



HIRAYAMA INVESTMENT'S
WHV AFFILIATED SUBADVISOR

Form ADV Part 2A (the “Brochure”)

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This brochure provides information about the qualifications and business practices of Hirayama Investments, LLC (“Hirayama Investments” or “we”). If you have any questions about the contents of this brochure, please contact us at 415-981-6911 or info@whv.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.

Additional information about Hirayama Investments is also available on the SEC’s website at: www.adviserinfo.sec.gov.

We may sometimes refer to ourselves as a registered investment adviser. This means that we are registered as an investment adviser under the Investment Advisers Act of 1940 (the “Advisers Act”), as amended. However, status as a registered investment adviser does not imply a certain level of skill or training.

Item 2: Material Changes

Since the last annual amendment was filed on March 2014 the following changes have been made:

- This Brochure has been updated to reflect that WHV Investment Management has changed its name to WHV Investments.
- Item 4 has been updated to reflect our regulatory assets under management as of December 31, 2014.
- Item 12 has been updated to reflect additional information relating to the selection criteria WHV uses to select broker-dealers and the types of soft dollar products and services WHV receives. In addition, WHV has revised its disclosures relating to directed brokerage, wrap programs, and trade allocation and aggregation practices.

Please note that this summary discusses only material changes that have occurred since the last annual update of the Brochure.

Item 3: Table of Contents

Item 2: Material Changes	2
Item 3: Table of Contents.....	3
Item 4: Advisory Business.....	4
Item 5: Fees and Compensation.....	6
Item 6: Performance Based Fees and Side-by-Side Management.....	8
Item 7: Types of Clients.....	8
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss	9
Item 9: Disciplinary Information	13
Item 10: Other Financial Industry Activities and Affiliations	13
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	13
Item 12: Brokerage Practices.....	15
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	23

Item 4: Advisory Business

We were founded in June 2008 and are owned by Mr. Richard K. Hirayama and WHV Investments, Inc. (“WHV”).¹ WHV, in turn, is wholly owned by Laird Norton Investment Management, Inc., (“LNIM”) a holding company that is a subsidiary of Laird Norton Company, LLC, a privately held company. Please see **Item 10: Other Financial Industry Activities and Affiliations** section for further discussion of our affiliation with WHV.

We became registered as an investment adviser with the SEC on August 5, 2008.

We sub-advise the International Equity and Global Equity portfolios of WHV’s clients and we have entered into a sub-advisory agreement with WHV to provide these services for at least ten years beginning from January 1, 2009.

We provide discretionary and non-discretionary sub-advisory services to the following types of clients:

- institutional clients (including proprietary and third-party mutual funds, pension and profit sharing plans, trusts, estates, charitable organizations, governmental entities, business entities, and private funds) and individual clients (collectively, “direct clients”)
- clients in broker-sponsored programs wrap fee programs (“Wrap Clients”)
- clients in Unified Managed Accounts programs (“UMA Programs”), and
- sponsors of UMA Programs where we provide the sub-advisory services to the sponsors rather than to the underlying UMA clients.

We, through WHV, work with each direct client to establish an appropriate investment profile. For Wrap Clients, financial advisors working for the Wrap Sponsor, as defined below, guide the clients to select the appropriate investment strategy we offer. Clients may choose from International Equity and Global Equity strategies. Direct clients may impose reasonable restrictions on our management of their accounts. Wrap Clients may only impose a limited range of restrictions on our management of their accounts.

We cannot guarantee that a client’s investment objectives will be achieved, and we do not guarantee the future performance of any client’s account or any specific level of performance, the success of any investment decision or strategy, or the success of the overall management of any account. The investment decisions we make for clients are subject to risks, and investment decisions will not always be profitable. Please see **Item 8: Methods of Analysis, Investment Strategies and Risk of Loss** below for more information about our strategies and related investment risks, which clients should review carefully before deciding to engage us.

Generally, we offer our sub-advisory services on a fully discretionary basis. As of December 31, 2014, we managed approximately \$6,544,200,000 of assets on a discretionary basis on behalf of 10,159 clients and \$1,316,200,000 of assets on a non-discretionary basis on behalf of 12 clients.

¹ WHV’s ownership interest in Hirayama Investments was originally held by WHV Holdings, LLC, a subsidiary of WHV that was dissolved on December 27, 2012.

WHV International Equity Fund

We, through WHV, provide investment advice to one of WHV's proprietary mutual funds, the WHV International Equity Fund (the "Fund"), an open-ended mutual fund. The Fund offers multiple share classes, as described in the Fund's prospectus.

Participation in Wrap Programs

We serve as a sub-adviser to WHV for wrap fee program accounts ("Wrap Programs") sponsored by brokerage firms and/or their affiliates ("Wrap Sponsors"). Under these Wrap Programs, the Wrap Sponsors typically perform some or all of the following:

- recommend our strategy to their Wrap Clients;
- execute the clients' portfolio transactions without charging a transaction-based fee;
- monitor our performance; and
- act as a custodian.

Wrap Sponsors charge a client a single wrap fee for performing these services and pay a portion of that fee to WHV for investment management services. As negotiated between a client and a Wrap Sponsor, WHV's investment management fee may differ from the fee schedules charged for direct clients as shown under **Item 5: Fees and Compensation**. Under some of these programs, the Wrap Sponsor may not provide all of these services.

Wrap Program accounts typically grant WHV full investment discretion (which WHV delegates to us for the International/Global Equity strategies) depending on the individual needs of the client, as communicated to WHV by the Wrap Sponsor. However, WHV generally does not have the discretion to select the broker-dealers to execute portfolio transactions for Wrap Clients, as discussed in the **Brokerage Practices** section. Wrap Clients generally have the ability to establish special limitations on the investments in their portfolios. Wrap Clients must notify their Wrap Sponsor, who will then notify WHV, who will then notify us, of any changes to the clients' financial condition, investment objectives, risk tolerance, and restrictions.

Participation in UMA Programs

WHV participates in several UMA programs sponsored by broker-dealers and an unaffiliated investment advisory firm. We, through WHV, provide our investment model to the UMA sponsors, but neither we nor WHV execute transactions for the UMA clients since the UMA sponsors execute transactions in the UMA client accounts at their discretion. WHV is responsible for communicating any changes to its investment models and our investment model to the UMA sponsor on a timely basis. Please see **Item 12: Brokerage Practices** for a discussion of how WHV communicates transaction information to UMA sponsors.

UMA clients are generally not considered to be our clients, but rather clients of the UMA sponsor.

Item 5: Fees and Compensation

Investment Management Fees for Direct Clients

For all WHV clients for which we serve as sub-adviser, we are compensated by WHV a percentage of the management fee earned by WHV. The compensation to us may range from 55% to 70% of the management fees received by WHV, depending on the total assets under our management, with the rate escalating as overall assets increase. We receive these payments quarterly in arrears.

We provide investment advice only to persons or entities who are clients of WHV and thus we do not receive fees from any persons or entities other than WHV. Since WHV's fees are relevant to our clients, they are discussed below. We receive fees from WHV; clients pay WHV but do not pay us separately.

This is WHV's standard investment management fee schedule for the International Equity and Global Equity strategies:

First \$10 Million	1.00%
Next \$15 Million	.80%
Next \$25 Million	.75%
Next \$50 Million	.60%
Above \$100 Million	.50%

In limited circumstances, WHV, in its sole discretion, may negotiate to charge a lesser management fee than reflected on the fee schedule above.

WHV may amend its fee schedule at any time. Other investment advisers may charge lower fees for comparable services. In some cases and at the request of the client, WHV may agree to provide our investment management services to a "qualified client" for a performance-based fee in accordance with the requirements of Rule 205-3 of the Advisers Act. While the specific terms of these arrangements are negotiated with each client, generally, WHV will charge its fees based upon a percentage of the market value of the assets being managed ("management fee") in addition to a fee based on the performance of the account ("performance-based fee"). Please see **Item 6: Performance-Based Fees and Side-by-Side Management** for more information on potential conflicts arising from performance-based fees.

Most clients authorize WHV to deduct fees automatically from their brokerage accounts, but clients may request that WHV send quarterly invoices to be paid by check.

If a client terminates the investment management agreement with WHV in the middle of a billing period, WHV will invoice the client for an amount that is pro-rated based on the number of days that the account was managed.

In addition to WHV's investment management fee, clients pay transaction and custodial fees. If WHV invests a client's portfolio in a third-party mutual fund, the client will pay WHV's investment management fee as well as a separate layer of management, trading, and administrative fees at the mutual fund level. If a client chooses to invest in one of WHV's proprietary mutual funds, the client will not pay WHV's investment management fee, but will pay management, trading, and administrative fees at the mutual fund level.

Fees on Proprietary Mutual Fund

Our only compensation from the WHV International Equity Fund is a portion of the 1.00% investment management fee that WHV receives on the assets under management in the Fund. If a direct client of WHV chooses to invest a portion of his/her assets in the Fund, the client will not pay WHV's direct client investment management fee on those assets, but will pay management, trading, and administrative fees at the mutual fund level. Please see the Fund's prospectus and statement of additional information for more information, including information on how fees are billed.

Fees received from Wrap/UMA Sponsors

Wrap Sponsors pay between 0.35% to 1.00% to WHV for investment management services, based on scale and volume of the assets under management in the Wrap or UMA Program. As discussed above, we receive a portion of the fee that WHV receives.

Generally, WHV's fees are calculated and billed quarterly, in advance, by the Wrap or UMA sponsors, based on the market value of assets under management at the beginning of each quarter. If the client terminates before the end of the prepaid quarter, a refund is paid on a pro-rata basis.

General

In addition to WHV's investment management fees, clients pay transaction fees, including commissions and mark-ups, and custodial fees. Please see **Item 12: Brokerage Practices** for more information on WHV's brokerage practices. If we invest a client's portfolio in a third-party investment vehicle, such as a mutual fund or an exchange-traded fund, the client will pay WHV's investment management fee on the portion of assets invested in the investment vehicle in addition to the separate layer of management, trading, and administrative fees that are charged at the investment vehicle level.

Item 6: Performance Based Fees and Side-by-Side Management

As noted above, WHV may agree to enter into a performance-based fee with clients.

The terms of each arrangement will be negotiable on a case-by-case basis but generally, and as noted above, WHV will charge a management fee and performance fee.

We may manage accounts that pay performance-based fees side-by-side with clients that pay only management fees. We face potential conflicts of interest in that we may have an incentive to favor accounts that pay performance-based fees. Performance-based compensation can create an incentive for us to make investments that are riskier or more speculative than would be the case where we are only paid a base fee. Depending on the performance of the portfolio, we may be paid more or less compared to the management fee received on other portfolios that we manage.

WHV's investment advisory compliance manual contains policies and procedures designed to mitigate or manage these conflicts of interest, including policies and procedures to seek fair and equitable trade allocations among all clients, regardless of the type of fees paid by the clients. We have adopted the policies and procedures contained in WHV's investment advisory compliance manual. Please see **Item 12: Brokerage Practices** below. In addition, it is our policy not to invest in initial public offerings or to engage in short selling or options writing.

WHV's compliance team periodically monitors the performance of accounts paying a performance-based fee compared to accounts in the same strategy that do not pay performance-based fees to ensure that no preferential treatment is given to those accounts. There is no guarantee that relevant policies and procedures will cover every situation in which a conflict of interest arises.

Item 7: Types of Clients

We serve as sub-adviser to WHV clients, which include:

- individuals;
- investment companies, particularly the WHV mutual fund for which we act as sub-adviser;
- pension and profit sharing plans;
- trusts;
- estates;
- charitable organizations;
- government entities;
- private funds; and
- other business entities

WHV also provides advice to Wrap Clients through broker-sponsored Wrap Programs, and advises clients in UMA Programs. In some cases, WHV provides advice to the sponsor of UMA Programs, rather than to the underlying UMA clients. We may serve as sub-adviser to such clients.

We do not accept new accounts separately from WHV. For direct accounts, WHV generally does not accept new accounts with less than \$5 million in assets for Global and International Equity. Direct accounts must execute a written advisory agreement with WHV before receiving our services. For Wrap Clients, WHV generally does not accept new accounts with less than \$100,000 in assets,

although WHV may make exceptions to accommodate the requirements of the specific Wrap Sponsor.

The WHV International Equity Fund generally has investment minimums, requiring \$5,000 to invest in Class A and Class C shares and \$500,000 to invest in class I shares. Please see the Fund's prospectus for more information as certain types of accounts may have different minimum investment requirements.

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

The International Equity and Global Equity research effort is comprised of about 80% in-house research, and 20% external research. We look for sectors of the global economy best positioned for growth and those securities that we believe are poised to best capture that growth.

Following thorough sector analysis, our investment process searches for those securities that we believe have long-term dynamic earnings growth prospects. The portfolio managers work as generalists to research and suggest securities for addition or removal from the International/Global Equity model portfolios. They perform quantitative valuation modeling and use research to determine consensus earnings per share and growth estimates for those securities that they closely follow. The data is then analyzed to conclude whether the sell side forecasts are on target, too high or too low.

The portfolio managers use a qualitative research overlay to make the final stock selection decision. As a part of the security selection process, they analyze various income and balance sheet ratios. They compare these ratios to those of previous quarters so that any growth trends can be identified.

The portfolio managers look for improving trends that they believe will translate to superior earnings growth. Securities within the International/Global Equity portfolios generally exhibit the following characteristics: earnings/growth momentum and earnings surprise.

We primarily invest for relatively long time horizons, often for a year or more. Our strategies do not involve frequent trading of securities. However, market developments could cause us to buy or sell securities more quickly.

It is our policy not to invest in initial public offerings or private placements. In addition, it is our policy not to engage in short selling or option writing.

Investment Risks

All investing involves a risk of loss that clients should be prepared to bear. As with any investment strategy, there can be no guarantee that a strategy will meet its goals or that the strategy's performance will be positive for any period of time. Our strategies are subject to a number of risks, including the following:

Management Risk. As with any investment program, portfolio managers may not be successful in selecting the best-performing securities or investment techniques, and the account's performance may lag behind that of other accounts. There is no assurance that an account will meet its investment objectives and produce the intended results. The account may also miss out on an investment opportunity because the assets necessary to take advantage of the opportunity are tied up in less advantageous investments.

Market Risk. The market value of a security may, sometimes rapidly and unpredictably, fluctuate. The prices of securities change in response to many factors including the historical and prospective earnings of the issuer, the value of its assets, general economic conditions, interest rates, investor perceptions and market liquidity. During a general downturn in the securities markets, multiple asset classes may decline in value simultaneously.

Equity Securities Risk. Stock markets are volatile. The price of equity securities fluctuates based on changes in a company's financial condition and overall market and economic conditions. The price of equity securities may decline due to factors that affect a particular industry or industries, or due to general market conditions unrelated to a company or industry, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in the general outlook for corporate earnings, changes in interest or currency rates or generally adverse investor interest.

American Depositary Receipts ("ADRs"). ADRs evidence ownership of, and represent the right to receive, securities of foreign issuers deposited in a domestic bank or trust company or a foreign correspondent bank. Prices of ADRs are quoted in U.S. dollars, and ADRs are traded in the U.S. on exchanges or over-the-counter. ADRs are still subject to the political and economic risks of the underlying issuer's country and are still subject to foreign currency exchange risk. ADRs will be issued under sponsored or unsponsored programs. In sponsored programs, an issuer has made arrangements to have its securities traded in the form of depositary receipts. In unsponsored programs, the issuer may not be directly involved in the creation of the program. Although regulatory requirements with respect to sponsored and unsponsored programs are generally similar, in some cases it may be easier to obtain financial information about an issuer that has participated in the creation of a sponsored program. There may be an increased possibility of untimely responses to certain corporate actions of the issuer, such as stock splits and rights offerings, in an unsponsored program. Accordingly, there may be less information available regarding issuers of securities underlying unsponsored programs and there may not be a correlation between this information and the market value of the ADRs.

Foreign Over-the-Counter Securities. In some cases, the best available market for foreign securities will be on over-the-counter ("OTC") markets. In general, there is less governmental regulation and supervision in the OTC markets than of transactions entered into on an organized exchange. In addition, many of the protections afforded to participants on some organized exchanges, such as the performance guarantee of an exchange clearinghouse, will not be available in connection with OTC transactions. This directly or indirectly exposes the account to the risks that a counterparty will not settle a transaction because of a credit or liquidity problem or because of disputes over the terms of the contract. Therefore, to the extent that the account engages in trading on OTC markets, it could be exposed to greater risk of loss through default than if the account confined its trading to regulated exchanges. Please see below for more discussion of foreign securities risk.

Foreign Securities Risk. Investing in foreign (non-U.S.) securities may result in the account experiencing more rapid and extreme changes in value than an account that invests exclusively in securities of U.S. companies, due to less liquid securities and markets, and adverse economic, political, diplomatic, financial, and regulatory factors. For example, recent developments with certain Eurozone countries have caused the prices of securities to decline throughout the region. In addition, there may be fewer investors on foreign exchanges and a smaller number of securities traded each

day, making it more difficult for an account to buy and sell securities on those exchanges. Foreign governments also may impose limits on investment and repatriation and impose taxes. Income from foreign issuers may be subject to non-U.S. withholding taxes. In some countries, an account also may be subject to taxes on trading profits and, on certain securities transactions, transfer or stamp duties tax. Settlement and clearance procedures in certain foreign markets differ significantly from those in the U.S. and may involve certain risks (such as delays on payment for or delivery of securities) not typically associated with the settlement of U.S. investments. Foreign companies generally are not subject to uniform accounting, auditing and financial reporting standards or to other regulatory requirements that apply to U.S. companies. As a result, less information may be available concerning non-U.S. issuers. Accounting and financial reporting standards in emerging markets may be especially lacking. Further, it is often more expensive to trade securities in foreign markets as commissions are generally higher than in the U.S., and foreign exchanges and investment professionals are subject to less governmental regulation than in the U.S. Any of these events could cause the value of the account's investments to decline.

Emerging Market Risk. Emerging markets are riskier than more developed markets because they tend to develop unevenly and may never fully develop. Investments in emerging markets may be considered speculative. Emerging markets are more likely to experience hyperinflation and currency devaluations, which adversely affect returns to U.S. investors. In addition, many emerging securities markets have far lower trading volumes and less liquidity than developed markets. Since these markets are often small, they may be more likely to suffer sharp and frequent price changes or long-term price depression because of adverse publicity, investor perceptions or the actions of a few large investors. Also, there may be less publicly available information about issuers in emerging markets than would be available about issuers in more developed capital markets, and these issuers may not be subject to accounting, auditing and financial reporting standards and requirements comparable to those in developed markets.

Many emerging markets have histories of political instability and abrupt changes in policies. As a result, their governments are more likely to take actions that are hostile or detrimental to private enterprise or foreign investment than those of more developed countries, including expropriation of assets, confiscatory taxation, high rates of inflation or unfavorable diplomatic developments. In the past, governments of these nations have expropriated substantial amounts of private property, and most claims of the property owners have never been fully settled. If this occurs, it is possible that the entire investment in the affected market could be lost. Some countries have pervasiveness of corruption and crime that may hinder investments. Certain emerging markets may also face other significant internal or external risks, including the risk of war, and ethnic, religious and racial conflicts. In addition, governments in many emerging market countries participate to a significant degree in their economies and securities markets, which may impair investment and economic growth. Emerging markets may also have differing legal systems and the existence or possible imposition of exchange controls, custodial restrictions or other foreign or U.S. governmental laws or restrictions applicable to such investments. Sometimes, they may lack or be in the relatively early development of legal structures governing private and foreign investments and private property. In addition to withholding taxes on investment income, some countries with emerging markets may impose differential capital gains taxes on foreign investors.

Sector Risk. The account may focus its investments from time to time in a limited number of economic sectors. The account may not have exposure to all economic sectors. To the extent that it does so, developments affecting companies in that sector or sectors will likely have a magnified effect

on the account's value and total returns and may subject the account to greater risk of loss. Accordingly, the account could be considerably more volatile than a broad-based market index or benchmark, or mutual fund, that is diversified across a greater number of securities and sectors. Moreover, depending upon the sector exposures used, the account may be more volatile than a broad-based index or benchmark.

Liquidity Risk. Investments may be or become difficult to sell. During periods of market turbulence or low trading activity, in order to meet withdrawals it may be necessary to sell securities at prices or times that are disadvantageous. Additionally, the market for certain investments may be or become illiquid independent of any specific adverse changes in the conditions of a particular issuer. The market for lower-quality debt securities is generally even less liquid than the market for higher-quality securities. Adverse publicity and investor perceptions, as well as new and proposed laws, also may have a greater negative impact on the market for lower-quality securities.

Currency Risk. Because foreign securities generally trade in currencies other than the U.S. dollar, changes in currency exchange rates will affect an account's value, the value of dividends and interest earned, and gains and losses realized on the sale of securities. Because the value of an account is determined on the basis of U.S. dollars, the account may lose money by investing in a foreign security if the local currency of a foreign market depreciates against the U.S. dollar, even if holdings (based on local currency values) go up. Generally, a strong U.S. dollar relative to these other currencies will adversely affect the value of holdings in foreign securities. Typically, exposures to foreign currencies will not be hedged.

Political and Economic Risks. Investing in foreign securities is subject to the risk of political, social, or economic instability, variation in international trade patterns, the possibility of the imposition of exchange controls, expropriation, confiscatory taxation, limits on movement of currency or other assets and nationalization of assets. Any of these actions could severely affect securities prices or impair the ability to purchase or sell foreign securities or transfer assets or income back into the U.S. The economies of certain foreign markets may not compare favorably with the economy of the U.S. with respect to such issues as growth of gross national product, reinvestment of capital, resources and balance of payments position. Other potential foreign market risks include difficulties in pricing securities, defaults on foreign government securities and difficulties in enforcing legal judgments in foreign courts. Diplomatic and political developments, including rapid and adverse political changes, social instability, regional conflicts, terrorism and war, could affect the economies, industries and securities and currency markets, and the value of an account's investments, in non-U.S. countries. These factors are extremely difficult, if not impossible, to predict and take into account.

Governmental Supervision and Regulation/Accounting Standards Risk. Holding assets outside of the U.S. entails additional risks, as there may be limited or no regulatory oversight of the operations of foreign custodians, and there could be limits on the ability to recover assets if a foreign bank, depository or issuer of a security, or one of their agents, goes bankrupt. Many foreign governments do not supervise and regulate stock exchanges, brokers and the sale of securities to the same extent as such regulations exist in the U.S. They also may not have laws to protect investors that are comparable to U.S. securities laws. For example, some foreign countries may have no laws or rules against insider trading. In addition, some countries may have legal systems that may make it difficult to vote proxies, exercise shareholder rights, and pursue legal remedies with respect to foreign investments. Accounting standards in other countries are not necessarily the same as in the U.S. If

the accounting standards in another country do not require as much detail as U.S. accounting standards, it may be harder to completely and accurately determine a company's financial condition.

Item 9: Disciplinary Information

We and our supervised persons have not been involved in any legal or disciplinary events in the past 10 years that would be material to a client's evaluation of us or our supervised persons.

Item 10: Other Financial Industry Activities and Affiliations

We are affiliated with WHV Investments, Inc., an investment adviser registered with the SEC, for which we serve as sub-adviser for the WHV International Equity and Global Equity strategies. WHV's clients pay one investment management fee to WHV only. We are paid by WHV a percentage of the investment management fees that WHV collects from its clients who are invested in the International and Global Equity strategies. Please refer to WHV's ADV Part 2A for further information regarding any financial industry affiliations that WHV may have independent of our affiliation with them.

Under a services agreement with us, WHV, in return for no more than its own costs, provides us with personnel, administrative and compliance support services and office space.

WHV International Equity Fund

We serve as a sub-adviser to the WHV International Equity Fund which is a registered investment company. Please see **Item 11** for potential conflicts related to the fact that WHV and Hirayama may recommend Fund securities to client.

Broker Dealers

Certain WHV employees are registered representatives of Foreside Financial Group for the sole purpose of marketing the WHV International Equity Fund and other WHV proprietary mutual funds. Those employees will not earn transaction-based compensation for selling the Funds. Those employees are not permitted to sell any other securities and therefore will not earn a commission or other transaction-based compensation for the sale of any security to a direct client or Wrap Client for which WHV charges an investment management fee. However, these employees do receive a portion of the advisory fees that WHV earns on the WHV proprietary mutual funds. These employees may have an incentive to refer investors to the WHV proprietary mutual funds as additional investments would increase our advisory fees.

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

Code of Ethics

We have adopted WHV's written code of ethics (the "Code") and compliance manual that is applicable to all "Access Persons" of WHV and Hirayama. All references to Access Persons include

Access Persons of Hirayama. We adopted the Code in accordance with both Rule 204A-1 under the Advisers Act and Rule 17j-1 under the Investment Company Act of 1940. Below is a brief summary of the Code. Access Persons include, generally, any member, officer or director of WHV or Hirayama and employees of WHV or Hirayama who, in relation to the advisory clients (1) has access to non-public information regarding any purchase or sale of securities, or non-public information regarding securities holdings or (2) is involved in making securities recommendations, executing securities recommendations, or has access to such recommendations that are non-public. All WHV and Hirayama employees are deemed to be Access Persons. The chief compliance officer may determine that certain other individuals (such as temporary employees or contract workers) should be deemed to be Access Persons.

We will provide a copy of the Code to any client or prospective client upon request. The Code requires all supervised persons, to:

- act in clients' best interests;
- abide by all applicable regulations;
- avoid even the appearance of conflicts of interest, pre-clear and report on many types of personal securities transactions; and
- provide an annual report of all personal account holdings.

Our Access Persons are prohibited from holding and trading individual equity securities (except for reportable grandfathered securities which are permitted only to be sold), stock futures and narrow-based stock index futures, and any other types of securities not included in a list of allowed securities in the Code.

Restrictions, pre-clearance and reporting requirements relating to personal securities trading apply to Access Persons, as well as Access Persons' immediate family members living in the same household. WHV's Compliance Department monitors Access Person trading, relative to client trading, to ensure that Access Persons do not engage in improper transactions.

While the Code is designed to mitigate these conflicts, there is no guarantee that the policies and procedures will be successful. Access Person's activities may give rise to additional potential conflicts of interest, described below.

Potential Conflicts of Interest

Access Persons' trading creates potential conflicts between their trading and trading for clients.

Access Persons who invest in one or both of WHV's proprietary funds may have a conflict of interest in that they may have an incentive to treat that Fund preferentially as compared to other accounts we manage. However, we have adopted procedures for allocation of portfolio transactions across multiple client accounts on a fair and equitable basis over time. See "Trade Aggregation and Allocation" in **Item 12: Brokerage Practices** below. The CCO and an additional member of WHV's investment team regularly reviews each account for material dispersion of performance or other indicative factors, as noted in **Item 13: Review of Accounts** below. These practices help us detect and manage the potential conflict.

We act as a sub-adviser to various accounts. We may give advice and take action with respect to some accounts that may differ from action taken on behalf of other accounts. We and WHV are not

obligated to recommend, buy or sell, or to refrain from recommending, buying or selling, any security that our Access Persons may buy or sell for their own account or for the accounts of other clients. WHV and Hirayama manage conflicts arising from its Access Persons' investment activities for their accounts by requiring that any transaction be made in compliance with the Code, as discussed above.

Potential conflicts of interest may also arise in connection with an Access Person's knowledge and the timing of transactions, investment opportunities, broker selection, portfolio holdings and investments. Some Access Persons who have access to the size and timing of transactions may have information concerning the market impact of transactions. Access Persons may be in a position to use this information to their possible advantage or to the possible detriment of our other client accounts. An investment opportunity may also be suitable for multiple accounts we advise, but not in sufficient quantities for all accounts to participate fully. Similarly, there may be limited opportunity to sell an investment held by multiple accounts. We manage these potential conflicts with Access Person transactions by requiring that any transaction be made in compliance with the Code, and potential conflicts between client accounts through the allocation procedures.

We may invest client assets in securities of companies which may be clients, or related to clients of the firm, broker-dealers or banks used by WHV to effect transactions for client accounts, or vendors who provide products or services to us or WHV. We may vote proxies of companies who are also investment advisory clients of the firm. We may have an incentive to favor these companies' interests due to the relationship the company has with the firm or WHV. However, our portfolio management teams do not take these relationships into consideration when evaluating companies and if a material conflict of interest arises, our proxy voting policies address how we would vote proxies. Please see **Item 17: Voting Client Securities** below.

Item 12: Brokerage Practices

The Selection of Broker-Dealers for Client Transactions

All our clients are clients of WHV for which we provide investment sub-advisory services. We will generally not be responsible for executing orders for clients; rather we will select investments and, to the extent WHV has discretion to execute client orders, WHV will place the order to execute the transactions.

Most clients grant WHV discretion over the selection and amount of securities to be bought or sold, without requiring client consent as to any particular transaction, subject to specified investment objectives and guidelines. For direct clients, and the mutual funds which it advises, WHV generally has discretion to select the broker or dealer to be used and the compensation to be paid, on a transaction-by-transaction basis.

Securities may be purchased from a market maker acting as principal on a net basis with no brokerage commission and may also be purchased from underwriters at prices that include compensation to the underwriters.

WHV may aggregate the orders of some or all of its clients placed with a particular broker-dealer in order to facilitate orderly and efficient execution, giving each participating client the average price, as described below.

As a fiduciary, WHV seeks to obtain best execution in all securities transactions. However, best execution involves both quantitative and qualitative elements, and does not mean that WHV will always obtain the best possible price or the lowest commission.

In seeking best execution, WHV portfolio managers and traders may consider, among other things:

- the broker-dealer's capabilities with respect to providing the execution, clearance, and settlement services generally and in connection with securities of the type and in the amounts to be bought or sold;
- WHV's actual experience with the broker-dealer;
- the reputation of the broker-dealer;
- the broker-dealer's financial strength and stability ;
- clearance and settlement efficiency and promptness of execution;
- ability and willingness to maintain confidentiality and anonymity;
- frequency and manner of error resolution;
- capability of the broker-dealer to execute difficult transactions in the future;
- expertise;
- commission rates and dealer spreads;
- technological capabilities and infrastructure, including back office capabilities;
- willingness of the broker-dealer to commit capital; and
- the provision of lawful and appropriate research and brokerage services (see Research and Other Soft Dollar Benefits below).

Best available price and most favorable execution are generally considered to mean a policy of executing portfolio transactions at prices and, if applicable, commissions, which provide the maximum possible value for investment decisions, taking into account market impact costs, opportunity costs, transaction costs, commissions, spreads and service fees. In selecting broker-dealers for a particular transaction, WHV does not adhere to any rigid formula and relevant factors will vary for each transaction.

In foreign markets, commission and other transaction costs are often higher than those charged in the United States. In addition, WHV does not have the ability to negotiate commissions in some markets. Please note that services associated with foreign investing, including custody and administration, are also more expensive than analogous services pertaining to investment in U.S. securities markets.

At least semi-annually, the WHV Trade Oversight Committee evaluates the execution performance of the brokers with which WHV places client trades. The review of brokers will consist of an analysis of the criteria that WHV believes are necessary for it to make a reasonable decision about its best execution determinations. These criteria include trade concentration, commission schedule, and research budget. WHV, with the assistance of outside compliance consultants, may also review trading data relating to agency commissions paid by clients, agency commissions paid to broker-dealers, and trades executed on a principal basis with an agency commission. WHV, with the

assistance of outside compliance consultants, also evaluates the Rule 606 reports for the brokers utilized to identify where brokers receive payment for order flow or may have an interest in an exchange specialist executing orders for a broker, among other conflicts of interest.

Research and Other Soft Dollar Benefits

We may request WHV, to the extent consistent with WHV's execution duties, to select broker-dealers at least partially in recognition of the value of various research services or products, beyond transaction execution.

In connection with its clients' securities transactions, WHV receives from certain broker-dealers research products and services, including proprietary research and research generated by third-parties. When WHV uses client brokerage commissions to obtain research products and services, we or WHV receive a benefit because we or WHV do not have to produce or pay for the research products and services, reducing our and WHV's costs. As such, we and WHV may have an incentive to request, select or recommend a broker-dealer based on our interest in receiving the research or other products or services, rather than on its clients' interest in receiving most favorable execution. WHV may effect securities transactions that cause a client to pay an amount of commission in excess of the amount of commission another broker-dealer or electronic communications network would have charged if WHV determines, in good faith, that the amount of commission is reasonable in relation to the value of brokerage and research services provided by the broker-dealer to us, viewed in terms of either the specific transaction or WHV's overall responsibilities to the clients. WHV uses soft dollar benefits to service all of its clients' accounts, not only those that paid for the benefits. WHV does not seek to allocate soft dollar benefits to client accounts proportionately to the soft dollar credits the accounts generate.

The WHV Trade Oversight Committee compiles votes from members of the research department regarding preferred broker research. After the research budget has been set, the Director of Research and the Head Equity Trader will determine which brokers to include and exclude from the official research budget. Brokers that are included in the official research budget will receive commission allocations by actual trades that WHV will direct to them. Brokers that received votes from WHV's research department but which are excluded from the official research budget will receive soft dollar payments via Commission Sharing Arrangement ("CSA") programs. WHV's Portfolio Managers and the Head Equity Trader will present these recommendations to the Trade Oversight Committee. The recommendations must be approved by the Trade Oversight Committee before the payments are communicated to the research provider and to our CSA counterparties. The official research budget is for internal use only, and does not obligate WHV to place trades with any particular broker-dealer.

The types of products and services that we acquire with client brokerage commissions include financial news and research on the companies in which we invest in the form of company and industry or economic reports, financial publications, portfolio evaluation services, financial database software and services, computerized news, pricing and statistical services, analytical software, and other products or services that may enhance our investment decision making. We use these products and services to supplement our own research in our investment decision making process.

Brokerage for Client Referrals

We do not, either directly or indirectly through WHV, use client brokerage to compensate or otherwise reward brokers for client referrals. We also do not pay for distribution of the WHV

International Equity Fund with brokerage commissions. Please refer to WHV's ADV for a description of their solicitation agreements.

Directed Brokerage

As WHV will generally execute orders for all of our clients, some clients ("directed brokerage clients") may instruct WHV to use a particular broker-dealer ("directed broker") for some or all of the transactions in their accounts. In those cases, WHV will place the majority of the clients' transactions with the directed broker rather than a broker-dealer that it selects. Clients who may want to direct WHV to use a particular broker or dealer should understand that their directed orders generally may not be aggregated with transactions of other clients. In addition, WHV will place the directed orders after the orders for non-directed clients have been executed. As a result, directed orders may receive less favorable prices than the prices other clients receive on transactions in the same security and may not be executed as promptly.

WHV generally will not be in a position to negotiate brokerage compensation with directed brokers. In directing transactions, clients will themselves be responsible for making commission arrangements and those commissions may often be at higher rates than the commissions paid on non-directed transactions. Because of these factors, clients should consider whether the overall benefits they expect to obtain by directing us to use particular brokers will justify the disadvantages of the arrangement.

In some cases, where WHV believes execution quality may be improved, it may cause transactions for directed brokerage clients to be executed by a broker-dealer other than the directed broker.

If a directed brokerage client is not a participant in a Wrap Program in which a single fee covers all services, the directed broker will charge its own regular commission on the transaction. For such a directed brokerage client, this results in higher overall brokerage compensation than the client would pay if we had placed the order directly with the directed broker; the client pays not only the directed broker's commission but also the executing broker's markup or markdown. However, it may also allow the client to benefit in obtaining favorable prices from aggregation of his or her transactions with those of other clients and from the directed broker's expertise. WHV will generally use this practice only when it believes that the overall net price and commission, including the directed broker's commission, will be at least as favorable to the client as it would be if orders were placed directly with directed brokers. However, there can be no assurance that each directed brokerage client's net price and commission on each transaction will always be more favorable.

Where WHV believes that trading directly in local markets on foreign exchanges is more likely to provide best execution and/or a higher degree of liquidity, WHV may directly place trades on local (foreign) exchanges and convert the shares to American Depositary Receipts (ADRs), and may settle the transactions using "step-out" trades. For example, WHV may purchase ordinary shares of non-U.S. companies that trade on a foreign exchange (ORDs) and arrange for these ordinary shares to be converted into ADRs, which are traded in the United States but represent a specified number of shares in a foreign company. Similarly, for a sale, WHV may arrange for the ADRs to be converted to ORDs in order to sell the shares in foreign markets. In these situations, clients may pay ADR conversion fees and related costs in addition to standard brokerage commissions or fees.

Trading for Wrap Clients

Wrap Program accounts are considered a type of directed brokerage account. In evaluating a Wrap program, Wrap Clients should understand that WHV does not generally select the broker-dealers to execute portfolio transactions or negotiate transaction-related compensation. In some programs, WHV is prohibited from selecting other broker-dealers to execute transactions. In others, WHV is given the authority to select other broker-dealers but the client will bear any commissions or other transaction-related expenses outside of the wrap fee.

Therefore, using other broker-dealers will generally only be practical if the quality of the other broker-dealer's execution will clearly outweigh the additional expenses the client will bear. As a result, transactions are generally effected only through the Wrap Sponsor.

Transactions for clients participating in one Wrap Program may be executed at different times and at different prices than transactions in the same security for clients in other Wrap Programs or for other clients.

A Wrap Program client may pay brokerage commissions or fees in addition to the Wrap Program fees when trades are “stepped out” to broker-dealers other than the sponsor, including fees and costs associated with the purchase or sale of foreign currency to settle transactions and ADR conversion fees and related costs, which are then reflected in the “net price” the client pays for or receives from the transaction. Even where WHV is able to trade with the Wrap Program sponsor in the local (foreign) market, ADR conversion fees, local taxes, and related costs may still apply and will be incurred by the purchasing account in addition to the Wrap Program fees.

Trade Aggregation and Allocation

Although each non-wrap client account is individually managed, WHV often purchases and/or sells the same securities for several accounts at the same time, including accounts we sub-advise. We will generally not be involved in decisions to aggregate orders.

When practicable, WHV aggregates contemporaneous transactions in the same securities for clients. When it does so, participating accounts are allocated the resulting securities or proceeds (and related transaction expenses) on an average price basis. WHV believes combining orders in this way is advantageous to all participants. However, the average price resulting from any particular aggregated transaction could be less advantageous to a particular client than if the client had been the only account effecting the transaction or had had its transactions completed before the other clients.

If WHV is unable to fully execute an aggregated transaction, WHV will allocate such securities on a pro rata basis. Whenever a pro-rata allocation may not be reasonable (such as clients receiving odd lots or de minimis amounts, i.e., less than 10% of the pre-trade allocation), the WHV Trading team member placing the order may reallocate the order on a random basis by using the randomizer tool in WHV's Order Management System.

Despite the advantages that can arise from aggregation of orders, in many cases WHV is unable to aggregate orders for all clients seeking to buy or sell the same security. This is often due to the fact that orders for Wrap Clients generally must be or should be executed by the applicable Wrap Sponsor (or its affiliated or designated brokers). WHV is unable to aggregate transactions executed through different Wrap Sponsors and/or through other brokerage firms that WHV selects on the basis of execution quality. In addition, directed brokerage clients may prevent WHV from aggregating those

clients' orders with orders that WHV places for other clients with a broker-dealer that WHV chooses for best execution purposes.

Clients whose transactions are filled after other clients' transactions may receive less favorable prices. Where WHV cannot aggregate all trades at the same time, WHV will divide the clients into three groups: (i) non-directed clients brokerage Clients; (ii) directed brokerage & SMA Clients; and (iii) UMA Clients. WHV will place the order for the non-directed client group first and wait until that order has been executed before placing the orders for the directed brokerage/SMA client group. Once the directed brokerage/SMA client group's orders have been executed in accordance with the random rotation method described below, the UMA client group's orders will then be placed also in accordance with the random rotation method described below, subject to the procedures set forth in the "Communication of Transaction Information to UMA Sponsors" section below.

The rotation sequence of order placement for the directed brokerage/SMA Client groups and the UMA Client groups is determined by a spreadsheet-driven random rotation (the "rotation list"). WHV uses this random rotation method to avoid favoring one client or group of clients over other clients.

WHV's policies apply to all of its clients, whether or not a particular client is sub-advised by us.

Communication of Transaction Information to UMA Sponsors

UMA sponsors execute client transactions based on our investment recommendations. WHV informs the UMA sponsor of the transaction to be placed in that UMA sponsor's client accounts when that UMA sponsor's turn is up on the rotation list. WHV will wait until it is notified by the UMA sponsor that the trade has been completed before notifying the next UMA sponsor or placing the order for the next directed sub-group in the rotation list.

When there is an instruction from a portfolio manager to buy or sell a security in all client accounts in a particular strategy, WHV will instruct the UMA sponsors to halt all trading activities in that security in the UMA client accounts. This prevents the UMA sponsors from entering into a transaction that is in competition with our trading in that same security on behalf of other clients. The UMA sponsor may still trade in other securities that are in WHV's investment model, but it must wait for our notification before trading in the trade-halted security.

The trading halt instruction does not apply to UMA clients that are liquidating their accounts. UMA sponsors have discretion on when to liquidate accounts upon client instruction. However, if the instruction is for a partial withdrawal from the account, the UMA sponsor should abide by our trading halt instruction for the security. For liquidation and withdrawals in Wrap and direct client accounts, WHV may stop the rotation during the last ten minutes before the close of the trading day before placing the orders for liquidations or withdrawals for the trade-halted security.

Item 13: Review of Accounts

The portfolio managers review the investments in our client accounts continuously. Reviews of client accounts will also be triggered if a client changes its investment objectives, or if the market, political, or economic environment changes materially. All direct clients invested in the International Equity and/or Global Equity strategies are encouraged to discuss their needs, goals and objectives with

WHV and us and to keep us and WHV informed of any changes in their financial circumstances or investment needs.

WHV's portfolio reviews are carried out by the Chief Compliance Officer ("CCO"), and an additional member of our investment management team. The CCO meets with the lead portfolio manager of each investment strategy on a regular basis to conduct reviews of the client accounts in that particular strategy. During these portfolio reviews, the individuals present on the reviews inquire about any apparent exceptions to WHV's portfolio strategies, unusual sector weights, contacts with clients, and the nature and status of the client relationship. The reviews are intended to ensure that portfolio managers conform to the investment guidelines and restrictions that WHV established as well as those established by certain clients. The CCO maintains a record of the each portfolio review, including findings and any recommendations or mandates.

All clients receive account statements directly from their chosen custodian on at least a quarterly basis. For direct clients, WHV provides a written customized appraisal or report that includes information such as portfolio evaluation, security inventory, asset allocation, projected annual income for each security and current yield at least quarterly. Confirmation of security purchases and sales are provided to clients directly by their respective custodians within a few days of each transaction.

Wrap Clients receive regular written portfolio reports directly from the Wrap Sponsors at least quarterly.

Item 14: Client Referrals and Other Compensation

We do not pay any parties for the referral of any clients to us. Please see the WHV Brochure for information regarding its solicitation agreements.

We do not receive any economic benefits from non-clients, apart from WHV, in connection with the provision of investment advice to clients. As previously discussed, WHV pays us a portion of the management fee they receive from the clients that we sub-advise.

Item 15: Custody

All of our clients' accounts, including the account of the WHV International Equity Fund, are held in custody by unaffiliated broker/dealers or banks. Hirayama Investments does not bill any clients. WHV is the entity that bills Hirayama Investments' clients. WHV can access many clients' accounts through its ability to debit advisory fees. For this reason, WHV is considered to have custody of some clients' assets. Account custodians send statements directly to the account owners on at least a quarterly basis. WHV may send reports directly to our clients on a quarterly basis. Clients should carefully review the account custodians' statements and should compare these statements to any account information provided by WHV.

Item 16: Investment Discretion

We have investment discretion over all clients' accounts.

Direct clients and, to a lesser extent, Wrap Clients, can place reasonable restrictions on WHV's and our investment discretion. For example, some clients have asked WHV not to buy securities issued by companies in certain industries, or not to sell certain securities where the client has a particularly

low tax basis. In those cases, we will follow the client's instructions. Any guidelines or restrictions applicable to an account are set forth in the client's advisory contract or related investment policy statement. For the WHV International Equity Fund, guidelines and restrictions applicable to the Fund are set forth in the Fund's registration statement.

As noted above, neither we nor WHV have discretion to execute trades through certain UMA Programs.

Item 17: Voting Client Securities

In general, we, acting as sub-adviser to WHV's clients, do not vote proxies and will defer proxy voting responsibilities to WHV. Mr. Hirayama, as the portfolio manager and lead analyst on the securities held in our International and Global Equity strategies, will offer any necessary guidance to WHV's Proxy Voting Committee with respect to voting such securities. WHV's proxy voting policies and procedures are described in WHV's Form ADV Part 2 and are excerpted below.

WHV votes proxies of companies owned by clients who have granted WHV voting authority, and clients can specifically request not to delegate proxy voting authority to WHV. In accordance with its fiduciary duty to clients and in compliance with Rule 206(4)-6 of the Advisers Act, WHV has adopted and implemented written policies and procedures governing the voting of client securities where WHV has this authority. All proxies that we receive will be treated in accordance with these policies and procedures.

WHV's proxy voting process is managed by a Proxy Committee which is composed of portfolio managers, security analysts and Operations staff. WHV has retained Glass Lewis & Co., LLC ("Glass Lewis") to assist in the coordination and voting of client proxies.

In general, WHV votes in favor of routine corporate matters, such as the re-approval of an auditor or a change of a legal entity's name. WHV also generally votes in favor of compensation practices and other measures that are in-line with industry norms, that allow companies to attract and retain key employees and directors, that reward long-term performance and that align the interests of management and shareholders. WHV supplements its evaluation of client proxies with guidance from Glass Lewis.

WHV's procedures are reasonably designed to assure that WHV votes every eligible share with the exception of shares domiciled in share blocking countries and certain ordinary shares in foreign markets. Share blocking countries restrict share transactions for various periods surrounding the meeting date. WHV has taken the position that share liquidity generally has a higher value than the vote. As such, WHV usually does not vote shares subject to transaction restrictions. Some international markets require special powers of attorney to vote certain ordinary shares. These markets are few and our ordinary share holdings relatively modest when weighed against the onerous documentation requirements and generally WHV has determined not to attempt to qualify its proxy votes for these shares.

WHV's proxy voting procedures address potential conflicts of interest in connection with voting proxies. Such a conflict could arise if, for example, the company issuing proxies was affiliated with a client of WHV. Any material conflict between our interests and those of a client will be resolved in the best interests of the client. In the event WHV becomes aware of such a conflict, it will (a) disclose the conflict and obtain the client's consent before voting its shares, (b) vote in accordance

with a pre-determined policy based on the independent analysis and recommendation of our voting agent or (c) make other voting arrangements consistent with its fiduciary obligations.

A copy of WHV's proxy voting policies and procedures, as well as specific information about how it has voted in the past, is available upon written request. Upon written request, clients can also take responsibility for voting their own proxies, or can give WHV instructions about how to vote their respective shares. For clients retaining responsibility to vote their own proxies, the clients must arrange with their custodian to ensure they receive applicable proxies.

Item 18: Financial Information

We have never filed for bankruptcy and are not aware of any financial condition that is expected to affect our ability to manage client accounts.