economic performance.

Conflicts of interest may arise between our interests and our clients' interests when voting client securities. A conflict of interest may exist, for example, the firm or any of its affiliates has a business relationship with either the company soliciting the proxy or a third party that has a material interest in the outcome of a proxy vote.

Where we determine there is a potential for a material conflict of interest regarding a proxy, we will take one or some of the following steps:

1. inform the client of the material conflict and our voting decision;
2. discuss the proxy vote with the client;
3. disclose fully the material facts regarding the conflict and seek the client's consent to vote the proxy as intended; and/or
4. seek the recommendation of an independent third party.

We generally do not respond to client directions to vote proxies in a particular manner or in a general manner that is different from these policies and procedures.

We will endeavour to retain as much evidence as possible to document that each proxy vote or abstention was consistent with this policy, in the best interests of the client, and not a result of any material conflict.

We will furnish a copy of our Proxy Voting Policy, related procedures and voting guidelines to each client upon request. Upon request, we will also disclose to a client the proxy voting history for its account after the shareholder meeting has concluded.

Item 18. Financial Information

Not applicable.