

Generation Investment Management US LLP

Part 2A of Form ADV

The Brochure

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Generation Investment Management US LLP

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This brochure provides information about the qualifications and business practices of Generation Investment Management US LLP ("Generation US"). If you have any questions about the contents of this brochure, please contact us at 212-584-3650. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about Generation US is also available on the SEC's website at: www.adviserinfo.sec.gov

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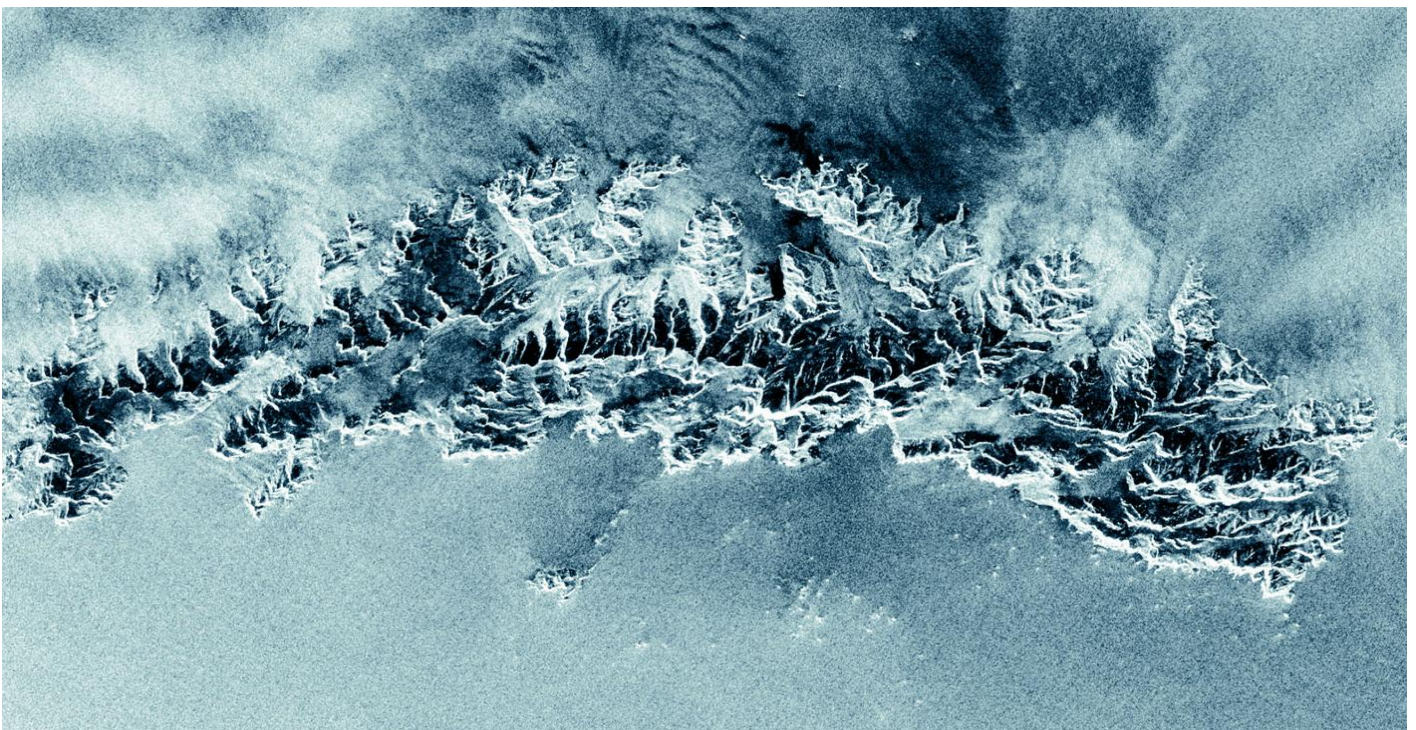


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ADVISORY BUSINESS

Generation Investment Management US LLP (“Generation US”) established in August 2004, is a wholly owned subsidiary of Generation Investment Management LLP, an investment management firm formed in the United Kingdom (“Generation UK”). Generation US and Generation UK are herein collectively referred to as “Generation”. Generation UK is a UK registered limited liability partnership authorized and regulated by the Financial Services Authority. The Management Committee of Generation consists of the following partners: the Hon. Al Gore, David Blood, Mark Ferguson, Peter Harris, Peter Knight, Colin le Duc and Miguel Nogales. Each partner owns less than 25% of Generation UK.

Generation US is registered as an investment adviser with the United States Securities and Exchange Commission (“SEC”), and provides investment management services to clients based in the United States. Registration with the SEC does not imply a certain level of skill or training. Pursuant to a sub-advisory services agreement, Generation US utilizes the services and assistance of Generation UK, the parent company of Generation US, in providing investment management services to its advisory clients.

Generation US provides separately managed investment advisory services to pension and profit sharing plans, trusts, charitable organizations, corporation or business entities and private partnerships (collectively “Separate Accounts”). Generation US also serves as an investment manager to an investment related limited liability company and an investment related limited partnership that it sponsors, Generation IM Global Equity Fund LLC (“Global Equity Fund”), and Generation IM Asia Fund LP (“Asia Fund”) respectively. Global Equity Fund and Asia Fund are collectively referred to as “Funds”, Separate Accounts and Funds are collectively referred to as “Clients”.

As the investment manager of the Funds, Generation US has overall responsibility to manage and control the business affairs of the Funds, including the exclusive authority to oversee and to establish policies regarding the management, conduct and operation of the Funds’ business. Generation manages the Funds in accordance with the terms of the governing documents applicable to each Fund.

For Separate Accounts, Generation manages the assets in accordance with the terms of the advisory agreement and any reasonable investment restrictions placed on the account agreed with the Account.

As of January 1, 2011, Generation US advised \$2.575 billion of Client assets on a discretionary basis.

FEES AND COMPENSATION

Generally, Generation US will charge Clients a management fee (“Management Fee”) per annum at an annual rate of 1.00% of assets under management. In addition, Generation US may charge an incentive fee (“Incentive Fee”) of 20% of the amount by which the Client’s account outperforms a benchmark over a stated period of time.

Fees charged by Generation US are negotiated with each Separate Account and are generally paid quarterly in arrears, or as otherwise provided in the agreement, based on the value of the assets at the close of the applicable billing period. Fees may include a combination of management and incentive fees. Generation US invoices Separate Accounts for services rendered. Generation US’ services may be terminated by either party upon written notification in accordance with the applicable contractual notice of termination. Separate Accounts are responsible for paying for services provided until the termination of the agreement. In addition to Generation US’s investment

Management and Incentive Fees, Separate Accounts bear trading costs, including brokerage fees (please refer to Item 12, *Brokerage Practices*). Generation US will charge a fee of up to \$45,000 per annum to set up and maintain a separate account. To the extent that Separate Accounts' are invested in mutual funds, including money market funds, these funds pay a separate layer of management, trading, and administrative expenses.

Management fees charged to investors in the Funds ("investors") are based on the value of the investor's capital account assets at the beginning of each month subject to adjustments for contributions to or withdrawals from an account. In addition, the capital accounts of investors may be subject to an Incentive Fee depending upon the investment performance of the Funds. In addition to the fees charged by Generation US and the costs of trading, investors will bear indirectly other fees and expenses incurred by the Funds including, but not limited to, the following: legal fees; accounting fees; custodian fees; costs of insurance; organizational and registration expenses; certain offering costs; and expenses of meetings of the investors. Investors should review all fees charged by Generation US and the expenses charged to the Funds to fully understand the total amount of fees to be paid by the Fund and, indirectly, their investors. Investors' ability to redeem from the Funds is subject to formal notice requirements and other restrictions. Detailed information regarding the fees charged to the Funds and the ability of investors to make complete or partial redemptions is provided in the Fund's private offering memorandum and other governing documents.

PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Generation has developed an Incentive Fee structure to align its interests with those of its Clients and which reflects Generation's long-term investment approach. In brief, Generation's standard Incentive Fee is based on the ability to outperform the MSCI World Index (the "Benchmark Index") over a rolling 3 year basis, subject to a "High Water Mark". In line with this long term view, no fees are paid by the Client until the third anniversary of the initial contribution and thereafter fees will be calculated annually on a three year rolling basis. Furthermore, on any date when an Incentive Fee is due, a portion of the total fee accrued may be deferred to subsequent payment dates. A High Water Mark means the value that a Client's assets would have reached if the value of those assets had matched the return of the Benchmark Index from the date of initial contribution.

As the Incentive Fee is calculated based on the Fund's relative out-performance compared to a benchmark index, Generation may receive an Incentive Fee in respect of a particular rolling three year period even if the Client incurs a net loss during such period. In addition, because the allocation is calculated on a basis that includes unrealized appreciation of the Client's assets, the Incentive Fee may be greater than if it were based solely on realized gains. While most Clients are charged an Incentive Fee, certain Clients may not. Generation's policies and procedures prohibit portfolio managers from taking into account performance-based fees when making investment allocation decisions among Clients. Generation's compliance personnel are responsible for ensuring that all investment allocation decisions are made fairly and equitably among Clients over time.

TYPES OF CLIENTS

See "Advisory Business" and "Fees and Compensation" for information about the Clients for whom Generation provides services and requirements for opening or maintaining an account.

The Global Equity Fund operates as a pooled investment vehicle and generally the minimum initial investment in the Fund is \$3,000,000. The minimum additional investment is \$1,000,000. The Asia Fund also operates as a pooled investment vehicle and generally the minimum initial investment in the Fund is \$1,000,000. The minimum additional investment is \$500,000. Fund minimums may be reduced or waived by Generation US from time to time in its sole discretion for certain investors, including, but not limited to, officers and employees of Generation.

Separate Accounts typically must have an initial asset value of at least \$40 million. Generation US, has discretion to accept a Separate Account with a value of assets of less than \$40 million.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Generation's investment strategy takes a long-term investment view and integrates sustainability research within a rigorous fundamental equity analysis framework. Generation believes that investment results for long-only equities are maximized by taking a long-term investment horizon because the majority of a company's value is determined by its long-term performance. Sustainability factors such as climate change and other environmental issues, human capital, stakeholder relations, and corporate governance practices can impact a company's ability to generate returns over the long term and should be fully integrated into fundamental equity analysis.

Generation seeks to buy high quality businesses with high quality management teams whose securities are sufficiently attractively priced to deliver excess returns over the long-term.

Generation believes that the prevalence of "short-termism" in the capital markets is the key reason that many investors pay insufficient attention to sustainability issues. In contrast, because Generation takes a long-term investment horizon, the analysis of sustainability issues is a key component of the determination of long-term shareholder value.

Generation has adopted a concentrated approach since it allows maximum leverage of an intense research effort as investments will be entered into only when very high levels of conviction exist. Below summarizes the expected range of portfolio and Focus List holdings for the Global Equity and the Asia strategies:

	Global Equity	Asia
Number of Portfolio Stocks	30 – 60	15-45
Number Focus List Stocks	Up to 120	Up to 60

The majority of the expected value add will come from a bottom up stock selection process. The Focus List is the list of stocks upon which Generation undertakes intensive, ongoing research and which are eligible for inclusion in the strategy's portfolio. Generation uses neither value nor growth filters to create the Focus List. Instead, industry roadmaps are developed by the analysts which provide guidance to help identify Focus List companies.

The decision to buy or sell a security is determined by the Portfolio Management Team. The Portfolio Management Team works to achieve a consensus, but ultimately Generation UK's Chief Investment Officer has final responsibility for the portfolio construction and investment performance.

The portfolio may trade in futures in order to minimize the risk from anticipated changes in the market. A futures contract is an agreement to take delivery (long) or make delivery (short) of a commodity, underlying security or index, during a specific month under terms and conditions established by United States of America or foreign government designated contract markets upon which trading is conducted, at prices established on such market.

The Fund may enter into forward foreign currency contracts primarily to hedge against foreign currency exchange rate risks on its non-U.S. dollar-denominated investment securities. When entering into a forward foreign currency contract, the Fund agrees to receive or deliver a fixed quantity of foreign currency for an agreed-upon price on an agreed future date. Periodically the Manager may believe a foreign currency to be vulnerable but may at the same time not consider the U.S. dollar to be particularly attractive. In such case, the Manager may sell the foreign currency in favor of a different foreign currency where fundamentals are considered more attractive.

The description provided above is a brief overview of the investment strategy and is not intended to be complete. All investing involves a risk of loss and the investment strategy offered by Generation could lose money over short or even long periods. Performance could be impacted by a number of different market risks including but not limited to:

General - Since Generation will invest primarily in equity securities, the risk of an investment in such securities is substantial. The value of some of the portfolio investments should be expected to fluctuate, possibly significantly and unpredictably. The value of the portfolio investments generally will be affected to a large degree by company-specific events and, to a lesser degree, by broad market movements.

Equity Securities – Generation’s equity investments will include, but are not limited to, long positions in common stocks of U.S. and foreign issuers. Generation also may invest in depositary receipts relating to foreign securities. See “Foreign Securities” below. Equity securities fluctuate in value, often based on factors unrelated to the value of the issuer of the securities, and such fluctuations can be pronounced.

Foreign Securities - Investments in foreign securities entail the risk that news and events unique to a country or region will affect those markets and their issuers, including adverse economic, political or social developments. These same events will not necessarily have an effect on the U.S. economy or similar issuers located in the United States. In addition, investments in foreign securities generally will be denominated in foreign currencies. As a result, changes in the value of a country’s currency compared to the U.S. dollar may affect the value of the investments. These changes may occur separately from and in response to events that do not otherwise affect the value of the security in the issuer’s home country. Generation is not subject to any requirement that it hedge all or any portion of its exposure to non-U.S. currency risks, and there can be no assurance that hedging techniques will be successful if used.

Emerging Markets - Generation may invest in the securities of companies in emerging markets. Investment in such markets involves risk factors and special considerations, including those set forth following, which may not be typically associated with investing in more developed markets. Such risks include, among other things, trade balances and imbalances and related economic policies, unfavorable currency exchange rate fluctuations, restrictions on foreign investment, imposition of exchange control regulation by governments, withholding taxes, limitations on the removal of funds or other assets, policies of governments with respect to possible nationalization of their industries, political difficulties, including expropriation of assets, confiscatory taxation and social, economic or political instability in foreign nations. These factors may affect the level and volatility of securities prices and the liquidity of the investments of the underlying funds. Unexpected volatility or illiquidity could impair the profitability and or result in losses. Political or economic change and instability may be more likely to occur and have a greater effect on the economies and markets of emerging countries. Adverse government policies, taxation, restrictions on foreign investment and on currency convertibility and repatriation, currency fluctuations and other developments in the laws and regulations of emerging countries in which investments may be made, including expropriation, nationalization or other confiscation could result in loss. By comparison with more developed securities markets,

most emerging countries securities markets are comparatively small, less liquid and more volatile. In addition settlement, clearing and registration procedures may be under-developed enhancing the risks of error, fraud or default. Furthermore, the legal infrastructure and accounting, auditing and reporting standards in emerging markets may not provide the same degree of investor information or protection as would generally apply to major markets.

Foreign Currency Transactions – Generation engages in foreign currency transactions for a variety of purposes, including to fix in U.S. dollars, between trade and settlement date, the value of a security Generation has agreed to buy or sell, or to hedge the U.S. dollar value of securities Generation already owns.

Foreign currency transactions may involve, for example, the purchase of foreign currencies for U.S. dollars or the maintenance of short positions in foreign currencies, including the purchasing or selling of foreign currencies to bring the currency exposure closer to the currency exposure of the Benchmark Index. Such transactions expose the Client to the risks of changes in exchange rates between foreign currencies and the U.S. dollar.

Special Investment Techniques - Generation invests primarily in global listed equity securities, with a long-only focus. Generation may invest, to a limited extent, in derivatives (primarily futures contracts) of global equity stock indices (“Derivatives”) in order to gain market exposure quickly following the receipt of subscriptions, to maintain liquidity in the event of withdrawals and to keep trading costs low. Generation may also use a variety of other special investment techniques in certain circumstances to pursue the investment objective. The techniques that may be employed may change over time as new instruments and techniques are introduced or as a result of regulatory developments. Certain of the special investment techniques that may be used are speculative and involve a high degree of risk.

Concentrated Status - Generation will invest in a concentrated portfolio of equity securities and expects to hold between 30 and 60 stocks at any one time. Accordingly, the portfolio securities may be more sensitive to changes in the market value of a single issuer and/or to events affecting a particular industry, market segment or geographic location.

Market Conditions – The prices of, and the income generated by, the securities owned may decline due to market conditions and other factors, including those directly involving the issuers of securities.

Investors in the Funds should carefully consider the investment objectives and risk of each Fund. The information provided above is a summary of the material risks. Investors should review the offering document for each Fund for a more detailed explanation of the investment strategy and risks involved. Separate Accounts should contact Generation US for additional information on other risks that may be present when considering opening account.

DISCIPLINARY INFORMATION

Generation has not been involved in any legal or disciplinary events since its inception that would be material to a Client’s evaluation of the company or its personnel. In addition, Generation’s employees have not been involved in any legal or disciplinary events in the past 10 years (and, to the best of our knowledge and belief, in years preceding that 10-year period) that would be material to a Client’s evaluation of the company or its personnel.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Generation UK, a limited liability partnership formed under the laws of the United Kingdom, holds a 99.9% equity interest in Generation US. Generation UK is an investment management firm located in London, England, which is authorized and regulated by the UK Financial Services Authority. All investment management services for Clients of Generation US are carried out by Generation UK pursuant to a sub-advisory agreement. Generation UK also offers investment related funds that its sponsors. These funds are located offshore and employees of Generation US may assist Generation UK by meeting with prospective US based investors and providing information on funds sponsored by Generation UK.

The Chairman of Generation is a partner of and equity investor in Kleiner Perkins Caufield & Byers (“KPCB”), a venture capital firm located in California. Generation UK has a collaborative agreement with KPCB that includes the sharing of insight into relevant markets, technology, scientific advances and understanding, the referral of investment opportunities, and the sharing of due diligence efforts, in addition to other mutually beneficial activities. Generation believes that its relationship with KPCB will provide it with insight into companies and industries that are integral to solving the climate crises beyond what is available to most public market investors. The collaboration agreement also provides the opportunity for principals of each firm to make personal investments in funds sponsored by each firm. To the extent Generation UK considers an investment in any KPCB funds, the Chairman will recuse himself from any investment decision.

Generation IM Climate Solutions Fund LP (“Climate Solutions Fund”), a fund managed by Generation UK has made an investment in KPCB Green Growth Fund, a fund managed by KPCB. Generation does not charge a management fee on the Climate Solutions Fund assets invested in the KPCB Green Growth Fund; however, there is an agreement between Generation and KPCB to share in the carried interest of the respective funds.

CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Generation US has adopted a code of ethics pursuant to Rule 204A-1 under the Investment Advisers Act of 1940 (“Code”) and is predicated on the principle that Generation US owes a fiduciary duty to its Clients. The Code is intended to detect and prevent conflicts of interest and activities prohibited by US federal securities laws in connection with personal trading and other regulatory matters. Accordingly, employees of Generation must avoid activities, interests and relationships that run contrary (or appear to run contrary) to the best interest of Clients. Generation endeavors to maintain current and accurate records of all personal securities accounts of its employees in an effort to monitor all such activity. Generally, employees may purchase or sell securities that are also recommended to Clients subject to pre-clearance requirements. Generation US’ Code is available for review and will be provided to any Clients upon request.

Generation and its employees have investments in the Funds managed by Generation. As a result, Generation has an interest in investments that are also recommended to investors. Generation and its employees are subject to the same terms as investors.

BROKERAGE PRACTICES

Generation US does not execute any trades for its Clients. All investment and trading decisions are carried out by Generation UK.

The process of selecting a broker is intended to determine which broker is best able to execute the particular transaction to obtain the best possible result for the Clients taking into account the execution factors. These factors include price; costs; speed; likelihood of execution; the market for the stock and the size of the order. Within these factors price, will usually be accorded relatively greater importance although in the case of less liquid securities or instruments, or in more volatile market conditions other factors may need to be afforded relatively more weight to achieve the best outcome.

When determining the relative importance of the execution factors included above Generation UK will also take into account the following criteria: the characteristics of the Clients (including its regulatory categorization); the characteristics and nature of the order; the characteristics of the financial instruments that are the subject of that order; and the characteristics of the execution venues to which that order can be directed. Selection will occur after review of all relevant criteria, including the following:

- Price of shares — the actual price to be paid for the shares. The ability of a broker to obtain the best overall price for a transaction and to buy and sell a stock with minimal disruption in the market place.
- Market familiarity — the broker's knowledge of the market for the particular stock.
- Reliability — whether the broker has been able to provide support to the trader when placing a difficult trade in this stock or a similar stock in the past. If a broker has successfully assisted with past trades, that broker is more likely to be selected for future trades.
- Integrity (ability to maintain confidentiality) — When executing block orders, traders do not want to divulge their interest to the market. If a broker has demonstrated the ability to provide discreet execution of block orders, that broker is more likely to be selected.
- Research budget/rankings — all other relevant factors being equal, the research capabilities of brokers may be considered when choosing a broker. In making this determination, all other variables must be equal and the broker must be capable of providing best execution in order for this factor to play a role in the selection of a broker. Analyst rankings may also be used to ascertain which brokerage research departments have the strongest track record.
- Commission rates — however, commission rates alone ordinarily will not be determinative in selecting a broker.
- Trade settlement (settlement risk) – The trader may take into account a broker's ability to ensure that the shares will be delivered on settlement date.
- Financial condition — the trading desk may take into account the financial condition of a broker, and may choose not to utilize a particular broker due to uncertainty regarding a broker's financial status.
- Technology infrastructure and operational capabilities — the trading desk generally selects a broker only if he or she believes that the broker has the infrastructure and operational capabilities to execute and settle the trade.
- Willingness to commit capital — if an account holds a thinly traded issue and there is limited interest in the stock, a broker may be selected based on its willingness to purchase or sell shares for or from its own inventory.

Certain brokers and dealers who provide quality brokerage and execution services also furnish research services. Generation UK has adopted a brokerage allocation policy embodying the concepts of Section 28(e) of the Securities Exchange Act of 1934. Section 28(e) permits an investment adviser to cause an account to pay commission rates in excess of those another broker-dealer would have charged for effecting the same transaction, if the adviser determines in good faith that the commission paid is reasonable in relation to the value of the brokerage and research services provided. Generation UK generally will seek competitive commission rates but will not necessarily attempt to obtain the lowest possible commission for transactions for Clients. Research received from broker-dealers will be used to service all of Generation's Clients including, where appropriate, those whose trades did not pay for such services.

Research services provided by broker-dealers are supplemental to research services rendered by Generation UK and, when utilized, are subject to internal analysis before being incorporated into Generation UK's investment process. To the extent that broker-dealers provide research services of value, Generation UK is relieved of expenses which it may otherwise bear. Thus, Generation UK has an incentive to select a broker-dealer based on its interest in receiving research or other products or services rather than brokers who may offer the lowest transaction cost.

Research services may include, among other things, information on the economy, industries, groups of securities, individual companies, statistical information, accounting and tax law interpretations, political developments, legal developments affecting portfolio securities, technical market action, pricing and appraisal services, credit analysis, risk measurement analysis, performance analysis, and analysis of corporate responsibility issues.

Generation UK participates in Commission Sharing Arrangements with Credit Suisse and Merrill Lynch. These Arrangements provide a method for Generation UK to purchase third party research using part of the commission paid from trades executed by Credit Suisse or Merrill Lynch. Generation UK will make a good faith determination based on FSA and SEC guidelines that the commissions paid to any third-party broker-dealers participating in the Commission Sharing Arrangement are reasonable in relation to the value of the research provided by such broker-dealers. Generation UK uses the Commission Sharing Arrangement to pay for research services offered by various third parties which could otherwise be purchased directly by Generation UK.

It is the policy of Generation that the utmost care be taken in making and implementing investment decisions of behalf of Clients. To the extent that any errors occur, they are to be (a) corrected as soon as practicable and in such a manner that the Clients incur no loss, (b) reported to Generation's management, and (c) captured in a compliance log and scrutinized carefully with a view toward implementing procedures to prevent or reduce future errors, if necessary. Generally, where the error has occurred as a result of negligence or gross misconduct by an employee or associate of Generation, the Clients will be fully compensated for any loss suffered as a result of the error. Where the error results in a 'profit' or net gain to the Clients; the Clients will receive the benefit.

More information on trading is described below under "Investment Discretion."

REVIEW OF CLIENT'S ACCOUNTS AND REPORTING

Client's accounts are monitored and reviewed on a regular basis by the Generation UK portfolio management team (subject to the supervision and oversight of Generation US), which includes the Chief Investment Officer and Portfolio Managers. Each review analyzes portfolio positions, market trends, and investment opportunities. Portfolio positions are monitored against target weightings. Risk management tools are used to systematically track portfolio risk

factors. Client cash positions are monitored to ensure appropriate liquidity and portfolio balance. Reviews are also triggered by contributions to, or withdrawals from, accounts by Clients.

On a quarterly basis, a portfolio review document is prepared and sent to each Separate Account summarizing its respective portfolio valuation and performance for the period, portfolio commentary, and other material relevant to the Separate Account.

With respect to the Funds, portfolio reports are prepared on a monthly basis for fund investors (Fund Factsheet). Quarterly, the Funds will furnish each Fund investor with a report containing the amount of net income or net losses allocated to such investor for such period, withdrawals from and additions to such investor's capital account during such period, and the balance of such investor's capital account at the beginning and end of such period. In addition, within 120 days of the end of each fiscal year of the Fund (subject to reasonable delays), each Fund investor will receive a copy of the Fund's audited financial statements and certain financial and tax information regarding the fund necessary for the completion of the Fund investor's tax return.

CLIENT REFERRALS AND OTHER COMPENSATION

The Company does not compensate any person for Client referrals nor does it offer or receive sales awards or prizes for providing investment advice to Accounts.

CUSTODY

All Client assets are held in custody by unaffiliated broker/dealers or banks, however a registered investment adviser who, directly or through an affiliate, acts as the general partner or managing member to a limited partnership or other comparable pooled investment vehicle is considered to have custody over client assets. Rule 206(4)-2 under the Investment Advisers Act of 1940 imposes a number of requirements on an SEC-registered investment adviser that is deemed to have custody of its clients' funds and securities.

To comply with Rule 206(4)-2 and to provide meaningful protection to investors, the Global Equity Fund and the Asia Fund are subject to an annual financial statement audit by an independent public account registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board. The audited financial statements are prepared in accordance with generally accepted accounting principles, and are distributed to each investor within 120 days of the Funds' fiscal year end.

INVESTMENT DISCRETION

Generation US delegates investment discretion to Generation UK through a sub-advisory agreement for each Separate Account. Generation UK manages each Separate Account on a discretionary basis subject to any limitations set out in an investment advisory agreement executed with between the Separate Account and Generation US. With respect to the Funds, the offering memorandum and governing document for each Fund provides that the investment manager has discretion to manage the business and affairs of the Fund, subject only to specific and express limitations provided therein.

Generation UK is not obligated to acquire for any Client any security that the Company or its officers, partners, members or employees may acquire for its or their own accounts or for the account of any other Client, if in the absolute discretion of the Company, it is not practical or desirable to acquire a position in such security.

Aggregation of Orders. When Generation UK determines that it would be appropriate for one or more Clients to participate in an investment opportunity, Generation UK seeks to execute orders for all of the participating Clients on an equitable basis. Specifically, Generation UK may place combined orders for all Clients simultaneously and if any order is not filled at the same price, it will average the prices paid. Similarly, if an order on behalf of more than one Client cannot be fully executed under prevailing market conditions, Generation UK generally will allocate the securities traded among the different Clients pro rata based on the initial order allocation or, if for any reason this would not result in a position size that is economically reasonable, by any other basis which it considers equitable.

IPOs. In the event that Generation UK purchases securities in an initial public offering (“IPO”) and the total number of shares purchased is fewer than the total number of shares it ordered to purchase, Generation UK will allocate such number of shares purchased in the IPO to Clients in a fair, proportional manner based on the size of the assets under management and the size of the orders to purchase for such Clients.

Principal Transactions. Generation does not utilize Principal Transactions.

Cross Transactions. As is consistent with its duty to seek to obtain best execution, occasionally Generation may cross trades for Clients. Generation generally utilizes cross trades to address account funding issues and when the practice is specifically deemed to be advantageous for each participant. In no instance does Generation receive additional compensation when crossing trades for Clients. Generation will seek to ensure that the terms of the transaction, including the consideration to be paid or received, are fair and reasonable, and that the transaction is done for the sole benefit of the Clients. The trades will be priced using one of the following methodologies:

- At the midpoint of the current bid-asked spread. In this instance an independent quote will be requested from an authorized broker and checked against the current market price per Bloomberg;
- The closing price on the day for the stock on the market on which it would normally trade;
- At the last reported price in the market; or
- At some other reasonable objective valuation.

VOTING CLIENT SECURITIES

Generation US relies on Generation UK to vote proxies for Funds and, if requested, for Separate Accounts. Generation UK (in conjunction with Generation US) has developed a proxy voting policy which is used to determine a fair and consistent approach to voting company proxies. Generation UK investment analysts use, amongst other information, research material provided by the Institutional Shareholder Services Inc. (“ISS”), but reach voting decisions independent of ISS’s (formerly RiskMetrics Group) voting recommendations.

Generation UK has appointed ISS as its proxy voting agent to provide notice of all company meetings and to ensure Generation's voting instructions are effectively carried out. As part of this process, Generation UK provides regular portfolio holding updates to ISS and reconciles its records with those held by ISS to ensure the correct numbers of shares are identified for the ballots.

If Separate Accounts have specific voting policies that differ from Generation's and require Generation to vote their proxies, Generation will try to accommodate such policies. Generally, where a Separate Account does not authorize Generation to vote proxies, the Separate Account will receive proxy voting statements directly from their custodian.

Where Generation UK receives "Class Action" documents on behalf of a Fund, Generation UK will ensure that the Fund either participates in the Class Action or opts out of any Class Action notices received. Generation UK will determine if it is in the best interest of the Fund to seek to recover monies from a Class Action. If Class Action documents are received by Generation UK for a Separate Account, Generation UK will gather any requisite documentation and information it has received and forward it to the Separate Account owner to enable them to respond at their discretion.

Copies of Generation's proxy voting policies and reports on how Generation voted Client proxies are available on request from Peter S. Knight.

FINANCIAL INFORMATION

The Company has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to manage Clients.