

Item 1 – Cover Page

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This Brochure provides information about the qualifications and business practices of Mondrian Investment Partner's Limited ("Mondrian"). If you have any questions about the contents of this Brochure, please contact us at ClientServiceOfficersinPhiladelphia@mondrian.com.

The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Mondrian is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser. Additional information about Mondrian is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

There have been no material changes since our last annual update in March 2013.

Item 3 -Table of Contents

Item 1 – Cover Page.....	i
Item 2 – Material Changes.....	ii
Item 3 -Table of Contents.....	iii
Item 4 – Advisory Business	1
Item 5 – Fees and Compensation	1
Item 6 – Performance-Based Fees and Side-By-Side Management	2
Item 7 –Types of Clients	2
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss.....	3
Item 9 – Disciplinary Information	7
Item 10 – Other Financial Industry Activities and Affiliations	8
Item 11 – Code of Ethics	8
Item 12 – Brokerage Practices	11
Item 13 – Review of Accounts	20
Item 14 – Client Referrals and Other Compensation.....	21
Item 15 – Custody	21
Item 16 – Investment Discretion.....	21
Item 17 – Voting Client Securities.....	22
Item 18 – Financial Information.....	24

Item 4 – Advisory Business

Firm Ownership

Mondrian is 100% owned by approximately 80 of its senior employees, including the majority of investment professionals, senior client service officers, and senior operations personnel through Atlantic Value Investment Partnership LP.

Investment Advisory Services

Mondrian provides investment management services (the investment and reinvestment of assets) to a broad based group of international institutional investors. This group includes retirement plan assets of corporate entities, retirement plan assets of government entities, foundations, endowment funds, and other institutional investors. Mondrian also acts as investment sub-adviser to U.S. based investment companies and as investment adviser or sub-adviser to limited partnerships and other on-shore and offshore collective investment vehicles and other non-U.S. clients.

Generally Mondrian will manage assets on a fully discretionary basis. Securities will be selected on a global basis including marketable securities of issuers that are domiciled in both developed and developing countries. Equity and fixed income securities are utilized (according to client investment objectives) in the management of such accounts.

As of December 31, 2013 firm assets under management totalled US\$ 70,355,930,205

Portfolio Consulting Services

Mondrian currently provides portfolio consulting services to certain clients. This service is not currently being actively promoted.

Item 5 – Fees and Compensation

Institutional Separate Accounts

For the provision of Investment Advisory Services Mondrian charges a fee based on a percentage of the assets under management. In certain instances, a portion of the fee, which may be greater or less than the standard fee schedule, may be calculated on a percentage of performance basis.

Investment management fees for separately managed investment accounts are generally calculated and payable quarterly in arrears and are prorated for a period of less than a full quarter and in the event of a termination of the investment management contract. Generally, the fee is based upon the market value of the account as of the end of each calendar quarter, unless the client requests a different method of calculation.

Mondrian's separate account clients will incur brokerage and other transaction costs. Item 12 further describes the factors that Mondrian considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

Limited Partnerships

The compensation paid to Mondrian for serving as investment adviser to a limited partnership is an asset-based fee that is paid directly by each limited partner generally based on the quarter end market value of the limited partner's capital account.

Mutual Fund Fees and Expenses

In a limited number of circumstances, and generally at the client's request, Mondrian may invest in mutual funds on behalf of clients for which Mondrian acts as sub-adviser. In these instances Mondrian ensures that fees are waived at the account level (not the mutual fund level) for any client assets that are invested in one of the mutual funds managed by Mondrian.

Item 6 – Performance-Based Fees and Side-By-Side Management

Mondrian generally charges fees as a proportion of assets under management. In a very limited number of situations, in addition to this fee basis, accounts may also pay a performance based fee.

The Investment Advisers Act of 1940, as amended restricts the payment of performance based fees, such as the performance compensation, to investment advisers registered under such act. However, SEC Rule 205-3 permits the payment of performance based compensation to registered investment advisers provided that the clients meet certain financial qualifications. The potential conflict of interest arising from these fee arrangements is addressed by Mondrian's procedure for the allocation of aggregated trades among clients. Investment opportunities are allocated totally independently of fee arrangements.

Item 7 –Types of Clients

Mondrian provides investment management services to a broad based group of international institutional investors. This group includes retirement plan assets of corporate entities, retirement plan assets of government entities, foundations, endowment funds, and other institutional investors. Mondrian also acts as investment sub-adviser to U.S. based investment companies and as investment adviser or sub-adviser to limited partnerships and other on-shore and offshore collective investment vehicles and other non-U.S. clients.

Mondrian has previously required a minimum account size of \$25 – 100 million (this varies by product type) for U.S. institutional accounts or that minimum annual fees be paid which would be equivalent to those paid on a \$25 – 100 million account. It is expected that from time to time the minimum account size may vary depending on the country in which the client is located and the nature, circumstances and requirements of individual clients. The vast majority of Mondrian's institutional accounts are over \$100 million dollars. Mondrian has, from time to time increased the minimum account size for U. S. institutional accounts to an amount in excess of \$50 million. The minimum account size generally imposed on U.S.

institutional accounts is currently set at \$100 million for equity accounts, and \$50 million for fixed income accounts. Mondrian may determine from time to time to alter the minimum account size, but any such minimum is not expected to be reduced to an amount below \$25 million. In connection with Mondrian's investment management services to limited partnerships, lower minimum account sizes apply.

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

Mondrian uses a fundamental value-oriented defensive management style across its two principal methodological groups, Equity and Fixed Income as well as Systematic Equity.

The broad investment philosophy of the management of portfolios is outlined below:

Equity Philosophy and Management Approach

With respect to its International and Global Equity advisory services, Mondrian will follow an approach which incorporates a macroeconomic or "Top Down" analysis as well as an individual security selection or "Bottom Up" valuation. An approximate long term value added weighting of 40% is expected to be given to "Top Down" analysis with 60% the result of "Bottom Up" analysis.

Mondrian believes the use of our Dividend Discount Model will help us to:

- Provide a long-term rate of return meaningfully greater than the client's domestic rate of inflation.
- Provide rates of return that are more consistent than rates of return provided by an unmanaged index, such as the EAFE index.
- Preserve capital during protracted market declines

Mondrian invests in stocks where a dividend discount analysis isolates value in terms of the long term flow of dividends. Dividends and expected future dividend growth play an important role in the decision making process and, over time, the dividend component is expected to be a meaningful portion of expected total return. Currency analysis is also an important factor. Mondrian uses a long term oriented "purchasing power parity" analysis in evaluating the most likely impact currency translation will have on the client's portfolio holdings when converted back to the client's domestic currency.

Fundamental research is conducted by Mondrian's investment staff on a worldwide basis. Portfolio managers and analysts will typically conduct teleconferences, meet management or participate in company presentations with existing or potential investment opportunities. In-house research will be augmented by use of research-oriented brokerage houses and consultants, which provide supplemental research. New ideas can also be derived from trade journals, financial newspapers, magazines and the like. Corporate annual and financial reports are the main source of financial data, supplemented by various manuals and databases published by research services.

International Equity client portfolios with similar investment objectives are managed using a central strategy. Stocks are normally held for a long period of time and portfolio turnover is expected to approximate 15-30% annually. Each International Equity client

portfolio will normally have 35-55 individual securities, except for focused portfolios, which normally have 30-40 individual securities. By incorporating the US market, Global Portfolios would have 50-70 securities but portfolio turnover is still expected to approximate 15-30% annually. The portfolio characteristics of a client portfolio managed by Mondrian can be expected, relative to other institutional portfolio managers, to normally exhibit the following characteristics:

- Low relative Price/Earnings ratios.
- Low relative Price/Cash ratios.
- High relative Dividend Yield.

Mondrian's emerging markets equity investment approach is broadly similar to the general equity style described above; however, in the emerging markets equity style "Top Down" and "Bottom Up" analysis each receive about a 50% weighting. Emerging markets portfolios, contain about 60-100 individual securities, except for focused portfolios, which normally have approximately 40-50 securities. Turnover is expected to approximate 25-40% per year.

Mondrian's international small capitalization equity product's investment approach is broadly similar to the general equity style described above; however, the international small capitalization product adopts an approximately 20%/80% "Top Down"/ "Bottom Up" allocation approach. The portfolios, while still relatively concentrated, contain about 70-120 individual securities and turnover is expected to approximate 20-40% per year.

Mondrian's emerging markets small capitalization equity product's investment approach is broadly similar to the general equity style described above; however, the emerging markets small capitalization product adopts an approximately 67%/33% "Top Down"/ "Bottom Up" allocation approach. The portfolios, while still relatively concentrated, contain about 70-150 individual securities and turnover is anticipated to approximate 20-40% per year.

Systemic Equity Philosophy and Management Approach

Mondrian's systematic equity portfolio construction methodology isolates holdings from the investment universe that have typical Mondrian quality, earnings and value characteristics using a "Bottom Up" analysis. A diversified portfolio is constructed from holdings perceived to be high quality, value and defensive. It invests in a broad range of countries and sectors consistent with the core Mondrian equity philosophy. The portfolios typically contain more than 100 individual securities and turnover is expected to approximate 50-75% per year.

Equity Risk Control

Mondrian considers that there are several total return risks to be managed. These include the risk of not meeting future liabilities, the risk of deviation from the chosen index which has normally been selected by the client with certain asset allocation goals in mind, and currency risk.

Risk of Not Meeting Future Liabilities

To help clients ensure that they meet their future liabilities, analysis is conducted in inflation adjusted terms. Additionally equity analysis is considered under three scenarios: best, base and worst case. These scenarios are based on political, economic, industry and on occasion company specific considerations. The range of returns between the cases indicates the risk inherent in a market or security. If the risks are considered significant, the firm will adjust allocation to a market or security accordingly. All portfolios are constructed to aim to maximize return consistent with each client's risk tolerance. If a country is considered too dangerous for the firm to visit from the perspective either of personal safety or of crime, Mondrian will not risk its clients' money there either.

Risks Created by Deviation from an Index

Mondrian has found that constraints on minimum/maximum percentage allocations can control risk very effectively, without giving up return over a market cycle. These constraints are a function of the size and liquidity of any particular country in the index. These minimum/maximum percentage allocations act as constraints on the degree of under/overweighting versus an index. Substantial deviations from the index will occur at times of extremes in valuation differences between countries. The firm does not believe that a low tracking error results in a meaningful reduction in absolute risk (standard deviation), and the portfolios may diverge substantially from index weights if countries or companies do not present us with long term sustainable prospects.

Currency Risk

Mondrian believes that in the medium to long term, currencies adjust to their purchasing power parities (PPP). It is clear, however, that currencies do fluctuate quite significantly around their purchasing power fair value. Our long term analysis of value at the local level is converted to the client's base currency using PPP. In addition, if a currency is excessively overvalued, by more than two standard deviations, Mondrian may choose to participate in the value at the local level by purchasing assets in that currency and hedging the currency back into US dollars. This is only used as a defensive measure to protect real returns. This long term approach is supplemented by a shorter-term assessment of the key identifiable factors which result in deviations from purchasing power parity.

In practice, emerging markets equity currency hedging is often either too expensive or not an available tool. Nevertheless, Mondrian may be able to employ indirect hedging of a vulnerable currency through individual stock investments. If a company earns a significant portion of its revenues in US dollars, for example, and its costs are based in a currency that is expected to decline, its earnings would be positively geared to the falling domestic currency, rising even in US dollar terms. This "natural hedge" characteristic in many emerging market stocks, compared to stocks in developed markets, helps to compensate for the difficulty in hedging.

Additionally, other areas of risk management incorporated in our investment process are highlighted below:

Liquidity

Mondrian will generally invest only in issues where it expects that positions can be liquidated over a reasonable period of time, without adversely affecting the share price. This guideline represents different dollar amounts in different markets.

Avoiding Direct Investment Where Necessary

In certain emerging markets where Mondrian is uncomfortable with the securities regulation, adequacy of safeguards for assets, or reporting standards, the firm may choose to invest in that market only through ADR or GDR issues to control risk.

Attribution Analysis

We also look at portfolio attribution analysis in detail on a monthly basis as an historical measure using the Sylvan and Factset attribution software. The attribution analysis of portfolio successes and failures can indicate areas requiring more attention to achieve continuing improvement in the product.

Fixed Income Philosophy and Management Approach

With respect to its fixed income advisory services, Mondrian follows a broad based approach which incorporates both a macroeconomic or “Top Down” approach, as well as an individual security selection or “Bottom Up” approach. The three primary goals in the management of fixed income securities are to:

- Provide a rate of return meaningfully greater than the client’s domestic rate of inflation.
- Structure client portfolios that preserve capital during protracted international market declines.
- Structure portfolios that perform better than an unmanaged index, such as the Citigroup World Government Bond index.

Mondrian primarily uses a value-oriented defensive management style. Mondrian’s investment philosophy is based on the belief that investments need to be evaluated in terms of their fundamental long-term value. In the management of fixed income securities, Mondrian invests in securities where an inflation-adjusted, discounted income stream analysis identifies value in terms of prospective real returns. This methodology is applied consistently across countries.

Mondrian uses medium term global inflation analysis to determine expected “real” returns from world bond markets. Allocations to global bond markets are made on the basis of their real return potential in U.S. dollars (or in the currency of the client’s domicile, if requested by the client). This is a single measure taking into account both Mondrian’s measure of currency value and local bond market value. In the management of globally oriented portfolios, currency analysis is often a critically important factor. Mondrian uses long term oriented purchasing power parity analysis supplemented by real short term interest rate analysis in determining the most likely impact currency translation will have on the client’s portfolio holdings when converted back to the client’s domestic currency.

Mondrian's Emerging Market Debt and Global Debt Opportunities product's investment approach is broadly similar to the general fixed income style described above. The emerging market debt product invests primarily in local currency emerging market debt instruments but may also opportunistically invest in hard currency paper.

Fixed Income Risk Control

Although risk may be defined in a number of ways (e.g. mean variance, deviation from index), and various scenarios can be evaluated, Mondrian typically uses Tracking Error as our primary risk assessment for fixed income portfolios.

Mondrian seeks to control tracking error risk (deviation from index) using a proprietary optimization program, which minimizes tracking error risk for a given target Prospective Real Yield, subject to minimum/maximum country allocation weightings. Those weightings depend on the relative size of the particular market in the index and effectively constrain the degree of over/underweighting versus the index. Mondrian estimate ex ante tracking error using historic co-variances of bond returns, currencies and durations. Mondrian considers many different scenarios, varying our assumptions on what historic data Mondrian use.

Mondrian seeks to control interest rate risk through our duration/maturity strategy. We will employ a high duration/maturity strategy in markets that have relatively high Prospective Real Yields, to maximize the advantage. Similarly, Mondrian will adopt a low duration/maturity stance where Prospective Real Yields are relatively low, as a defensive move.

Mondrian seeks to control currency risk through our defensive currency hedging strategy. Mondrian usually purchase bonds on an unhedged basis, as if a market offers good value, the currency is likely to appreciate. However, if Mondrian believe that a currency is extremely overvalued, we will hold that country's bonds on a hedged basis. Mondrian hedging strategy is based on real exchange rate valuations from proprietary Purchasing Power Parity currency models.

Mondrian seeks to control credit risk by employing strict diversification rules for sector/individual security allocations in the corporate bond arena. Mondrian constantly monitor portfolio credit risk to ensure that allocations are prudent

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Mondrian or the integrity of Mondrian's management.

Mondrian has no information applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

Mondrian and its affiliate, Mondrian Investment Partners (U.S.), Inc. a Pennsylvania Securities Commission registered investment advisor, are indirect wholly-owned subsidiaries of Atlantic Value Investment Partnership L.P., a Delaware limited partnership (“AVIP”). AVIP is 100% employee owned.

Mondrian is an affiliate of Mondrian Investment Group (U.S.), Inc. which serves as the general partner for private investment funds.

Mondrian serves as the appointed Investment Manager and is an affiliate of the General Partner, Mondrian Investment Group (U.S.), Inc. for the following limited partnerships:

- Mondrian International Equity Fund, L.P.
- Mondrian All Countries World Ex-US Equity Fund, L.P.
- Mondrian Global Equity Fund, L.P.
- Mondrian Emerging Markets Equity Fund, L.P.
- Mondrian Focused Emerging Markets Equity Fund, L.P.
- Mondrian International Small Cap Equity Fund, L.P.
- Mondrian Emerging Markets Small Cap Equity Fund, L.P.
- Mondrian U.S. Equity Fund, L.P.
- Mondrian International Fixed Income Fund, L.P.
- Mondrian Focused International Fixed Income Fund, L.P.
- Mondrian Global Fixed Income Fund, L.P.
- Mondrian Focused Global Fixed Income Fund, L.P.
- Mondrian Emerging Markets Debt Fund, L.P.
- Mondrian Global Debt Opportunities Fund, L.P.
- Mondrian U.S. Aggregate Fixed Income Fund, L.P.
- Mondrian Global Inflation-Linked Bonds Fund, L.P.
- [Mondrian Global Aggregate Fixed Income Fund, L.P.](#)
- [Mondrian International Aggregate Fixed Income Fund, L.P.](#)
- [Rothko Emerging Markets All Cap Equity Fund, L.P.](#)

Item 11 – Code of Ethics

Mondrian has a written Code of Ethics (“Code”) which all Mondrian staff are required to adhere to. The Code sets standards that should ensure ethical behaviour where Mondrian staff have potential conflicts of interest in relation to their duty to Mondrian’s clients e.g. where Mondrian staff engage in personal account trading activity, are offered gifts or entertainment from business contacts, have outside business interests or directorships and make personal political contributions. The Code also sets out Mondrian’s policy for handling non-public, price sensitive information. All Mondrian staff are required to comply with the Code and Mondrian’s Compliance team is responsible for monitoring compliance with it.

Additionally, in the course of its normal investment management business activities, other conflicts of interest can arise that Mondrian needs to manage in order to ensure that all clients are treated fairly and equitably. The following is a list of some of these potential conflicts and a summary of Mondrian's policy for managing the conflict. These conflicts are not specifically addressed in Mondrian's Code but are dealt with in other policies and procedures which all staff are required to comply with:

Cherry Picking

Cherry picking is an abusive practice whereby an investment firm misrepresents its stock selecting skills by only showing top performing securities in promoting its investment services.

Mondrian's production of marketing materials is centrally controlled and independently reviewed to ensure that all materials are fair and not misleading.

Dealing in investments as agent for more than one party

Conflicts of interest exist when a portfolio management firm manages multiple client portfolios.

Mondrian addresses these potential conflicts through the operation of dealing policies designed to ensure the fair and equal treatment of all clients e.g. merging and allocation of aggregated trades among clients and the treatment of clients trading in the same security for different strategies potentially in different directions.

Dealing in investments as principal in connections with the provision of seed capital

A conflict of interest exists when a portfolio management firm manages its own money alongside client money.

Mondrian generally does not trade for its own account. However, Mondrian and its affiliates have provided the seed capital to certain investment vehicles that have been established by Mondrian group entities. During this initial stage of implementation, funding is typically solely proprietary firm capital. Mondrian serves as the investment manager to these investment vehicles.

Mondrian operates dealing policies designed to ensure the fair and equal treatment of all clients e.g. the allocation of aggregated trades among clients. These policies ensure that any portfolios in which Mondrian has an investment interest do not receive favourable treatment relative to other client portfolios.

Dual agency

Dual Agency (also known as Cross Trading) concerns those transactions where Mondrian may act as agent for both the buyer and seller. In such circumstances there is a potential conflict of interest as it may be possible to favor one client over another when establishing the execution price and/or commission rate.

Although it rarely does so, Mondrian may act as agent for both buying and selling parties with respect to transactions in investments. If Mondrian proposes to act in such capacity, the Portfolio Manager will first obtain approval from the Chief Compliance Officer. The CCO has an obligation to ensure that both parties are treated fairly in any such trade.

Employee Compensation

There is a potential risk that Mondrian's compensation structure may incentivize employees to place their interests ahead of client interests, or, place one client's interests ahead of another.

Mondrian's compensation structure does not provide incentives for any member staff to favor any client (or group of clients).

Incentives (Bonus and Equity Programs) focus on the key areas of research quality, long-term and short-term performance, teamwork, client service and marketing. At Mondrian, the investment management of particular portfolios is not "star manager" based but uses a team system. This means that Mondrian's investment professionals are primarily assessed on their contribution to the team's effort and results, though with an important element of their assessment being focused on the quality of their individual research contribution.

Portfolio Holdings Disclosure

Detailed portfolio holdings information can potentially be used by one or more clients/shareholders to obtain advantage over others who do not have access to that information.

There is a potential risk that Mondrian could make non-public portfolio holdings information available to one or more select clients before it is made available to all relevant clients.

Conflicts of interest arising from access to non-public information are addressed in the Mondrian Investment Partners Limited Code of Ethics under "Policy Statement on Insider Trading and Securities Fraud". A copy of Mondrian's Code of Ethics is available upon request.

Additionally, to prevent inappropriate disclosure of mutual fund portfolio holdings information, Mondrian will generally only permit the dissemination of such information after a period of 30-days has elapsed since the most recent calendar month end. This helps to ensure that the information is stale and also allows time for the mutual fund manager to release details to the fund shareholders e.g. through their website.

Portfolio Pumping

Portfolio pumping is the act of bidding up the value of a client's holdings immediately before the end of a calendar quarter, or other period when portfolio performance is measured. This is done by using a client's funds to place an excessive volume of trades in securities held by another client. This may drive up the value of the holdings on a temporary basis.

Mondrian does not permit trading for the purpose of temporarily improving the performance of a portfolio. Mondrian's investment procedures require all changes to portfolio holdings to be approved by the relevant Investment Committee. Although portfolio performance is measured and reported to clients on a monthly basis, Mondrian's clients assess portfolio returns and relative performance on a longer term basis, in accordance with Mondrian's long-term investment approach.

Window Dressing

Window dressing is a strategy which can be used by portfolio managers near the end of a reporting period to improve the appearance of portfolio performance before presenting it to clients. To window dress, a portfolio manager may sell securities with large losses and purchase stocks that have done well, near the end of the reporting period. The list of holdings sent to clients will thus include the high performing securities, and exclude the poor performing securities. Window dressing can also be used to invest in securities that do not meet the style of an account, without clients being aware. Mondrian does not permit window dressing or other trading for the purpose of improving the appearance of a client's performance. Mondrian's investment procedures require all changes to portfolio holdings to be approved by the relevant Investment Committee. Although portfolio holdings are reported to clients on a monthly basis, Mondrian's clients assess portfolio returns and relative performance on a longer term basis, in accordance with Mondrian's long-term investment approach.

Investment in shares issued by Companies who are clients of Mondrian

Mondrian has client relationships with a number of entities which are associated with companies that issue securities in which Mondrian could invest client assets. This results in a potential conflict of interest.

Mondrian makes stock selection decisions at a committee level. If a security is identified as offering a good investment opportunity it is added to Mondrian's list of approved securities. All portfolios governed by the same or a similar mandate are structured similarly, that is, will hold the same or comparable securities.

Mondrian would not consider client relationships when analysing securities and would not add a holding to, or remove one from, the approved list because of a client relationship.

Mondrian has a separate Conflicts of Interest Policy which is available on request.

Item 12 – Brokerage Practices

Best Execution

It is Mondrian's policy to take all reasonable steps to achieve on a consistent basis the best possible result for clients on trades ("best execution"). Best execution refers to many factors, including, the price paid or received for a security, the size of the order, the commission charged, the promptness and reliability of execution, liquidity of the market, the confidentiality and placement accorded the order and other factors, such as the

efficiency of settlement and the quality of any research received, affecting the overall benefit obtained by the client in the transaction.

The relative importance of each of the above factors will differ depending on the characteristics of the order, the financial instrument and the characteristics of the execution venue to which the trade may be directed. In most circumstances, price will be the most important execution factor; however in some circumstances Mondrian may determine that other execution factors have greater importance in achieving the best possible outcome for clients.

The final decision regarding the selection of the trading venue and executing broker/dealer (if applicable) is the responsibility of the Trading Desk. In order to keep the impact of trades to an acceptable level, the portfolio managers of each product are responsible for guiding the Trading Desk in the most appropriate strategy to trade the security. For example whether or not a limit should be placed on a security, and what percentage of the daily volume they would be prepared to trade. In reaching their decision on where to place the trade, the Trading Desk's objective is always to achieve best execution.

For each trade Mondrian will appraise the most effective execution method and venue. With the objective of achieving best execution as outlined above, the appraisal will include the use of some or all of the following criteria (this is not an exhaustive list):

- Size of trade
- Market liquidity
- Number of securities being traded
- Number of clients involved in the trade
- Country/market where security traded
- Prevailing market conditions
- Type of security being traded
- Ability to settle the trade
- Custody transaction charges
- Characteristics of the execution venues to which the order can be directed

Mondrian's policy with regard to best execution is to endeavor to exercise the same standards and operate the same processes across all the different markets and financial instruments. However, the diversity in markets, size of trade orders and the viability of trading platforms for certain trades and financial instruments may mean that different factors will have to be taken into account in the context of specific trades. For example in some markets, price volatility may mean that the timeliness of execution is a priority, whereas, in other markets that have low liquidity, the fact of execution may itself constitute best execution. In other cases, the choice of venue or execution method may be limited because of the nature of the order. For example, in the case of a large equity trade or a program trade across a number of markets, it may not be practical to use a direct market access venue or a multilateral trading facility such as a crossing network. Timeliness together with depth of liquidity may be the overriding factors in such cases and therefore

Mondrian may select a broker/dealer to execute such trades either on a principal or agency basis. Mondrian itself does not engage in principal trades.

Trades will take place both on exchanges regulated under MiFID and on those that fall outside MiFID's jurisdiction.

Equity Trading

Mondrian uses a range of execution methods and venues to execute equity trades which may include:

- Broker/dealer execution on an agency basis
- Broker/dealer execution on a principal basis
- Execution through broker/dealers that deal on an organized frequent and systematic basis buying and selling off their own books outside a regulated market but for which continuous quotes must be provided. Firms that provide this category of trading are known under the MiFID regulations as "systematic internalisers".
- Direct market access
- Multilateral trading facilities e.g. crossing networks or matching engines

Broker/dealers may execute trades on an agency or principal basis and they may also act as a systematic internaliser where they are, in effect, acting as the execution venue. Mondrian is not always notified of the capacity that the broker/dealer is acting in when it trades.

Mondrian may use the following trading strategies:

- Execution only
- Value added (full service) execution
- Principal trading
- Placement of limit orders
- External crossing
- Algorithmic trading (includes "program" and "package" trading)

During the past 12 months Mondrian has primarily executed trades through broker/dealers on a full service basis as Mondrian believes this enables it, on a consistent basis, to obtain the best possible result for clients.

Fixed Income Trading

Mondrian uses a range of execution venues to execute fixed income trades which may include:

- Dealer execution where the dealer is acting as a market maker on a regulated market
- Multilateral trading facilities e.g. crossing networks or matching engines

During the past 12 months Mondrian has selected venues based on their ability to offer the best possible execution result for each instrument we are trading.

Derivative Trading

Mondrian's derivatives exposure within portfolios consists almost entirely of defensive forward currency contracts and non-deliverable forwards (NDF's) used in an unleveraged and fully covered manner. Currency forwards and NDF's are traded using currency venues and trading approaches as outlined below.

Derivative securities, such as futures and options, are researched as well and may be used if client guidelines permit.

In instances where Mondrian trades in futures and options, a range of execution venues may be used and these may include:

- Broker/dealer execution on an agency or principal basis.
- Direct market access

Foreign Exchange Trading

The foreign exchange trading market is generally large, highly efficient and very liquid. There is normally little difference between the quality of service and execution received from different counterparties (note that certain emerging markets currencies are quite different, as described below).

Mondrian has the system capability to execute foreign exchange with counterparties other than the client's custodian. It can be difficult to determine whether it is better to trade foreign exchange competitively, which could potentially marginally improve the price achieved or with the client's custodian which minimizes counterparty risk, improves availability of funds and reduces transaction fees. However, in order to ensure that competitive rates of execution are achieved, foreign exchange trade execution with all counterparties is actively managed by Mondrian's trading desk and execution quality is monitored by the Trading Oversight Committee on a post trade basis. Where custodians are not providing a competitive service, Mondrian will seek to move the foreign exchange execution business away from that custodian whilst taking into consideration reasonable presumptions of additional costs that may arise as a result. .

Trading in foreign exchange markets is generally undertaken by direct access to the counterparty. Mondrian's access will normally be made through FX Connect, a multi-counterparty electronic execution platform, or through direct telephone contact.

Certain emerging market currencies have restrictions and controls over pricing and how they can be traded. These restrictions and controls may be put in place by the government of the relevant country but also result from the trading processes of custodians (and their sub-custodians) which can make it, on a practical level, very difficult to trade with anyone but the custodian. Restricted currency trades are therefore managed through the client's custodian and are sometimes executed through a sub-custodian based in the relevant country. The exchange rates are generally not negotiable so there is no flexibility in the rates achieved for trades in restricted market currencies and they are more costly than for non-restricted currencies.

Normally commissions are not paid on foreign exchange trades (including third party foreign exchange trades).

Establishing and Maintaining Mondrian Approved Counterparty List

Mondrian selects broker/dealers to execute transactions based upon a judgment of their professional capability to provide the service. Mondrian maintains an Approved Counterparty List of broker/dealers and other counterparties. In order to add a broker/dealer to the Approved Counterparty List, an approval and due diligence process needs to be completed. All new broker/dealers require the approval of an Investment Director and the Chief Compliance Officer.

The Approved Counterparty List is subject to continual review, and broker/dealers on the list will be either suspended or removed from the list if Mondrian feels that they are not providing a good service or if Mondrian believes that they represent an increased level of counterparty risk. This review process takes a number of forms:

- On a daily basis Mondrian monitors CDS spreads for those counterparties where this market information is available. Mondrian identifies whether the level for CDS spreads may indicate an unacceptable risk threshold. If a counterparty breaches one of these tolerances Mondrian will consider reducing exposure to the counterparty or suspend trading, depending on the threshold reached, until the risk level has reduced.
- A regular Trading Desk meeting will review broker/dealer performance and other broker/dealer service level factors.
- The Mondrian's Compliance & Risk function performs on-going due diligence reviews of the Approved Counterparty List to ensure that the approved broker/dealers continue to meet Mondrian's standards.
- Credit analysts in Mondrian's Global Fixed Income team perform reviews of the credit worthiness of companies as part of their investment research. These reviews include a number of the key counterparties used by Mondrian.

Where any of the above reviews identifies a weakness that may impact Mondrian's counterparty risk exposure, this is highlighted to the Director responsible for the Trading Desk and the Chief Compliance Officer who will consider if it is appropriate to suspend trading with that counterparty

Trading Oversight Committee

Senior investment staff and the Chief Compliance Officer meet formally with the Trading Desk to review the approved counterparty list, trading volumes, business targets, execution quality and overall service levels. This committee generally meets four times a year and is responsible for overseeing business targets for counterparties, reviewing counterparty execution quality and for establishing commission guidelines for the Trading Desk.

Equity commission rates are set by product and market and will be broken into an execution component and a research component. Mondrian generally negotiates competitive commission rates in advance. As part of the committee's responsibility, commission rates are reviewed periodically and compared to industry averages. By

concentrating business through a limited number of broker/dealers and taking account of the size of Mondrian's trading volumes, Mondrian believes it is able to negotiate competitive commission terms.

Allocation of Trades to Broker/Dealers

The primary consideration of the Trading Desk is to execute all transactions at best execution. Working with the approved list of counterparties and within the guidelines set out by the Trading Oversight Committee, the Trading Desk will select, in its opinion, the most appropriate trading venue, trading strategy and counterparty to execute each trade. The final decision regarding trading venue and executing broker/dealer (if applicable) is the responsibility of the Trading Desk.

The Trading Desk is very aware that there is an impact on each client portfolio's ability to achieve its return objective every time a deal is made. Therefore, every effort is made by the Trading Desk to minimize the cost of each trade. In considering the unit cost of any trades, the Trading Desk assesses the rate of commission paid as well as the market 'spread' and any market impact.

Post-Trade Review of Execution Quality

The quality of trade executions at Mondrian is evaluated through a variety of methods:

Trading Desk Review

All trade executions will initially be reviewed by the Trading Desk to see that they meet the requirements of best execution.

Trading Oversight Committee

Senior investment staff and the Chief Compliance Officer meet normally with the Trading Desk on a quarterly basis to review trading volumes, business targets, execution quality and overall service levels. In monitoring execution quality, this committee relies on the work of third-party-provider Elkins McSherry whom Mondrian has commissioned to complete post trade execution analysis on a quarterly basis. In evaluating the total cost of any trade, Mondrian considers the commission paid as well as the 'spread' and fees charged and any market impact.

Compliance Monitoring

Mondrian's Compliance Team performs a number of periodic reviews of trading activity to test execution quality and to review broker/dealer due diligence and broker/dealer allocation procedures. These reviews cover trades in all asset classes including foreign exchange.

Broker Service Level Reviews

On a regular basis, Trading Desk representatives meet broker/dealer counterparties to review the quality of services received.

In measuring total execution cost, Mondrian looks at the price paid for a security, the spread and any commission charged by the broker/dealer. The objective of the Trading

Desk is to aim to minimize overall costs during the life of a trade and across all clients participating in that trade. The Trading Desk also takes into account the size of the trade, as well as the marketability of the issue involved in coming to trading decisions. 'Package' or 'program' trades are one example of a cost saving mechanism used by the Trading Desk to benefit the client when a large amount of securities is traded.

Broker/Dealer Reviews

The Trading Desk meets with individual broker/dealers periodically to review broker/dealer service levels. The review includes: commission levels, execution quality, ability to settle and process trades, responsiveness and research services provided. Prior to these meetings Mondrian's analysts are asked to provide input to this process. The results of the meetings are presented to the Trading Oversight Committee and the Research Budget Committee. This process will continue on an informal basis through the year, as necessary, and should any issues arise prior to a scheduled meeting, it would be expected that they would be addressed as they occur.

As part of Mondrian's review of broker/dealer service levels, commission rates are reviewed with the objective of negotiating the lowest possible rates for clients in relation to the service level provided. Also, as part of Mondrian's ongoing execution monitoring, commission rates are compared against other broker/dealers and fund management firms through the trade cost analysis reports which are detailed above.

Research Related Services

A high proportion of Mondrian's research is internally generated using a variety of different source materials including broker/dealer proprietary research and research purchased directly by Mondrian from third party sources. All information interpretation is done in-house. For most analysis done in-house, the primary source is company data (annual reports, websites and company meetings).

Mondrian pays broker/dealers through commissions to provide additional proprietary research related services. Mondrian believes these services meet the following conditions:

- add value to our investment and/or trading decisions by providing new insights;
- represent original thought, in the consideration and assessment of new and existing facts;
- have intellectual rigor; and
- involve analysis or manipulation of data to reach meaningful conclusions

Execution Related Services

Execution related services include:

- Trading information – liquidity and market information used to assist execution
- Trade execution

Rates of Commission

Generally trading commissions are paid on equity trades only. Normally fixed income trading is done on a principal basis with the broker/dealer or directly through multilateral

trading facilities so it should be expected that no commissions would be paid on these trades. Certain minimal trading venue/platform fees may be chargeable where applicable.

Normally equity commission rates will be negotiated in advance annually or more frequently if necessary, and Mondrian will typically agree a single flat rate of commission for each market with each broker/dealer. This will take account of the size of Mondrian's trading volumes, and as a result, Mondrian believes it is able to negotiate competitive commission rates. In this negotiation process, Mondrian will consider the benefits of the services provided relative to the costs charged by the counterparty. Mondrian may agree a higher rate of commission with certain counterparties where Mondrian believes that the quality of the execution and/or research services justify the additional cost.

The single flat commission rate will cover the cost of both execution and research services. When evaluating the rate, Mondrian makes an internal assessment of the relative values of these services and apportions them accordingly. Generally, in developed equity markets, Mondrian expects that the first three basis points of commission paid reflected the approximate cost of execution, and the remaining commission covered the cost of research services provided. Execution costs may be higher for trading small cap securities. As the costs of trading and settling emerging market securities are higher than developed markets, Mondrian believes that, on average, the first ten basis points of commission paid reflect the approximate cost of execution, and the remaining commission covers the cost of research services provided.

In special circumstances (i.e. depending on liquidity and the size of the trade), Mondrian may undertake to negotiate a commission rate suitable to the nature of a particular trade. This rate may be higher or lower than the previously negotiated standard commission rate. Where confidentiality is less of an issue Mondrian may place specific trades out to tender. Mondrian will review the proportional allocations between research and execution at least annually.

Research Commission Limits

In order to ensure that client commissions are only used to pay for the research services to the level that Mondrian expects to receive, Mondrian operates a process for determining an annual research budget for each broker/dealer. Separate budgets are agreed for each product group to avoid cross subsidization. This process is overseen by Mondrian's Research Budget Committee which has final responsibility for agreeing the total dollar amount that each broker/dealer will receive in research commissions each year. As Mondrian trades for clients throughout the year the research portion of the aggregated commissions are monitored for each broker/dealer until the pre-agreed dollar amount is reached. At that time the commission rate payable on trades with the relevant broker/dealer will switch to a lower execution-only rate until the end of the period.

Commission Recapture/Directed Commissions

Mondrian does not enter into any directed commission or commission recapture programs for its own benefit or the benefit of its affiliates. Mondrian may be directed by clients to use named brokerage services with respect to securities transactions generated by their

portfolios. In addition, Mondrian may set up Commission Sharing Agreements or Client Commission Agreements in order to make the split in the payment to broker/dealers between commission payments for execution and research services more transparent. Mondrian will receive no part of these payments and the arrangements will have no impact on the amount clients pay in commissions.

Certain US based Mondrian clients have an obligation to direct a portion of the commissions paid by their portfolio to minority-, disabled veteran- and/or women-owned broker/dealer businesses. Where possible, Mondrian will endeavor to meet these client requirements. Any such trades will be disaggregated from the trades for other Mondrian clients and executed separately with the directed broker. In this situation, Mondrian operates a trade rotation policy to ensure equitable treatment of all clients.

Mondrian believes that there is very little to be gained from commission recapture arrangements. As commission rates have fallen in recent years, the number of broker/dealers participating in commission recapture programs has declined. The commission rates that Mondrian trades at in most equity markets are now so low that most counterparties are unwilling to also credit recapture programs. In addition, in order to take part in such a program the trade would need to be disaggregated from the main block and traded after other clients.

We request that any client wishing to undertake a directed program speak directly with their portfolio manager or client services officer to discuss the feasibility of meeting the program's objectives. Any such requests are subject to best execution as defined above, and Mondrian discourages clients from directing material portions of total commissions as this could impair Mondrian's ability to achieve best execution.

Soft Dollar Policy

As is typical in the investment management industry client funds are used to pay brokerage commissions for the execution of transactions in the client portfolio. As part of that execution service, brokers typically provide proprietary research.

Proprietary research may be used by Mondrian in connection with its investment decision-making process, with respect to one or more accounts managed by it, and it may or may not be used, or used exclusively, with respect to the account generating the brokerage. Mondrian is satisfied that all proprietary research received is covered by the "Safe Harbor" in Section 28(e) of the US Securities Exchange Act of 1934.

With the exception of the receipt of proprietary research, Mondrian currently has no other soft dollar or commission sharing arrangements in place with brokers. As mentioned above, Mondrian may set up CSA/CCA's in order to make the payments to brokers more transparent.

Mondrian may pay a broker a commission or mark-up in excess of that which another broker might have charged for executing a transaction if Mondrian determines, in good

faith, that the commission or mark-up is reasonable in relation to the value of the brokerage and/or research provided.

Transactions with Affiliated Brokers

Mondrian does not currently have any affiliated brokers.

Further details of Mondrian's brokerage practices and trading arrangements can be found in Mondrian's Trade Execution Policy and Procedures document which is available from Mondrian on request. This document is sent to existing clients annually.

Item 13 – Review of Accounts

Each product has a relevant Strategy/Investment Committee which meets regularly and determines the strategy for the product.

If an investment decision is accepted by the relevant Strategy Committee, it is entered into the trading system and checked against client guidelines to be implemented in all relevant client portfolios. Asset allocation and currency hedging decisions are also finalized at the strategy meetings and, after being finalized, are implemented across all client portfolios.

In the absence of client-imposed restriction, all client portfolios with the same type of mandate are managed to be as similar as possible. As all investment decisions are made by the Strategy Committees there is very little discretion allowed to individual portfolio managers.

Mondrian's clients are normally supplied with a monthly or quarterly statement (as determined by the clients' needs) which includes a listing of holdings together with the amount, cost, market price and market value for equity accounts of each holding and, upon request, the current dividend yield. A performance page highlights the performance of the account for the latest month, the last three months (on request), the year-to-date and since account inception. These performance results are compared to the results for the same periods for relevant indices. Bond reports are issued which are similar in nature but which also provide a maturity breakdown and, upon request, a quality breakdown. In addition, each client is furnished with a complete listing of the past month's or quarter's trading activities (as appropriate) and, if requested for an equity account, a commission report which lists the broker's name and amount of commission received by each broker receiving business in the past month. Once a quarter, the client report will be expanded to include written remarks covering Mondrian's economic views and investment strategy and a detailed report supplementing the country-by-country investment inventory. This typically includes an industry breakdown but with the same general data as provided in the geographical listing.

There may be other special reports prepared to individual client specifications.

Item 14 – Client Referrals and Other Compensation

Mondrian does not receive any economic benefits from someone who is not a client for providing investment advice or other advisory services to our clients.

Mondrian may enter into written arrangements with certain persons, including but not necessarily limited to, officers, employees and agents of Mondrian Investment Partners (U.S.), Inc. and its affiliates, providing for the payment of a solicitation fee to such persons in connection with the introduction of client accounts. These arrangements will not be undertaken with any person who is a fiduciary under ERISA of the client account.

Investment consultants typically provide advisory services to Mondrian's clients and Mondrian occasionally purchases services from these consultants.

However, Mondrian will take care to ensure that any services it purchases from such firms are appropriate and would not reasonably be considered to be an inducement to that firm. Where such a conflict is identified, Mondrian documents the relevant action undertaken to resolve the conflict.

Item 15 – Custody

Mondrian does not act as custodian of separate account clients' assets; neither does it hold custody of assets. Separate account client assets managed by Mondrian shall be held at a third party custodian under the client's name pursuant to an agreement between the client and the third party custodian. Mondrian does not appoint or recommend the appointment of custodians to hold custody assets for separate account clients. The separate account clients will appoint their own custodian. Note that with respect to commingled vehicles sponsored by an affiliate of Mondrian, the affiliate does appoint the custodian for the commingled vehicle with Mondrian input. The custodian for such commingled vehicles is a third party to Mondrian and its affiliates.

From time to time, Mondrian receives class action claims forwarded by client custodians. Where Mondrian believes that it is cost effective, Mondrian will work with the client's custodian to pursue the claim. Mondrian does not actively participate in class actions and would not engage counsel to pursue class action claims.

Item 16 – Investment Discretion

Mondrian will receive discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, Mondrian observes the investment policies, limitations and restrictions of the clients for which it advises. For registered investment companies, Mondrian's authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Investment guidelines and restrictions must be provided to Mondrian in writing.

Item 17 – Voting Client Securities

Clients may obtain a copy of Mondrian's complete proxy voting policies and procedures upon request. Clients may also obtain information from Mondrian about how Mondrian voted any proxies on behalf of their account(s).

Application of Proxy Voting Guidelines

With respect to proxy voting, Mondrian is sometimes authorized by its clients to vote proxies appurtenant to shares held in any account over which Mondrian has investment discretion including accounts which are subject to ERISA. Mondrian will vote proxies on behalf of clients pursuant to its Proxy Voting Policies and Procedures (the "Procedures"). Mondrian has established a Proxy Voting Committee (the "Committee") which is responsible for overseeing Mondrian's proxy voting process for clients. One of the main responsibilities of the Committee is to review and approve the Procedures to ensure that the Procedures are designed to allow Mondrian to vote proxies in a manner consistent with the goal of voting in the best interests of clients

In order to facilitate the actual process of voting proxies, Mondrian has contracted with an independent company, RiskMetrics Group, to use its ISS Governance Services ("ISS") to analyze proxy statements on behalf of the Fund and other Sub-Adviser clients and vote proxies generally in accordance with the Procedures. After a proxy has been voted for the Fund, ISS will create a record of the vote that will be available to stockholders and filed with the SEC on a yearly basis. The Committee is responsible for overseeing ISS's proxy voting activities.

The Procedures contain a general guideline that recommendations of company management on an issue (particularly routine issues) should be given a fair amount of weight in determining how proxy issues should be voted. However, Mondrian will normally vote against management's position when it runs counter to its specific Proxy Voting Guidelines (the "Guidelines") which are aligned with the ISS guidelines, and Mondrian will also vote against management's recommendation when it believes that such position is not in the best interests of clients.

As stated above, the Procedures also refer to specific Guidelines on how to vote proxies on behalf of clients but the general voting principles are:

Accountability

Boards should be accountable to shareholders, the owners of the companies, by holding regular board elections, by providing sufficient information for shareholders to be able to assess directors and board composition, and by providing shareholders with the ability to remove directors.

Directors should respond to investor input such as that expressed through vote results on management and shareholder proposals and other shareholder communications.

Shareholders should have meaningful rights on structural provisions, such as approval of or amendments to the corporate governing documents and a vote on takeover defenses. In addition, shareholders' voting rights should be proportional to their economic interest in the company; each share should have one vote. In general, a simple majority vote should be required to change a company's governance provisions or to approve transactions.

Stewardship

A company's governance, social, and environmental practices should meet or exceed the standards of its market regulations and general practices and should take into account relevant factors that may impact significantly the company's long-term value creation. Issuers and investors should recognize constructive engagement as both a right and responsibility.

Independence

Boards should be sufficiently independent so as to ensure that they are able and motivated to effectively supervise management's performance and remuneration, for the benefit of all shareholders. Boards should include an effective independent leadership position and sufficiently independent committees that focus on key governance concerns such as audit, compensation, and the selection and evaluation of directors.

Transparency

Companies should provide sufficient and timely information that enables shareholders to understand key issues, make informed vote decisions, and effectively engage with companies on substantive matters that impact shareholders' long-term interests in the company.

Conflicts of Interest

Mondrian has a section in its Procedures that addresses the possibility of conflicts of interest. Most proxies which Mondrian receives on behalf of clients are voted by ISS in accordance with the Procedures. Because almost all client proxies are voted by ISS pursuant to the pre-determined Procedures, it normally will not be necessary for Mondrian to make an actual determination of how to vote a particular proxy, thereby largely eliminating conflicts of interest for Mondrian during the proxy voting process. In the very limited instances where Mondrian is considering voting a proxy contrary to ISS's recommendation, the Committee will first assess the issue to see if there is any possible conflict of interest involving Mondrian or affiliated persons of Mondrian. If a member of the Committee has actual knowledge of a conflict of interest, the Committee will normally use another independent third party to do additional research on the particular proxy issue in order to make a recommendation to the Committee on how to vote the proxy in the best interests of clients. The Committee will then review the proxy voting materials and recommendation provided by ISS and the independent third party to determine how to vote the issue in a manner which the Committee believes is consistent with the Procedures and in the best interests of clients. Clients may request that their client services

representative provide them with a complete copy of the Procedures and information on how their securities were voted by Mondrian.

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about their financial condition.

Mondrian has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.