

Part 2A of Form ADV: *Firm Brochure*

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Revised September 29, 2016

This Brochure provides information about the qualifications and business practices of Barings Real Estate Advisers LLC (hereinafter “Barings Real Estate” or “Firm” or “we”). If you have any questions about the contents of this Brochure, please contact the Firm’s Chief Risk & Compliance Officer, William E. Bartol, at (860) 509-2233 or bill.bartol@Barrings.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 Barings Real Estate is available on the SEC’s website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for Barings Real Estate is 106468.

Item 2. Summary of Material Changes

This Brochure is prepared in accordance with Rule 204-3 of the Investment Advisers Act of 1940. Accordingly, we will ensure that advisory clients receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of the Firm's fiscal year. We may further provide other ongoing disclosure information about material changes as necessary. The Brochure may also be viewed on the SEC's website.

The following is a summary of the material changes made to this Brochure since the amendment dated March 22, 2016:

Item 1. Prior to September 12, 2016, Barings Real Estate Advisers LLC was known as Cornerstone Real Estate Advisers LLC.

Item 10. Updated legal names of a number of affiliated entities.

The following is a summary of the material changes made to this Brochure since the amendment dated October 1, 2015:

Item 4. Advisory Business, *Funds Business*. The individual funds previously identified in this section have been removed; regulatory guidance does not require them to be disclosed in the ADV Part 2A. General fund information remains in this section.

Item 4. Advisory Business, *Assets Under Management* was updated.

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

Item 12. Brokerage Practices. The section entitled, "*Allocation of CMBS Opportunities*" was added.

Item 3. Table of Contents

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Item 4. Advisory Business

Real Estate Advisory Services

Barings Real Estate is a diversified, full service global advisory firm specializing in real estate related advisory and management services. Barings Real Estate provides advice to a client regarding investment of its funds based on the client's needs. Barings Real Estate is a wholly owned subsidiary of Barings LLC (hereinafter "Barings"), an indirect, wholly owned subsidiary of Massachusetts Mutual Life Insurance Company (hereinafter "MassMutual"), and has been in business since 1994. Account supervision is guided by the stated objectives of the client (i.e., core, value added, opportunistic, growth and income, growth, income, or total return). Barings Real Estate offers advisory services in the following real estate related investment sectors:

Public Real Estate Securities

Barings Real Estate manages portfolios of public real estate securities (domestic and global, debt and equity) for mutual funds and institutional clients on a discretionary and non-discretionary business.

Model Portfolios

Barings Real Estate may participate in one or more unified managed account or other model based program(s) (collectively, "UMA program(s)") offered to investors by non-affiliated sponsors. In such relationships, Barings Real Estate provides its portfolio model to the sponsor who then, in accordance with the contractual relationship it has with its clients, makes trades for or recommendations to its clients.

Generally, Barings Real Estate does not have an advisory relationship with the UMA program clients. Delivery of this Form ADV Part 2A to any such client is for informational purposes only, and should not be construed to imply that any such advisory relationship exists.

Equity Investments in Real Estate

Barings Real Estate provides investment advisory services with respect to direct real estate equity investments and asset management services. Equity investments in real estate typically span all property types including, but not limited to, multifamily, affordable housing, retail, office, industrial, parking, land, and hotels, as well as Section 42 affordable housing tax credit investments. Additionally, these properties may be completed (i.e., fully developed and operational) or in the development stage(s).

Real Estate Debt and Structured Investments

Barings Real Estate provides investment advisory services with respect to real estate related debt investments such as commercial mortgages, affordable housing mortgages, residential mortgages, syndicated commercial real estate debt, loan participations, mezzanine debt, and preferred equity loan facilities.

Mortgage Loan Servicing

Barings Real Estate is a mortgage loan servicer. Its servicing arm primarily provides private mortgage servicing in transactions where the Firm's affiliates, including MassMutual, and other advisory accounts co-invest with other non-advisory third-party investors. In addition, Barings Real Estate provides private mortgage servicing for MassMutual and non-affiliated advisory clients.

Funds Business

Barings Real Estate is the sponsor of various pooled investment vehicles to which the Firm provides investment advice. Investors who elect to invest in or with these vehicles purchase an interest in the Barings Real Estate sponsored fund(s) (collectively, the "Funds") through an affiliated broker-dealer. In these cases, the fund is the Firm's client. These investors are accordingly not advisory clients of the Firm and do not impose restrictions on how we invest or manage the commingled fund.

In its capacity of manager or general partner of these Funds, Barings Real Estate has created numerous limited liability companies or partnerships (SPEs) solely for the purpose of holding title to real property assets. These SPEs are ultimately owned by the Funds disclosed in this section or in relation to the Firm's separate account clients. In no case are fund investors allowed to directly invest in these SPEs.

Affiliate Relationship(s)

In connection with Barings Real Estate's management of discretionary advisory accounts, Barings Real Estate has an agreement with Barings, an SEC registered investment adviser and indirect wholly-owned subsidiary of MassMutual to provide trading functions as well as certain back office and administrative support services in connection with the U.S. and foreign public real estate securities for the MassMutual portfolios and certain other non-discretionary third-party clients.

Related to the Firm's public equity advisory business, Barings Real Estate has entered into an agreement with OppenheimerFunds, Inc. ("Oppenheimer"), an indirect wholly-owned subsidiary of MassMutual. Oppenheimer has been engaged to handle trading for non-MassMutual discretionary clients.

In connection with Barings Real Estate's Global Real Estate Securities products, Barings Real Estate has individual agreements with both Barings Capital Real Estate Asia Limited (formerly known as Babson Capital Cornerstone Asia Limited) ("BCC Asia"), licensed with the Hong Kong Securities and Futures Commission, and Barings Real Estate Advisers Europe Finance LLP, licensed with the Financial Conduct Authority (UK), to provide investment advice, research, and securities distribution services.

Sub-Adviser Relationship(s)

Oppenheimer is the investment adviser to the Oppenheimer Real Estate Fund, the Oppenheimer Global Real Estate Fund, the Oppenheimer Global Multi-Alternatives Fund/VA ("Multi-Alts"), Oppenheimer Global Multi-Asset Income Fund ("GMAI"), and the Oppenheimer Global Multi-Asset Growth Fund ("GMAG") (collectively, the "Oppenheimer Funds"), regulated investment companies under the Internal Revenue Code. Under sub-advisory agreements, Barings Real Estate has assumed day-to-day responsibility for the investment management of the Oppenheimer Funds (in the case of Multi-Alts, GMAI, and GMAG, a sleeve of these funds), and receives an advisory fee based on a percentage of the fees earned by Oppenheimer.

Barings Real Estate's portfolio trades for the Oppenheimer Funds are forwarded by a Portfolio Manager to Oppenheimer's trading desk, which then manages the order flow and obtains execution in its capacity of adviser to the Oppenheimer Funds.

Barings serves as investment adviser to third-party client and MassMutual Accounts, pursuant to individual investment advisory agreements. Barings Real Estate has assumed responsibility for providing investment advisory and administrative services with respect to the Capital Markets Products in the Accounts, and receives an advisory fee based on a percentage of the fees earned by Barings.

Barings Real Estate also, from time to time, may enter into additional sub-advisory agreements with third party registered investment advisers as it deems appropriate and in the best interests of clients.

Assets Under Management

Barings Real Estate's regulatory assets under management as of December 31, 2015:

Discretionary:	\$ 3,360,235,807
Non-Discretionary:	<u>\$29,804,335,473</u>
Total:	\$33,164,571,280

Item 5. Fees and Compensation

Real Estate Advisory Services

Barings Real Estate provides a variety of real estate advisory and management services, primarily to institutional clients. All fees are subject to negotiation and take into consideration the size and complexity of the mandate and reporting and servicing requirements, among other matters. See below for information regarding the Firm's fees for such services.

Public Real Estate Equity Securities

As disclosed in Item 4 above, Barings Real Estate manages portfolios of public real estate equity securities for institutional clients. Barings Real Estate does not have a set fee schedule; however, the Firm's fees are based on a percentage of assets under management and may include performance-based fees in accordance with Rule 205-3 of the Investment Advisers Act. Fees currently range from 25 basis points to 70 basis points. Fees are negotiable based, in part, upon the specific investment strategy, account size, and client specific reporting and servicing requirements.

Public Real Estate Debt Securities

As disclosed in Item 4 above, Barings Real Estate manages and/or advises portfolios of public real estate debt securities (principally CMBS and REIT debt) for institutional clients. Barings Real Estate does not have a set fee schedule; however, the Firm's fees are based on a percentage of assets under management and currently range from 7.26 basis points to 30.0 basis points. Fees are negotiable based, in part, upon the specific investment strategy, account size, and client specific reporting and servicing requirements.

Equity Investments in Real Estate

As disclosed in Item 4 above, Barings Real Estate provides advice with respect to real estate equity investments and asset management services. Barings Real Estate does not have a set fee schedule. All client relationships are negotiated and clients may be charged one or more of the following types of fees in the management of the client's direct real estate investment:

Barings Real Estate may charge an asset management fee based on a percentage of the aggregate purchase price or market value of the investments acquired ranging from 30 basis points to 110 basis points, a percentage of the investment's net income ranging from 6.5% to 7.0%, or a combination thereof. In addition, Barings Real Estate may receive incentive fees based on performance measures.

Barings Real Estate may charge a property acquisition fee equal to a percentage of the acquisition cost of an asset. Acquisition fees generally range from 0 to 75 basis points of the gross purchase price of the property.

Additionally, Barings Real Estate may charge a disposition fee equal to a percentage of the net sales proceeds of a property, ranging from 0 basis points to 25 basis points.

Real Estate Debt and Alternative Investments

As disclosed in Item 4 above, Barings Real Estate provides advice with respect to real estate related debt investments. Barings Real Estate does not have a set fee schedule, as fees are negotiated on a case by case basis. Broadly speaking, Barings Real Estate charges between 10 and 150 basis points of outstanding loan balances or 140 basis points of net equity invested for ongoing management fees, depending on product strategy. In addition, Barings Real Estate may collect a performance fee and a share of origination and extension fees.

Mortgage Loan Servicing

For mortgage loan servicing clients, Barings Real Estate charges the following fees:

Barings Real Estate charges a primary servicing fee, based on the amount outstanding under the mortgage loan on an annual basis that typically ranges from 0.01% to 0.45%.

In addition to the primary servicing fee, Barings Real Estate also charges a special servicing fee when mortgage loans that Barings Real Estate services go into default. Special servicing fees are based on the amount outstanding under the mortgage loan on an annual basis, and typically range from 0.15% to 0.25%. All such fees are typically negotiated on a case-by-case basis.

Funds Business

When a client purchases an interest in a Barings Real Estate sponsored fund, fees are charged in accordance with the schedule set forth in the fund documents (e.g., limited partnership agreement and side letters). Client fund investments are not subject to fee schedules outside of those set forth in the fund documents.

Fees in General

Depending on the particular arrangement with each client, we will either invoice clients or directly debit their custodial accounts.

Most fees are billed in arrears at the end of each quarter, based upon the billable balance on the last day of the previous calendar quarter, pro-rated for additions and withdrawals.

Fees and account minimums for all services are negotiable based upon certain criteria

(i.e., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, service and reporting needs, etc.).

We may group certain related client accounts for the purposes of determining the account size and/or annualized fee.

Barings Real Estate will not collect fees in excess of \$1,200 per client six months or more in advance of services rendered.

Incentive Fees

In some instances, Barings Real Estate may charge an incentive fee. Incentive fees will be negotiated with and disclosed to the client before entering into a written advisory agreement.

Unless otherwise set forth in the clients advisory agreement, clients who elect to terminate their contracts will be charged an incentive-based fee based on the performance of the account for the measuring period going back from the termination date and pro-rated from the date on which the performance-based fee was last assessed.

In measuring the client's assets for the calculation of performance-based fees, Barings Real Estate shall include: for securities for which market quotations are readily available, the realized capital losses and unrealized capital losses of securities over the period and, if the unrealized capital appreciation of the securities over this period is included, the unrealized capital depreciation of securities over the period.

In some circumstances, the incentive fee may potentially create an incentive for Barings Real Estate to recommend investments which could be viewed as riskier or more speculative than those which would be recommended under a different fee arrangement. Barings Real Estate recognizes its fiduciary duty to its advisory clients and strives to act in their best interest at all times. Barings Real Estate has procedures to ensure that all clients are treated fairly and equally, and to prevent this conflict from influencing the allocation of investment opportunities among clients.

Barings Real Estate urges clients to review advisory agreements to ensure they fully understand the proposed method of compensation and its risks prior to entering into the contract.

INCENTIVE FEES WILL ONLY BE CHARGED IN ACCORDANCE WITH THE PROVISIONS OF RULE 205-3 OF THE INVESTMENT ADVISERS ACT OF 1940 AND/OR APPLICABLE STATE REGULATIONS.

Account Termination

Advisory agreements with our clients may generally be terminated by either party, pursuant to the notice requirements specified in their respective management agreements. Barings Real Estate is typically entitled to a pro-rata portion of the earned fees, generally inclusive of the notice period. Refunds will not typically apply as fees are generally paid in arrears.

Brokerage and Custodian Fees

In addition to advisory fees paid to the Firm, clients will also be responsible for all transaction, brokerage, and custodian fees incurred as part of their account management.

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

Please see Item 5 above for information relating to incentive fees.

Please see Item 4 above for information relating to side-by-side management.

Item 7. Types of Clients

Barings Real Estate generally provides advisory services to pension and profit sharing plans, investment companies, pooled investment vehicles, municipalities, insurance companies, corporations, and banking and thrift institutions.

For strategies currently managed, Barings Real Estate has determined that \$1,000,000 is the minimum investment required to effectively manage to its U.S. REIT and Global Real Estate Securities strategies. Similarly, the Firm generally imposes a \$20,000,000 minimum gross portfolio value for consideration of potential direct real estate portfolios. Barings Real Estate reserves the right to waive such minimums where the actual strategy provided, or specific client needs and characteristics warrant such waiver.

The above minimums apply to debt and equity separate accounts managed by Barings Real Estate. Funds managed by Barings Real Estate are each sold under a private offering memorandum which sets forth the terms of the offering, including investment minimums, which vary by fund.

To help Barings Real Estate meet applicable anti-money laundering laws, rules, and regulations, its policy is to attempt to obtain and maintain supporting client documentation for each client relationship, including each client's financial background and investment objectives. Barings Real Estate may request from each client/investor its name, address, government issued identification number, and other information that will allow Barings Real Estate to identify each client/investor. Supporting client/investor information will be obtained during the account opening process for each client/investor. Advisory personnel should be familiar with the client documents required by the Firm

and ensure that all necessary information is obtained and verified with supporting documents. Barings Real Estate may also verify client/investor identity through non-documentary means, such as through the comparison of the information provided by a client/investor with information provided by public databases or other sources.

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

Investment Analysis and Process

Investment decisions made by Barings Real Estate incorporate a comprehensive analysis that combines “top down” and “bottom up” approaches to investment analysis and valuation of property assets. A sound understanding of both macro drivers (i.e., business cycles and property sector cycles, capital flows, identification of target markets, and investment vehicles) and micro considerations (i.e., property submarket dynamics, rent and occupancy trends, characteristics of property leases including lease role exposures, tenants credit worthiness, and capital needs) is crucial to providing in depth intelligence on potential investment performance and to minimize risk. This approach is incorporated into the decision making on both direct real estate and public real estate securities strategies.

The Research and Strategy groups lead a collaborative process to synthesize a company-wide forwarding looking view of economies, real estate fundamentals and capital market dynamics. This “House View” feeds into the estimation of investment returns across metros and property sectors--the Barings Real Estate “Relative Value” metric--that helps to inform and guide investment strategy, as a function of client goals, objectives and constraints.

The investment process is managed by Barings Real Estate's Investment Committees, which rely on a number of different information sources to make investment decisions. A primary source of investment information is developed by Barings Real Estate's Research Group. Macro and micro market information is compiled and analyzed by this Group to determine fundamental space market and capital market trends, risks, and opportunities. The Research Group utilizes a number of national data sources, including, but not limited to: CoStar, CBRE-Econometric Advisers, Moody's Analytics, Smith Travel Research, Standard & Poors, Dunn & Bradstreet, Axiometrics, Real Capital Analytics, Lodging Econometrics, Claritas, and the Department of Commerce, among others. Data is scrubbed and imbedded in Barings Real Estate's proprietary database product, The Analyst. The Analyst provides current and forecast data and market analysis to every investment professional in the organization. In addition, all major financial decisions (i.e., acquisitions, dispositions, capital expenditures, and major leases) are analyzed with sophisticated computer modeling tools such as Argus, which are used for all property level valuations.

Barings Real Estate's equity investment strategy revolves around the premise that real estate is cyclical in nature, and as a result, different property types and economic regions

respond independently to market dynamics. This implies that there generally are opportunities in real estate, provided the investor is sensitive to change and can alter its investment strategy based on the appropriate level of research and knowledge of market dynamics. Barings Real Estate's investment strategy focuses on barrier markets, as barrier markets (those markets in which it is difficult to add new supply) have the potential for higher income growth over time that is not always reflected in current pricing. The strategy is balanced by investing in rotational markets that respond more quickly to job growth. Inherent in any strategy is a discipline to sell assets when appropriate.

Barings Real Estate's private equity investment philosophy is a value-based approach based on well informed purchases of undervalued real estate, analyzing investment fundamentals, and with a focused strategy supported by research and hands-on market knowledge. Growth in revenue is achieved through aggressive asset management by Barings Real Estate's regional office property teams, based in Chicago, Illinois, Los Angeles, California, and Glastonbury, Connecticut, which work closely with select, local property management companies. The investment process is based on a thorough and ongoing knowledge of client needs, objectives, and risk tolerances.

Barings Real Estate's debt investment strategy has a fundamental value orientation wherein it seeks to determine where value exists within and between markets, based on bottom up analysis of individual investments and how they compare to alternatives in a risk/reward framework. Barings Real Estate seeks to capitalize on market inefficiencies that may affect individual investments, and attempts to capture incremental return advantages to provide more consistent long-term investment results. Prudent diversification is employed to safeguard against unforeseen adverse events. Investment decision-making is straightforward and is concentrated directly in the hands of an experienced staff of investment professionals. Barings Real Estate's debt business is supported by regional offices in Glastonbury, Connecticut, Chicago, Illinois, Newport Beach, California, Dallas, Texas, and Washington, D.C.

Additional Considerations for Public Real Estate Securities

With respect to its public securities business, the firm employs, among other approaches, fundamental and cyclical analysis as part of its investment decision-making process to help formulate client recommendations.

Fundamental Analysis: Fundamental analysis of a business involves analyzing its income statement, financial statements and health, its management and competitive advantages, and its competitors and markets. Fundamental analysis school of thought maintains that markets may mis-price a security in the short run but that the "correct" price will eventually be reached. Profits can be made by trading the mis-priced security and then waiting for the market to recognize its "mistake" and re-price the security. However, fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating

the stock. Therefore, unforeseen market conditions and/or company developments may result in significant price fluctuations that can lead to investor losses. Such analysis is incorporated into the decision making on public real estate securities strategies,

Cyclical analysis: In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security. Since cyclical analysis is based on examination of rising and falling trends, investors bear the risk of mis-timing, with a specific trend lasting longer or shorter than expected. Such analysis is incorporated into the decision making on public real estate securities strategies.

Risks for all forms of security analysis: Our investment analysis relies on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

The Firm also employs the following investment strategies to implement investment advice given to clients:

Long-term purchases: We primarily purchase securities with the idea of holding them in the clients account for a year or longer. We may do this because we believe the securities to be currently undervalued. We may do this because we want exposure to a particular sector over time, regardless of the current projection for this sector.

A risk in a long-term purchase strategy is that, by holding the security for this length of time, we may not take advantages of short-term gains that could be profitable to a client. Moreover, if our forecasts are incorrect, a security may decline in value before we make the decision to sell.

Short-term purchases: At times, we may also purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

A risk in a short-term purchase strategy is that, should the anticipated price swing not materialize, we are left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss. In addition, this strategy involves more frequent trading than does a longer-term strategy, and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

Options: Certain portfolios allow for equity and index options trading. Barings Real Estate from time-to-time will trade options within the client guidelines and risk parameters set forth by the client and Barings Real Estate.

Clients should understand that investing in any security involves a risk of loss of both income and principal that clients should be prepared to bear.

Item 9. Disciplinary Information

Barings Real Estate has no reportable disciplinary events to disclose.

Item 10. Other Financial Industry Activities and Affiliations

Barings Real Estate Advisers Inc., a wholly-owned subsidiary of Barings Real Estate, holds a corporation real estate license from the California Department of Real Estate.

As disclosed in Item 4 above, Barings Securities LLC (“BCS”) is a registered broker-dealer and wholly-owned indirect subsidiary of MassMutual. Certain employees of Barings Real Estate are registered with the Financial Industry Regulatory Authority (“FINRA”) as registered representatives of BCS. The employees of Barings Real Estate who are registered will not be engaged in the retail sale of securities. Rather, they will be involved in the marketing and sale of interests in various pooled investment vehicles offered as private placements under Regulation D of the Securities Act of 1933 and other applicable exemption(s). BCS receives compensation for its fund distribution services related to Barings Real Estate’s privately offered funds.

BCC Asia (an affiliated entity wholly-owned by Barings), located in Hong Kong, is licensed with its local securities regulator to provide investment advice and securities distribution services. This entity currently provides to Barings Real Estate investment advice and research relating to Barings Real Estate’s Global Real Estate Securities products.

BCC Asia, together with Barings Real Estate and Barings Real Estate Advisers Europe Finance LLP, a Barings Real Estate U.K. subsidiary with offices throughout Europe (licensed with the Financial Conduct Authority to offer investment advice and distribute securities), form the platform for Barings Real Estate’s global real estate growth initiative through which Barings Real Estate intends to develop and offer real estate securities and advisory products to a global clientele.

As mentioned in Item 4 above, Barings Real Estate entered into sub-advisory relationships with Oppenheimer, a wholly-owned indirect subsidiary of MassMutual. Oppenheimer is the investment adviser to the Oppenheimer Funds, regulated investment companies under the Internal Revenue Code. Under the sub-advisory agreement, Barings Real Estate has assumed day-to-day responsibility for the investment management of the Oppenheimer Funds, and receives an advisory fee based on a percentage of the fees earned by Oppenheimer.

Barings Real Estate has also retained Oppenheimer in a sub-advisory capacity to handle the trading function in connection with the U.S. and foreign public real estate securities traded for the Firm's clients.

As disclosed in Item 4 above, Barings is an SEC registered investment adviser and wholly-owned indirect subsidiary of MassMutual. Barings Real Estate has engaged Barings to handle certain trading functions in connection with the public real estate securities portfolios managed by Barings Real Estate for MassMutual and unaffiliated third party clients.

Barings Real Estate has numerous business relationships with its ultimate parent, MassMutual, a mutual life insurance company. Barings Real Estate provides investment advisory services relating to MassMutual's real estate equity and debt portfolio. Additionally, Barings Real Estate may be the sub-adviser for various third party clients who have executed advisory agreements with MassMutual or with Barings (including registered investment companies and separate accounts).

Additionally, Barings Real Estate is a full service real estate capital provider, with real estate and debt products for commercial mortgage origination including, permanent mortgages, mezzanine and high-yield products, affordable housing, and related activities. Barings Real Estate manages real estate debt assets and funds for institutional clients worldwide.

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

Code of Ethics

Barings Real Estate has adopted a Code of Ethics which sets forth high ethical standards of business conduct required by all employees, including compliance with Rule 17j-1 of the Investment Company Act of 1940 and Rule 204A-1 of the Investment Advisers Act. All employees of Barings Real Estate must certify compliance with the Code of Ethics annually. Furthermore, the Firm's Code of Ethics also requires "Covered Persons" (generally, Assistant Vice President or higher level officers, or any other employee designated by the Chief Risk & Compliance Officer) to report securities holdings at hire and annually thereafter, and to report securities transactions on a quarterly basis. Covered Persons are prohibited from buying securities which may be purchased for clients. Additionally, the Firm's Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. A copy of the Firm's Code of Ethics is available to clients and prospective clients upon request to William E. Bartol, Chief Risk & Compliance Officer, at the Firm's principal office address.

The Firm or individuals associated with the Firm may buy or sell securities identical to those recommended to customers for their personal accounts; however, as indicated

above, Covered Persons are prohibited from buying any real estate securities which are included in our composite indices. In addition, any related person(s) may have an interest or position in certain security(ies) which may also be recommended to a client.

As these situations represent a conflict of interest, we have established the following restrictions in order to ensure our fiduciary responsibilities are fulfilled:

1. No person employed by the Firm may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby, preventing such employees from benefiting from transactions placed on behalf of advisory accounts.
2. No employee of the Firm may buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, from his or her employment unless the information is also available to the investing public on reasonable inquiry. No employee of the Firm may put his or her own interest before that of the advisory client.
3. The Firm maintains a list of all securities holdings for the Firm and anyone associated with this advisory practice with access to advisory recommendations. These holdings are reviewed by the Compliance Department.
4. We emphasize the unrestricted right of the client to decline to implement any advice rendered, except in situations where the Firm is granted discretionary authority.
5. All of the Firm's employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
6. Any individual not in observance of the above may be subject to termination.

Participation in Client Transactions

Barings Real Estate may invest client assets in securities or other investments that are also held by (i) Barings Real Estate or its affiliates, including MassMutual, (ii) other Barings Real Estate advisory accounts, (iii) funds or accounts in which Barings Real Estate or its affiliates or their respective employees have an ownership or economic interest, or (iv) employees of Barings Real Estate or its affiliates. Barings Real Estate also, on behalf of its advisory clients, may invest in the same or different securities or instruments of issuers in which (i) Barings Real Estate or its affiliates, including MassMutual, (ii) other Barings Real Estate advisory accounts, (iii) funds or accounts in which Barings Real Estate, its affiliates, or their respective employees have an ownership or economic interest or (iv) employees of Barings Real Estate or its affiliates, have an ownership interest as a holder of the debt, equity or other instruments of the issuer.

Barings Real Estate or its affiliates may also recommend that clients invest in registered or unregistered investment companies, including private placement investment funds such as hedge funds, private equity funds or structured funds (i) advised by Barings Real Estate or an affiliate, (ii) in which Barings Real Estate, an affiliate or their respective employees has an ownership or economic interest, or (iii) with respect to which Barings Real Estate or an affiliate has an interest in the entity entitled to receive the fees paid by such funds.

Item 12. Brokerage Practices

As set forth previously, Barings Real Estate is contracted by Oppenheimer to sub-advise the Oppenheimer Funds. While the agreement provides that Barings Real Estate is responsible for the day-to-day investment management of the Oppenheimer Funds, particularly with respect to investment decisions, Oppenheimer, as the Oppenheimer Funds' adviser, retains both statutory and contractual supervisory authority over the management of the Oppenheimer Funds, including decisions concerning the securities to be bought and sold, and the amount of such transactions.

Additionally, Barings Real Estate provides sub-advisory services to MassMutual, on behalf of a Massachusetts Mutual Life Insurance Company separate investment account, the Oppenheimer Funds, and advisory services to other third-party REIT client(s). In executing its responsibilities under the relevant agreements, Barings Real Estate has contractually delegated its advisory trading responsibilities to Oppenheimer (in relation to transactions for Barings Real Estate's U.S. and Global real estate strategies for non-affiliated discretionary client accounts) and to Barings (in relation to MassMutual accounts and certain non-discretionary accounts). As a result, Barings Real Estate does not select the brokers to execute the trades for these accounts, although it does retain the right to direct order flow if necessary or beneficial to the client to do so.

Real Estate Brokers

Barings Real Estate's real estate investments (private debt and equity) are identified primarily through three industry relationships: (1) direct relationships with institutional holders of or investors in real estate; (2) direct relationships with brokers who source potential investment opportunities; and (3) direct relationships with other institutional investment (equity or debt) partners. From time-to-time, we may also purchase real estate related assets at auctions.

When utilizing a broker, there is often a fee to be paid. While some real estate investments (equity and debt) may be made without the utilization of a broker, the majority of transactions are brought to market through one or more brokers. The fees of the broker vary, and any fee to be paid is factored into the analysis and underwriting of each potential investment.

Factors considered by Barings Real Estate when selecting the counterparty from which to purchase Debt include Barings Real Estate's familiarity and past business experience with the counterparty, the counterparty's reputation and professionalism, and the quality of the counterparty's past execution.

When selecting brokers to market a client holding, Barings Real Estate considers the broker's local market knowledge, asset class expertise, market reach and visibility, fee, and other factors specific to the broker, client and property, directed to effect the most favorable transaction in consideration of the totality of the circumstances.

Aggregation and Allocation Procedures

On behalf of its clients, Barings Real Estate invests in public real estate securities, including initial public offerings ("IPOs"). In the case of all public real estate equity securities, including IPOs, consistent with each participating client's investment advisory agreement, Barings Real Estate may batch orders for more than one account prior to transmitting such orders to the affiliated trading desk for order management. Generally, orders are batched to facilitate best execution, including negotiating more favorable prices, obtaining more timely or equitable execution or reducing overall commission charges.

When decisions are made to purchase or sell the same security simultaneously for more than one account, Barings Real Estate may aggregate several contemporaneous client trade orders for a specific security into a block order via any trading system maintained by the applicable affiliated trading desk. Barings Real Estate will not aggregate orders placed with different affiliated trading desks. Because Barings Real Estate typically trades in low volume as compared to a security's float or daily trading volume, the majority of its orders are completed on the day of entry. In such cases, trades are fully allocated based on the aggregated trades, at an average share price as calculated on each desk.

When purchasing or selling securities with relative liquidity challenges, Barings Real Estate may activate the aggregated ticket only on one trading desk (either Oppenheimer or Barings) so as not to place the two trading entities in competition with each other in the market. For larger orders (typically involving 100,000 shares or more), Barings Real Estate may transmit a percentage of the entire trade (anywhere from 10% to 50%) first to one desk to be completed. Once that determined percentage is finished, trading is shifted to the other desk. This alternating between trading desks is continued until the entire order is filled. Which desk begins trading is determined in a manner that, over the long term, seeks to ensure that no client is advantaged or disadvantaged, and takes into consideration the relative number of shares to be traded, the current holdings of the security, account cash positions, market conditions, and trading characteristics of the security.

Barings Real Estate may use pro rata allocation when a batch order cannot be fully executed in a single day. "Partial fills" are generally allocated pro rata among the participating accounts based on the size of each account's order and may be subject to rounding in order to achieve "round lots." Unexecuted orders will continue to be worked until the block order is completed or until all open orders have been canceled. New orders for the same security will be aggregated with any remaining unexecuted orders. The applicable trading system will be updated to reflect partial executions until the block

order is completed or to reflect that outstanding orders have been canceled. Barings Real Estate will generally apply a minimum order allocation amount of 100 shares, which may be adjusted based on market convention associated with the particular security or prevailing market conditions. If remaining positions are too small to satisfy the minimum order amount, Barings Real Estate may decide to allocate the remaining shares to those accounts seeking large positions which were unfilled. Barings Real Estate may also decide to allocate remaining shares to those accounts whose orders would be completed as a result of the allocation.

Barings Real Estate may also use percentage ownership allocation to conform clients' exposure to a particular security, regardless of the size of the purchase or sell order. In these instances, the order will be allocated among accounts based upon the relative exposure each account has in that security. For example, Barings Real Estate decides to purchase 100 shares of ABC Stock, a security that is already held in client accounts. Ten percent of Portfolio A consists of ABC Stock, but only five percent of Portfolio B consists of ABC Stock as the account was opened at a later point in time. Additional purchases of ABC Stock will be allocated to Portfolio B before additional shares are allocated to Portfolio A. Percentage ownership allocation may be used to conform new accounts to Barings Real Estate's recommended weightings.

Barings Real Estate may use a combination of percentage and pro rata allocation where it places a large order to purchase or sell a particular security. Such orders may be allocated initially based upon percentage allocation in order to conform clients' relative exposure to the security and then the balance on a pro rata basis among all clients. In addition, Barings Real Estate will endeavor, whenever practical and suitable and subject to Barings Real Estate's current position in a security, taking into account among other factors the current price, to purchase for new client accounts securities held for other existing accounts. In such instances, allocation to a new account will be given priority in allocation over existing accounts. Additional purchases of the allocated security on the same trading day may be allocated using one of the allocation strategies set forth above. Trades ordered for the purpose of conforming new client accounts, unless part of a larger aggregated order, will be at the price(s) executed and not on an average price basis with other trades in the same class of security on the same trading day.

Barings Real Estate may also consider the following when allocating trades: (1) cash flow changes (including available cash, redemptions, exchanges, capital additions and capital withdrawals) may provide a basis to deviate from a pre-established allocation as long as it does not result in an unfair advantage to specific Accounts or types of Accounts over time; (2) Accounts with specialized investment objectives or restrictions emphasizing investment in a specific category of securities may be given priority over other Accounts in allocating such securities; and (3) for bond trades, street convention and good delivery may dictate the minimum size and par amounts.

Barings Real Estate's Securities Group or Capital Markets Group, as appropriate, will maintain appropriate documentation of the rationale for any allocation decisions which

vary from Barings Real Estate's standard pro rata or percentage ownership allocation methods.

Allocation of CMBS Opportunities

Indications of Interest. In general, investment opportunities are identified by Barings Real Estate CMBS research and trading staff ("CMBS Staff"), or by a client or portfolio manager, in consultation with CMBS Staff, seeking particular characteristics in an investment.

If CMBS Staff sources an attractive opportunity, including a new issue, it will communicate the investment opportunity to the clients and portfolio managers who have expressed an interest or can invest in the opportunity based on the client's investment objectives as communicated to Barings Real Estate.

If CMBS Staff sources a particular opportunity based on the specifically expressed needs of a client or portfolio manager, it will communicate the investment opportunity to that client or portfolio manager. CMBS Staff may also communicate the opportunity to other clients it believes may be interested in the opportunity, but it is not obligated to do so.

Once the opportunities have been communicated, CMBS Staff will solicit indications of interest from the interested clients or portfolio managers who will communicate their indications of interest to the CMBS Staff via phone or personal communication, email, or other electronic media. Upon receipt of the indications of interest, CMBS staff will exercise discretion as to whether to aggregate the orders in accordance with Barings Real Estate's best execution responsibilities. In certain circumstances, it may not be possible to aggregate orders for various Accounts due to regulatory or contractual constraints (e.g., directed brokerage arrangements, affiliated brokerage considerations). Where aggregation is not possible, efforts will be made to obtain prices comparable to those obtained when executing transactions in Accounts without such restrictions.

Allocation. Prior or simultaneous to entering an aggregated order, the CMBS Staff must prepare the allocation statement ("Allocation Statement"), which specifies the participating Accounts and the intended allocation based on the indications of interest received. If an aggregated order is filled in its entirety, the financial instruments are allocated according to the Allocation Statement. If the aggregated order is partially filled, the financial instruments are allocated among the participating accounts pro rata based on the initial Allocation Statement.

In general, allocations must be made at or about the time of execution and before the end of the trading day or as soon as practicable thereafter to ensure that the clearing records properly identify the Account for each transaction.

Factors to Consider for Adjusting Allocation. Notwithstanding the above, an aggregated order may be allocated on a basis different from the Allocation Statement if the deviation is determined to be fair and equitable to all participating Accounts. The following are permissible reasons for an allocation to deviate from the Allocation Statement:

- ***De Minimis Allocations and Minimum Lot Requirements:*** If a proposed allocation would result in the Account receiving an allocation that is so small that the costs incurred do not justify an allocation or does not meet the minimum allocation requirement established by the counterparty, the CMBS Staff may decide to give the Account a more meaningful allocation or decide to provide no allocation.
- ***Portfolio Characteristics:*** If the proposed allocation would result in the Account no longer maintaining portfolio characteristic parity with similarly managed Accounts, based on market value, duration contribution, credit beta, credit rating, sector or issuer concentration, the portfolio manager may decide to adjust the allocation to the Account in an effort to achieve greater portfolio characteristic parity with similarly managed Accounts.
- ***Cash Constraints:*** If an Account's cash needs have changed (e.g., available cash balance, request for redemptions, subscriptions, paydowns) the Account's allocation may be adjusted in order to meet its needs or correct an overdraft position.
- ***Account Objectives and Guidelines:*** If the allocation of a financial instrument would cause an Account to be in violation of its investment objectives, guidelines or regulatory requirements, the allocation that would cause this violation may be re-allocated to the other participating Accounts.
- ***Odd Lot Allocation:*** If an aggregated order is partially filled, the executed transactions will be allocated among participating Accounts pro rata based on the Allocation Statement, subject to rounding-off "odd lot" amounts and the above permissible reasons.

If there is a deviation from pro rata based on the Allocation Statement due to a reason other than the permissible reasons listed above, such reason must be documented and approved by the head of the Capital Markets Group, or a designee, in consultation with Barings Real Estate's Compliance Department as soon as reasonably possible but prior to settlement. The approving person must not have a direct beneficial interest in any Account receiving an allocation different from the Allocation Statement because of the deviation.

Recordkeeping. All required trading records for the Accounts will be created by the affiliate's trading desk or systems, and will be assessable to Barings Real Estate for inclusion in Barings Real Estate's books and records as necessary. For each order, the books and records of Barings Real Estate will reflect the securities bought and sold by each Account. All such records will be maintained in accordance with the applicable book and recordkeeping provisions of the Advisers Act, the 1940 Act, and related rules.

Allocation of Real Estate Opportunities (Private Debt and Equity)

Allocation Policy – Debt:

Barings Real Estate uses an allocation matrix for the purpose of determining to which portfolio a new investment opportunity should be offered (the "Allocation Matrix"). The allocation process for debt investments (each an "Investment Opportunity") is managed as follows:

- A. Each proposed Investment Opportunity is circulated to all the Barings Real Estate debt portfolio managers (each a "Portfolio Manager"), who evaluate the potential opportunity versus their portfolios' investment objectives. Each Portfolio Manager advises the Barings Real Estate party designated to maintain the Allocation Matrix (the "Allocation Process Administrator") as to their portfolio's interest in the Investment Opportunity.
- B. Once all Portfolio Managers have responded to the circulated Investment Opportunity, the Allocation Process Administrator utilizes the Allocation Matrix to determine the relative ranking of the interested portfolios.
- C. The Allocation Matrix utilizes a rotation methodology to rank portfolios based upon the date of the last allocation of an Investment Opportunity (generally the portfolio with the longest time elapsed since a previous allocation will be the highest in rank priority), provided however, that all allocation decisions are made in consideration of any applicable deal exclusivity arrangements, of which each affected client shall be given notice.
 - 1) If only one interested portfolio has funds designated for the type of Investment Opportunity presented, the Investment Opportunity is allocated to that portfolio at the earlier of (a) the time at which Barings Real Estate receives a term sheet executed by the borrower, or (b) the time at which Barings Real Estate receives a due diligence deposit from the borrower.
 - 2) If more than one interested portfolio has funds designated for an Investment Opportunity of the type offered, the Investment Opportunity is allocated to the portfolio with the highest ranking in the Allocation Matrix at the earlier of (a) the time at which Barings Real

Estate receives a term sheet executed by the borrower or (b) the time at which Barings Real Estate receives a due diligence deposit from the borrower.

- 3) Once a proposed Investment Opportunity has been allocated to a portfolio, that portfolio moves to the bottom of the ranking order (since it has the most recent allocation date). All other portfolios which had previously been ranked behind that portfolio move up in the rotation.
- 4) If a previously allocated Investment Opportunity is declined by a Portfolio Manager, or the Investment Opportunity is canceled or terminated by the borrower, as of the date that said Investment Opportunity is declined, canceled or terminated, said portfolio will be assigned the date of its previous active allocation and re-ranked accordingly.
 - a) If the borrower re-offers a previously canceled or terminated Investment Opportunity to Barings Real Estate, then the Investment Opportunity will be re-allocated to the original portfolio.
 - b) If declined by a Portfolio Manager, or if canceled or terminated by borrower and again declined by the original portfolio upon re-offering to Barings Real Estate, the previously allocated Investment Opportunity will be offered to the portfolios that previously expressed interest in the order of their rankings at the time said Investment Opportunity was initially circulated.
 - c) A portfolio that has more than one active Investment Opportunity allocated to it will be assigned a ranking based on the date of its most recent active allocation (unless and until such active allocation is subsequently declined, canceled or terminated).
- 5) New portfolios will be added to the Allocation Matrix based on timing of initial capital availability, which is generally defined as the date of:
 - a) Full-execution of an Investment Management Agreement (IMA) for any new separate accounts;
 - b) First closing for any new closed-end commingled funds; and
 - c) First contribution for any new open-end commingled funds.
- 6) A new portfolio is added to the Allocation Matrix in the last position, provided that, when two or more new portfolios enter an Allocation Matrix at the same time, they will be placed in the Allocation Matrix

(relative only to each other) by account size, with larger accounts ranking higher.

- 7) A separate Allocation Matrix will be maintained and operated for each debt strategy. Any portfolio with multiple strategy mandates will maintain one position in each applicable Allocation Matrix. Barings Real Estate currently maintains separate Allocation Matrices for the debt strategies; one for core mortgage loans, and another for high yield debt strategies.
- 8) A portfolio is excluded from an Allocation Matrix upon the earlier to occur of:
 - a) IMA termination for separate accounts; or
 - b) Investment period termination for commingled funds.

D. Approval of each allocation is evidenced by the endorsement of either the Global President & Chief Executive Officer or the Global Head of Portfolio Management of Barings Real Estate. The Allocation Process Administrator manages and maintains the documentation related to each allocated Investment Opportunity for each debt strategy and provides a copy to the Chief Risk & Compliance Officer. The Chief Risk & Compliance Officer also receives a summary of all changes made to the allocation rankings.

Allocation Policy - Equity:

Barings Real Estate uses an allocation matrix for the purpose of determining to which portfolio a new investment opportunity should be offered (the “Allocation Matrix”). The allocation process for equity investments (each an “Investment Opportunity”) is managed as follows:

- A. Each proposed Investment Opportunity is circulated to all the Barings Real Estate equity portfolio managers (each a “Portfolio Manager”) following the reviews of both the applicable Regional Director and the Chief Investment Officer – Equity, generally no less than five business days prior to the Investment Committee presentation of said potential opportunity. Portfolio Managers evaluate the potential opportunity versus their portfolios’ investment objectives. Each Portfolio Manager advises the Barings Real Estate party designated to maintain the Allocation Matrix (the Allocation Process Administrator) as to their portfolio’s interest in the Investment Opportunity.
- B. Portfolio Managers generally respond to the circulated Investment Opportunity within 48-hours. The Allocation Process Administrator utilizes the Allocation Matrix to determine the relative rankings of the interested portfolios and the Investment Opportunities are allocated as soon as possible

thereafter, normally at the standing, twice per week, allocation meetings (see “D”).

C. The Allocation Matrix uses a rotation methodology to rank portfolios based upon the date of the last allocation of an Investment Opportunity (the portfolio with the longest time elapsed since a previous allocation will be the highest in rank priority).

- 1) If only one interested portfolio has funds designated for the type of Investment Opportunity presented, the potential Investment Opportunity is allocated to that portfolio.
- 2) If more than one interested portfolio has funds designated for an Investment Opportunity of the type offered, the Investment Opportunity is allocated to the portfolio with the highest ranking in the Allocation Matrix.
- 3) Once a proposed Investment Opportunity has been allocated to a portfolio, that portfolio moves to the bottom of the ranking order (since it has the most recent allocation date). All other portfolios which had previously been behind that portfolio move up in the ranking.
- 4) If a previously allocated Investment Opportunity is declined by a Portfolio Manager, or the Investment Opportunity is canceled or terminated by the seller, as of the date that said Investment Opportunity is declined, canceled or terminated, said portfolio will be assigned the date of its previous allocation and re-ranked accordingly.
 - a) If the seller re-offers a previously canceled or terminated Investment Opportunity to Barings Real Estate, then the Investment Opportunity will be re-allocated to the original portfolio.
 - b) If declined by a Portfolio Manager, or if canceled or terminated by the seller and again declined by the original portfolio upon re-offering to Barings Real Estate, the previously allocated Investment Opportunity will be offered to the portfolios that previously expressed interest in the order of their rankings at the time said Investment Opportunity was initially circulated.
 - c) If the seller presents the Investment Opportunity to the broader market for re-bidding, then the Investment Opportunity will be re-circulated to all of the Portfolio Managers.
 - d) A portfolio that has more than one active Investment Opportunity allocated to it will be assigned a ranking based on

the date of its most recent active allocation (unless and until such active allocation is subsequently declined, canceled or terminated).

- 5) New portfolios will be added to the Allocation Matrix based on timing of initial capital availability, which is generally defined as the date of:
 - a) Full-execution of an Investment Management Agreement (IMA) for any new separate accounts;
 - b) First closing for any new closed-end commingled funds; and
 - c) First contribution for any new open-end commingled funds.
- 6) A new portfolio is added to the Allocation Matrix in the last position, provided that, when two or more new portfolios enter the Allocation Matrix at the same time, they will be placed in the Allocation Matrix (relative only to each other) by account size, with larger accounts ranking higher.
- 7) A portfolio is excluded from the Allocation Matrix upon the earlier to occur of:
 - a) IMA termination for separate accounts; or
 - b) Investment period expiration for commingled funds.

D. Allocation meetings are held twice per week to review the Allocation Matrix and determine recommended deal allocations with the Allocation Process Administrator, Global Head of Portfolio Management, Chief Investment Officer – Equity and Portfolio Managers (as applicable) and the Allocation Matrix is updated accordingly.

E. Approval of each allocation is evidenced by the endorsement of either the Global President & Chief Executive Officer or the Global Head of Portfolio Management of Barings Real Estate. The Allocation Process Administrator manages and maintains the documentation related to each allocated Investment Opportunity and provides a copy to the Chief Risk & Compliance Officer. The Chief Risk & Compliance Officer also receives a summary of all changes made to the allocation rankings.

Soft Dollars

Barings Real Estate currently receives brokerage and research services ("Soft Dollar Services") from various firms, including third parties which provide research or brokerage services by or through brokerage firms, that are paid for with credits earned ("Soft Dollars") through commissions generated in trading client portfolios.

It is Barings Real Estate's policy to use Soft Dollars to pay only for those services contemplated under the safe harbor found in Section 28(e) of the Securities Exchange Act of 1934. Such services may include research reports on companies, industries, securities, economic and real estate data, portfolio analytics, and security quotation services (Bloomberg).

The research and/or brokerage services provided may be used for some or all client accounts managed by Barings Real Estate, not just those accounts whose commissions were used to acquire the products and services. Accordingly, the accounts which provide the brokerage commissions which pay for the Soft Dollar Services may not necessarily receive a direct benefit of the services. In accordance with the Section 28(e) safe harbor, Barings Real Estate clients may not pay the lowest possible commission rate in effecting portfolio transactions. This may occur when Barings Real Estate, or its affiliate traders, determine in good faith that the commission costs are reasonable in relation to the value of the Soft Dollar Services obtained therewith.

Directed Brokerage and Similar Transactions

In situations where a client has instructed the Firm to use specific broker-dealers, or where other client imposed restrictions require certain trades to be handled separately from other orders, Barings Real Estate generally will not be in a position to negotiate commission rates or spreads freely or, depending on the circumstances, to select brokers or dealers based on the most favorable execution for a transaction. Additionally, transactions for a client in such circumstances may lose certain advantages such as not participating in the Firm's block trading, and so may be executed after any blocked orders. Moreover, because market conditions and trading activity in a particular security may vary materially before or after the Firm executes its block trade, accounts that do not participate in the block trade may experience less favorable price or execution than is received by the accounts participating in the block trade.

Model Portfolios

Barings Real Estate does no trading with respect to its participation in UMA programs. However, the model portfolios are delivered to UMA program sponsors according to a schedule agreed upon with the sponsor and in a manner intended to minimize the trading impact on the Firm's other accounts. Because Barings Real Estate does not control the sponsor's trading in its UMA program accounts, it is possible that such accounts may be trading contemporaneously with Barings Real Estate's discretionary separate accounts and such UMA program accounts may experience trade execution more or less favorable than Barings Real Estate's separate account clients.

Item 13. Review of Accounts

Real Estate Related Advisory Services

Barings Real Estate's senior management team (hereinafter "Senior Management") continuously monitors the underlying securities and investments in client accounts and perform at least annual reviews of account holdings for all clients. Accounts are reviewed for consistency with client investment strategy, asset allocation, risk tolerance and performance relative to the appropriate benchmark. More frequent reviews may be triggered by changes in an account holder's personal, tax or financial status. Economic and macroeconomic specific events may also trigger reviews.

Equity Investments in Real Estate

The review of client accounts is conducted by various functional groups in the Firm which ultimately report up to Senior Management. Portfolio Managers are responsible for the oversight, review and reporting of client objectives, strategy and performance within the accounts. Portfolio Managers work closely with regionally based Asset Managers to monitor the performance of direct real estate investments in order to ensure client strategies are executed and to identify portfolio problems.

While the review is ongoing (the Investment Committee meets weekly), the following scheduled processes are integral to the investment review:

- 1) Annual Business Plans and Budgets are developed for each property jointly by Portfolio and Asset Managers and are reviewed by the Regional Directors and the Investment Committee.
- 2) The Portfolio Management Group prepares quarterly client reports with input from Asset Managers (who conduct monthly income/expense variance analysis), and Property and Fund Accountants (who prepare financial statements and performance results and report to the Managing Director – Investment Accounting).
- 3) Property valuations are reviewed periodically (usually no less than quarterly) by a Barings Real Estate employed MAI, a professional designation of the Appraisal Institute.

Barings Real Estate communicates investment performance and major events to investors with regular meetings and reports. Quarterly reports are prepared that provide a thorough review of the portfolio including its objectives, performance (on an absolute basis and against plan), potential challenges, and investment returns. The Barings Real Estate Research Group independently prepares reports on the markets and submarkets in which properties are located that are generally included in the quarterly reports. Annual strategy documents are prepared to communicate strategy both internally and externally.

Real Estate Debt and Alternative Investments

Account level reviews are generally performed by the account Portfolio Manager or team responsible for account management, who review portfolio holdings and monitor compliance with, to the extent applicable, any client-mandated investment guidelines. Their review is supplemented by other Barings Real Estate support professionals that monitor valuations, credit quality, duration, spread and market activity and other factors, as applicable.

Client reports are tailored to meet the needs of the respective client, and vary in scope, approach, and timing in accordance with the client's requirements.

Public Real Estate Securities

The Portfolio Manager is primarily responsible for the review of each client's portfolio. The Portfolio Manager is assisted by analysts who are responsible for covering the individual property sectors or investment products that comprise the Firm's investment universe. These groups of individuals review the composition of our client's portfolios on a daily basis to insure adherence to our current strategy and the client's investment objectives.

Equity Securities portfolio performance is reviewed independently by specific members of the Investment Committee–Securities Group on a daily basis and the strategies are periodically reviewed by the Committee in a formal meeting.

Clients receive quarterly investment reports that provide updates on market fundamentals and forecasts, investment strategy, and our outlook for the real estate securities markets. In addition, clients receive performance updates for their portfolios and relevant benchmarks. Clients also receive detailed portfolio composition reports that list holdings by their respective property sectors.

Item 14. Client Referrals and Other Compensation

The Firm does not receive any additional compensation from third parties for providing investment advice to its clients. Barings Real Estate's policy is not to engage unaffiliated third parties as placement agents. Barings Real Estate does have agreements with certain of its affiliates for the cross marketing of Barings Real Estate's and its affiliates' products and services.

Barings Real Estate's indirect parent, MassMutual, has in its subsidiaries a global asset management and distribution organization. In an effort to leverage the product distribution efforts of the entity, Barings Real Estate has entered into various agreements with its affiliates to market each other's products and services in the jurisdictions in which the subsidiaries are qualified to do business. Included in this effort are solicitation

agreements between Barings and Barings Real Estate pursuant to Rule 206(4)-3 under the Investment Advisers Act.

Item 15. Custody

Clients will receive quarterly statements from qualified custodians that hold and maintains clients' investment assets. Barings Real Estate urges all of its clients to carefully review and compare their quarterly statements to the account statements that Barings Real Estate may provide. Barings Real Estate statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16. Investment Discretion

For clients granting Barings Real Estate discretionary authority over their account(s) or authority to determine which securities and the amounts of securities that are to be bought or sold for their account(s), investment guidelines and restrictions must be provided to Barings Real Estate in writing. Clients may change/amend these limitations as desired. Such amendments must be submitted to Barings Real Estate by the client in writing, as outlined in the executed agreement.

Item 17. Voting Client Securities

Barings Real Estate has adopted proxy voting policies and procedures (the "Proxy Policy") in accordance with Rule 206(4)-6 under the Investment Advisers Act of 1940, as amended ("Advisers Act"), and has designed the Proxy Policy to ensure compliance with that Rule as well as with other applicable fiduciary obligations of Barings Real Estate under other State and Federal laws including, but not limited to, the Employee Retirement Income Security Act of 1974, as amended. The Proxy Policy may be amended from time-to-time at the sole discretion of Barings Real Estate.

General Proxy Policy

Barings Real Estate follows this Proxy Policy for each of its clients as required by law, unless expressly directed by a client in writing to refrain from voting that client's proxies or to vote in accordance with the client's proxy voting policies and procedures. Additionally, certain circumstances may exist whereby Barings Real Estate is unable (or believes it to be unreasonable due to the expense of voting) to vote a proxy. Such cases include: (1) where the expense of voting a proxy exceeds the potential value to be gained by voting; (2) where the security is no longer held by a client; (3) where the security is subject to a securities lending arrangement (if any) which prohibits voting; or (4) where Barings Real Estate is prohibited by law or contract from exercising its voting rights with respect to a particular security. In such cases, Barings Real Estate will refrain from voting such proxies.

In all other cases, Barings Real Estate's Proxy Policy is to vote proxies in accordance with the client's best interest. Barings Real Estate believes that the client's best interest means the client's best economic interest over the long term—that is, the common interest that all clients share in seeing the value of a common investment increase over time. Clients may have differing political or social interests, but their best economic interest is generally uniform. Additionally, to the extent consistent with economic interests, Barings Real Estate considers a company's good corporate governance to be important to proxy voting decisions.

Use of an Independent, Third-Party Proxy Voting Service

In order to discharge its duties under this Proxy Policy, Barings Real Estate receives proxy voting research, analysis and recommendations from ISS an MSCI Brand ("ISS," formerly "RiskMetrics Group, Inc."), an independent third party. Barings Real Estate generally follows the recommendations of ISS, although, in unique circumstances, where Barings Real Estate has knowledge of additional information, for example, regarding a proposed director and believes that the individual is not suited to be a director of the respective company, Barings Real Estate may not follow the recommendation of ISS. All decisions with respect to proxy voting, including decisions to override an ISS recommendation, may be made only by Barings Real Estate's Proxy Administrator ("PA") in consultation with the Portfolio Manager(s) whose clients hold the securities in question.

Conflicts of Interest

Barings Real Estate recognizes that there may be times when its interests (or the interests of one or more Barings Real Estate employee(s)) may conflict with those of its clients. Barings Real Estate will not allow a "material conflict of interest" to interfere with its proxy voting decisions. Material conflicts of interest may exist where: (1) the company soliciting the proxy, or a person known to be an affiliate of such company, is a Barings Real Estate client or is known by the PA to be a client of a Barings Real Estate affiliate; (2) the company soliciting the proxy, or a person known to be an affiliate of such company, to the knowledge of the PA, is being actively solicited to be a Barings Real Estate client or the client of a Barings Real Estate affiliate; (3) a client or client-supported interest group actively supports a proxy proposal; or (4) Barings Real Estate (or a Barings Real Estate officer) has personal or other business relationships with participants in proxy contests, corporate directors or candidates for corporate directorships, or in any other matter coming before shareholders. Where such a conflict may exist, the Barings Real Estate individual in conflict shall not participate in the decision whether or not to follow the ISS recommendation. Moreover, if Barings Real Estate, as a company, has a conflict with respect to the proposed vote, it will follow the recommendation of ISS. As discussed above, only Barings Real Estate's PA may determine to override an ISS recommendation. To the extent Barings Real Estate's PA believes that he or she may have a conflict of interest with respect to a potential override, the PA will follow the recommendation of ISS.

Proxy Procedures

Once a client account is established for which Barings Real Estate has proxy voting authority, the PA is responsible for receiving and processing proxies for securities held in each such account and ensuring that votes are cast. With respect to each client proxy, Barings Real Estate receives electronically (either directly or through an affiliate) from ISS relevant proxy materials and ISS's recommendations for each particular proposal. The PA logs in any proxy materials received, matches them to the securities to be voted and confirms that the correct amount of shares, as of the record date, is reflected on the proxy. The PA then reviews ISS's recommendations and, unless conflicted, determines whether to accept ISS's recommendation or override. Any ballot issue under consideration for an override of ISS's recommendation will be forwarded to the relevant portfolio manager(s) for review and recommendation. The PA will forward the decision to ISS (either directly or through Barings Real Estate's affiliate) for execution.

To the extent any client may instruct Barings Real Estate to follow the client's own proxy voting policies with respect to that client's account, the PA is responsible for monitoring compliance with such client policies.

Recordkeeping

Barings Real Estate's PA, either internally or through ISS, compiles and maintains information, for each client for which Barings Real Estate votes proxies, showing the issuer's name, meeting date and manner in which it voted on each proxy proposal. Barings Real Estate's PA will maintain records of all proxies voted. As required by Rule 204-2 (c) under the Advisers Act, Barings Real Estate's proxy voting records will include: (1) a copy of this Proxy Policy; (2) a copy of any document created by Barings Real Estate that was material to making a decision on how to vote proxies on behalf of a client or that memorializes the basis for that decision; and (3) each written client request for proxy voting records and Barings Real Estate's written response to any (written or oral) client request for such records. Barings Real Estate will either maintain its own proxy statements and records of votes cast or, as permitted by Rule 204-2(c), such records may be maintained by a third-party service provider such as ISS. To the extent that Barings Real Estate relies on a third-party service provider, it will undertake to obtain from that third-party copies of such records promptly upon request. Proxy voting records will be maintained in an easily accessible place for five years, the first two in Barings Real Estate's office.

Item 18. Financial Information

Barings Real Estate will not collect fees in excess of \$1,200 per client six months or more in advance of services rendered.

Registered investment advisers are required to provide certain financial information or disclosures about their financial condition. Barings Real Estate has no financial

commitment that impairs its ability to meet contractual and fiduciary commitments to its clients.