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Form ADV Part 2 Brochure

This brochure provides information about the qualifications and business practices of Kiltearn Partners LLP ("Kiltearn"). Questions about the contents of this brochure should be directed to Kiltearn's Chief Operating Officer, Stuart Gunderson, on 011-44-131-460-1040 or via email on sgunderson@kiltearnpartners.com. Information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC"), any other state or federal regulatory authority, any foreign regulatory authority or any self-regulatory body. Additional information about Kiltearn is also available on the SEC's website at www.adviserinfo.sec.gov or Kiltearn's website on www.kiltearnpartners.com.

Kiltearn is a registered investment adviser. Please note that being a registered investment adviser does not imply, in any way, a certain level of skill or training. Investors invested in any one of Kiltearn's commingled funds (collectively referred to as "**Unitholders**") and any separate account clients (together with the commingled funds, collectively referred to as "**Clients**") and potential investors should rely only on the information contained in this document or in documents that Kiltearn has specifically provided. Kiltearn has not authorized any third party to provide information in connection with its investment program or investment operations.

Item 2. Material Changes

The last update of Kiltearn's Form ADV brochure took place in March 2012. No material changes have occurred since that date. Copies of the historic Form ADV Part 2 documents prepared by Kiltearn are available upon request to Kiltearn's Chief Compliance Officer, Stuart Gunderson at (sgunderson@kiltearnpartners.com).

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Item 4. Advisory Business

History and Firm Structure

Kiltearn Partners LLP ("**Kiltearn**") is a UK limited liability partnership established in 2011 to specialize in publicly traded global equity securities, principally on behalf of investors domiciled in the United States. As of March 31, 2012, the global equity program had approximately US\$156 million of assets under management. Kiltearn does not manage any assets on a non-discretionary basis and does not participate in any wrap fee programs. Kiltearn is registered with the Financial Services Authority in the United Kingdom and the SEC in the United States.

As of April 1, 2012, Kiltearn had five (5) working members. Kiltearn and its wholly owned subsidiary have two additional employees. Kiltearn Limited ("**KP Ltd**") owns a substantial majority (>90%) of Kiltearn's capital. The remaining capital has been contributed by the working partners. Under the terms of the limited liability partnership agreement (the "**LLP Agreement**"), the working members have the right to nominate individuals who will form part of Kiltearn's Supervisory Group. The actual appointment or removal of these individuals is determined by vote. Voting rights are determined by capital ownership. Partners are normally admitted to the LLP once per annum, effective April 1st.

Under the terms of the LLP Agreement, 100% of all of Kiltearn's capital profits accrue to KP Ltd. In the longer term, 40% of all Kiltearn's income profits accrue to KP Ltd. The remaining income profits are allocated to the employees and working partners of Kiltearn and those of its wholly owned subsidiary Kiltearn Partners, Inc. ("**KP Inc.**"). A structure chart highlighting Kiltearn's organisation structure and material direct and indirect owners can be found in Item 10. Kiltearn would be pleased to answer any questions that any Unitholder or prospective investor may have on its ownership structure, industry affiliations and/or direct and indirect beneficial owners.

Kiltearn's working partners, employees and their related parties own 50.1% of KP Ltd (the capital provider to Kiltearn) and Silchester Partners Limited ("**SP Ltd**") owns 49.9% of KP Ltd. KP Ltd has two classes of shares. SP Ltd holds 100% of the Class A shares. These shares represent 49.9% of KP Ltd's authorised share capital and 19.9% of KP Ltd's voting rights. The working members, employees and their related parties hold 100% of the Class B shares. These shares represent 50.1% of KP Ltd's authorised share capital and 80.1% of KP Ltd's voting rights. The A Shares and the B Shares have different rights. The Class B Shares (i.e. those controlled by the working members, employees and their related parties) control KP Ltd. Under KP Ltd's Articles, the B Shareholders have the right, in perpetuity, to name a majority of KP Ltd's Board of Directors, elect the Chairman, and control its day to day business operations. The A Shareholders effectively sit as minority shareholders. The consent of A Shareholders is required when material business decisions must be made (such as the sale of the business, the liquidation of the business, significant items of expenditure (i.e., amounts greater than 25% of the company's capital base), amendments to the articles, etc.).

Silchester International Investors LLP ("**Silchester**") provides operational and administrative support (such as finance, administration, compliance, risk management, legal) to Kiltearn. This support is carried out under the supervision of Kiltearn. Kiltearn's senior management retain ultimate responsibility for the service provided. The working partners and employees are responsible for all investment management, trading/dealing and marketing client services activity.

Kiltearn's investment philosophy is based on the investment and business approach of Murdo Murchison. Murdo Murchison has worked at the forefront of global investment management for over 15 years and was the third investment manager of the flagship Templeton Growth Fund, launched by Sir John Templeton in 1954.

Types of Services that Kiltearn Provides to Clients

Kiltearn provides discretionary investment management services to its Clients. Kiltearn brings a wide range of analytical, research, portfolio implementation and administrative skills through its business. Kiltearn strives to service Clients whose investment needs are growing from year to year. Kiltearn specialises in investing in publicly traded equity securities using a bottom up value investment approach. Kiltearn does not provide financial planning, quantitative planning or market timing services to Clients. Kiltearn generally does not further customise or modify its investment program based on individual Client needs. Unitholders in Kiltearn's commingled funds are not permitted to impose restrictions on investing in certain securities or types of securities.

Item 5. Fees and Compensation

Kiltearn provides discretionary investment management services to Unitholders in the Kiltearn Global Equity Fund (the "**US Fund**") and the Kiltearn Global Equity (Ireland) Fund (the "**Irish Fund**"), collectively known as the "**Funds**", according to the following fee scale:

	% Per Annum
First \$15 million	1.00
Next \$10 million	0.80
Next \$50 million	0.70
Next \$75 million	0.60
Thereafter	0.50

Fees paid by each Unitholder invested in the Funds are based upon the market value of the Units held by the Unitholder rather than the value of the Fund itself. Fees are not generally negotiable. However, Kiltearn may rebate fees paid by Unitholders invested in the Funds or charge lesser fees to Unitholders based upon the Kiltearn's relationship with the Unitholder, assets invested by the Unitholder, the timing of the Unitholder's investment, and other factors deemed relevant by Kiltearn. Fees are normally payable monthly in arrears, although the actual timing of fee payments will depend on the underlying legal domicile of a Fund and the terms of its operating agreements. Fees for investors in the US Fund are normally paid via the redemption of part of the Units held by each Unitholder on a monthly basis. Fees for the Irish Fund are treated as an expense of the Irish Fund itself. Separate account clients are generally invoiced on a quarterly basis in arrears for the investment management services that Kiltearn provides. Unitholders will incur brokerage and other transaction costs as described in '**Brokerage Practices**'. No other additional fees or expenses are charged to separate account clients.

Kiltearn will generally only consider opening a separate account for a prospective investor interested in investing amounts over US\$100,000,000. Kiltearn will however open temporary separate accounts (referred to as "transition accounts" or "security holding accounts" used to facilitate investment in to or withdrawals out of its Funds. A fee scale for a separate account is available on written request.

The Funds pay their own direct trading expenses, clearing fees, and other exchange fees and charges. Direct trading expenses include brokerage commissions, "**bid-ask**" spreads, mark-ups, registration and transfer fees, regulatory and governmental charges and duties, and other fees and expenses relating to investments. The Funds are obligated to pay all income and other taxes related to their underlying investments. In addition, the Funds may be required to reimburse Kiltearn or the third party service providers to the Funds for legal expenses incurred to protect the Unitholders that Kiltearn determines are not routine (e.g., extraordinary legal expenses such as those incurred in

connection with litigation to protect or promote the investment rights or obligations of the Funds (as applicable) and legal or accounting expenses incurred in connection with reclaiming foreign withholding taxes) and that are not borne by Kiltarn.

Kiltarn pays all routine legal, audit and accounting fees related to the Funds and the ongoing offering of Units as well as annual audit fees and tax return expenses (if any). Kiltarn pays any fees payable to the Custodians, Trustees, Fund Administrators, Managers, Auditors, Tax Advisors and other similar service providers of the Funds. Kiltarn has paid all expenses incurred in connection with the organization and the formation of Funds and will pay all costs associated with the ongoing issuance of the Units of these Funds to the extent that it remains the appointed investment manager of the Funds. The Funds are not required to raise a minimum amount in order to defray these costs and expenses. The Funds are not required to reimburse Kiltarn in the event that the investment management fees are insufficient to cover the expenses borne by Kiltarn.

Clients invested in separate accounts pay their own direct trading expenses, clearing fees, and other exchange fees and charges. Direct trading expenses include brokerage commissions, bid-ask spreads, mark-ups, stock loan expenses, registration and transfer fees, regulatory and governmental charges and duties, and other fees and expenses relating to investments. Clients invested in separate accounts are obligated to pay all income and other taxes related to their underlying investments. Clients invested in separate accounts may be required to reimburse Kiltarn for legal expenses incurred to protect the investor that Kiltarn determines are not routine (e.g., extraordinary legal expenses such as those incurred in connection with litigation to protect or promote the investment rights or obligations of the investors invested in separate accounts (as applicable) and legal or accounting expenses incurred in connection with reclaiming foreign withholding taxes) and that are not borne by Kiltarn. Clients invested in separate accounts are responsible for paying their own legal, audit and accounting fees as well as annual audit fees and tax return expenses (if any). Investors invested in separate accounts pay any fees payable to their separately appointed Custodians, Trustees, Fund Administrators, Managers, Managing Members, Auditors, Tax Advisors and other similar service providers.

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

Kiltarn does not charge performance based fees to any of its Clients or to any Unitholders. All fees are charged on an *ad valorem* basis. Kiltarn employees, members, directors, shareholders and related parties of Kiltarn employees and members have invested in the Funds. These employees, partners, members, directors, shareholders and related parties invest in the Funds on the same terms and pay the same fees as other unaffiliated clients in the Funds. No fees are waived for Kiltarn or its related parties.

Item 7. Types of Clients

Each Fund, and not the underlying Unitholders in each fund, is considered a Client pursuant to Rule 203(b)(3)-1 of the Investment Advisers Act of 1940. Kiltarn makes investments on behalf of the Funds for the benefit of the underlying Unitholders in each respective fund. Units are sold only to Unitholders that qualify as “**accredited investors**” and “**qualified purchasers**” under applicable securities laws. An investment in Units of a Fund involves the risk of loss. Kiltarn, in its capacity as investment manager, is responsible for reviewing and managing the holdings of each Fund based on the results of its research activities and for making appropriate recommendations to satisfy the respective investment goals of the Funds. Additional information is available in the respective offering memorandum of each Fund.

Conditions for Managing Accounts

The minimum initial subscription for Units in a Fund is US\$2 million. The minimum additional investment in a Global Fund is US\$100,000. Kiltarn may, in its sole discretion, accept or reject, in whole or in part, any investment or impose conditions or restrictions on such investment, such as increasing or decreasing the amount of the minimum investment or requiring a Unitholder to establish a temporary account with the custodian of the Funds and wire funds to that account prior to an applicable dealing day. Unitholders may redeem all or part of their Units in a Fund on any dealing day by providing Kiltarn with written notice at least six (6) Business Days prior to the dealing day upon which the redemption is to be effective. Certain documentation must also be returned at least four (4) Business Days prior to such dealing day. There is no minimum redemption size for redemptions from the Funds. Additional information is available in the respective offering memorandum of each Fund. With the exception of the minimum initial subscription noted above, Kiltarn does not impose a minimum account size for investing in the Funds.

Transition Accounts

Kiltarn has the ability to direct clients making cash contributions to or redemptions from the US Fund to use transition accounts. Transition Accounts are temporary custody accounts that are opened under the US Fund's general legal structure. They are used to facilitate large subscriptions and withdrawals. The Transition Account structure allows Kiltarn to invest cash contributions outside of the US Fund's direct assets or to liquidate holdings outside of the US Fund's direct assets (and therefore avoid impacting existing investors or remaining investors, as the case may be). By investing new cash flows or liquidating the securities separately, the incoming or outgoing investors bear their own market risk during the investment or redemption period (usually one month but this can be longer depending on market conditions), as well as their own dealing costs. Kiltarn believes that these procedures safeguard the benefits of commingled investing for all participants and represent a fair and equitable way of accommodating periodic subscriptions and withdrawals. Prospective investors should refer to the specific provisions of the US Fund's Offering Memorandum for a complete discussion of Transition Accounts and the risks involved therein.

Sideletter Agreements

Kiltarn generally will consider entering into a sideletter agreement only when rules governing the investment by a specific Unitholder (such as state law or the governing documents related to such Unitholder) in a Fund requires a specific variation, provided that such change is not expected to materially impact Kiltarn, other service providers to the Funds or other Unitholders. It is Kiltarn's policy not to agree to any sideletter or other similar agreements that grant any Unitholder or group of Unitholders preferential rights with respect to the payment or timing of redemptions, indemnification from Kiltarn, the law governing Kiltarn's and each Unitholder's responsibilities under the governing documents for the Funds, or access to data on a Fund's holdings or trading activity. Kiltarn will provide a summary of all sideletter agreements currently in effect upon the written request of a current or prospective Unitholder.

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

Investment Strategy and Analysis

Kiltarn provides discretionary investment management services to Clients according to a clear investment strategy. The investment objective is to achieve long-term growth primarily by investing in a diversified portfolio of global equity securities. As many companies have multinational

operations, a company's location will ordinarily be determined by factors such as (i) its jurisdiction of incorporation, (ii) the location of its head office, primary market, significant sources of revenues, income or the location of its assets, or (iii) its classification as determined by various market indices. To achieve its objectives, Kiltarn generally seeks to invest in a portfolio of securities that, in its opinion, possess fundamental investment value.

Kiltarn believes that securities with low market price to earnings, cash flow, asset value or sales ratios or dividends typically, but not necessarily, possess fundamental investment value. Investments meeting the above criteria are identified by Kiltarn in part through the use of database screens. Kiltarn carries out financial analysis on prospective investments and reviews their underlying business strengths and weaknesses, their plans, and their management. Investments that appear attractive according to Kiltarn criteria generally will constitute a high proportion of Kiltarn's investments.

When allocating investments among geographic regions and individual countries, the prime determinant for Kiltarn is the attraction of the individual security investments (a "**bottom up**" approach). Macroeconomic features are considered as they affect individual companies. Nonetheless, Kiltarn seeks to retain a reasonable diversification of investments across countries and industries and, consequently, will normally incur some exposure to foreign currencies. Kiltarn may actively manage currency risk through the use of spot and forward currency contracts. In determining its strategy towards currency investment, Kiltarn principally considers a country's real short-term interest rates, the relative purchasing power parity of the country's currency and the country's overall financial quality, current account performance, prevailing monetary conditions and any special geopolitical factors.

Due to restrictions on direct investments by foreign entities in certain foreign countries, investments in other investment companies may be the most practical or only manner in which Kiltarn can obtain certain securities. Accordingly, each Client may, in the sole discretion of Kiltarn, invest a portion of its assets in U.S. and foreign investment companies. It should be noted, however, that such investments may (i) involve the payment of premiums above the net asset value of such issuers' portfolio securities, (ii) be constrained by market availability, and (iii) with respect to foreign funds, be considered passive foreign investment companies for federal income tax purposes. As a shareholder in such an investment company would bear its pro rata share of that company's expenses. Kiltarn does not expect that such investments will comprise a major part of its investment portfolio.

Kiltarn has established investment parameters as to the amount of each Client's portfolio invested in, including but not limited to, securities with particular characteristics, individual securities, and the securities of companies located in particular countries or sectors. These investment parameters are outlined more fully in the Investment Guidelines set out in the confidential private offering memorandum for each Fund or in the investment guidelines agreed with separate account investors.

Types of Investments

Kiltarn will invest primarily in established markets; however, Kiltarn may also invest in emerging and so-called frontier markets. Kiltarn is permitted to utilize a wide range of equity instruments in attempting to achieve its investment objectives, including both common and preferred stocks, special classes of shares available only to foreign persons in markets which restrict the ownership of certain classes of equity to nationals or residents of the country, convertible preferred stocks, convertible investment grade instruments, depository receipts, and to a limited extent, options and warrants on equity securities. Kiltarn is also permitted to invest in physical

currencies and spot and forward currency contracts. Since purchases of foreign securities may give rise to unwanted foreign currency exposure, Kiltarn will analyze such exposures, and may, in its own discretion, enter into hedging transactions in order to achieve a better balance of currency exposures. Such a transaction will normally be in the form of spot and forward currency contracts. Restrictions on the use of forward contracts are disclosed in further detail in separate account investment management agreements (where applicable) and each Client's investment guidelines.

The Northern Trust Company or one of its direct or indirect subsidiaries ("**Northern Trust**") has been appointed to act as the custodian for the Funds. Pursuant to a Cash and Foreign Exchange Calculation Services Agreement entered into by Kiltarn and Northern Trust, Northern Trust projects each Fund's daily foreign currency needs that must be raised to meet each Fund's settlement obligations. Pursuant to a Foreign Exchange Procedural Trades Agreement entered into by Kiltarn and Northern Trust, Kiltarn may direct Northern Trust to execute all daily foreign exchange transactions at the publicly quoted 4:00PM London time WM Company/Reuters closing bid/ask spot rates unless certain extraordinary conditions exist in a specific currency market or Kiltarn, in its discretion, decides to execute all or part of a Fund's daily foreign exchange transactions pursuant to another arrangement (including direct negotiation or standing instruction) with Northern Trust or another counterparty.

Subject to investment guidelines, Kiltarn may invest in (i) non-exchange traded securities including private placements and securities subject to transfer restrictions under Rule 144A or Regulation S of the Securities Act of 1933 or otherwise commit to acquire securities on a forward commitment basis, and (ii) unregistered and bearer securities. Kiltarn does not invest in futures or options on futures. Kiltarn may, however, invest in, hold, and purchase, or otherwise acquire rights, stock options, stock coupons, warrants, and other similar investments issued, sold, or distributed by a portfolio holding as part of a corporate action or other similar transaction. Kiltarn may purchase the securities of issuers during an initial public or secondary offering of securities. Companies involved in initial public or secondary offerings of securities typically have short operating and trading histories and generally are less established. The prices of securities issued as part of initial public or secondary offerings traditionally have been quite volatile. Kiltarn may be required to agree to transferability restrictions as a precondition for participating in these types of security offerings.

Frequency of Trading

Over the course of a market cycle, Kiltarn would expect the turnover of securities within Client portfolios to typically be in the range of 20 - 35% per annum. Kiltarn makes investment decisions on when to sell a security solely based on its investment criteria and do not take into account tax considerations. In other words, Kiltarn does not engage in "**tax loss harvesting**" strategies employed by other investment advisers.

Strategy Risks:

There are a number of material risks associated with investing in publicly traded global equities. These include, but are not limited to, the following matters. Further information on investment risks is disclosed in the confidential private offering memorandum of each Fund or in the investment management agreements for separate account clients.

- *Global Market Exposure.* Kiltarn invests on a global basis in both developed and emerging markets. Investors are therefore subject to: (i) currency exchange-rate risk; (ii) the possible imposition of withholding, income, capital gains or excise taxes; (iii) the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements

and little or potentially biased government supervision and regulation; (iv) financial, economic and political risks, including expropriation, currency exchange control and potential restrictions on foreign investment and repatriation of capital; and (v) global market turmoil.

- *Emerging Market Securities.* Kiltarn purchases the securities of issuers located in emerging markets. Holders of emerging market securities are subject to additional risks, including potential periods of illiquidity, increased price volatility, the volatility of emerging market exchanges due to smaller market capitalization, evolving clearance and settlement procedures, potential restrictions on foreign investment, security transfer and the repatriation of investment income and capital. The currencies in which emerging market securities are issued may experience significant declines against the U.S. Dollar either as a result of market pressures or government devaluation. Trading in emerging market currencies may be subject to governmental or significant administrative restrictions or only tradable with certain approved counterparties. Approved counterparties are typically subcustodians or subagents appointed by Fund's custodian (such as Northern Trust). These factors may result in higher spreads being paid when the currencies associated with emerging market securities are traded. Inflation in emerging markets has historically been in excess of inflation in more established countries, increasing negative pressures on emerging market economies and markets.
- *Investment in Initial Public and Secondary Offerings.* To the extent permitted by law, Kiltarn purchases the securities of issues during an initial public or secondary offering of securities. Companies involved in initial public or secondary offerings of securities typically have short operating and trading histories and generally are less established. The prices of securities issued as part of initial public or secondary offerings traditionally have been quite volatile. Kiltarn also may be required to agree to certain transferability restrictions as a precondition for participating in these types of security offerings.
- *Price Fluctuations.* Prices of equity securities and other instruments are highly volatile. Prices are affected by a wide variety of complex and difficult-to-predict factors, including, but not limited to, supply of money, inflation, weather and climatic conditions, changing supply and demand relationships, governmental activities and regulations, political and economic events and prevailing psychological characteristics of the marketplace. These same factors also can affect the securities markets adversely.
- *Illiquidity.* Kiltarn may purchase investment instruments that later become illiquid or otherwise restricted. These positions may only be able to be liquidated at disadvantageous prices. The decision to hold or liquidate such securities is at Kiltarn's sole discretion. Although many of the securities that Kiltarn may acquire may be traded on public exchanges, each exchange typically has the right to suspend or limit trading in the securities which it lists. Suspensions could render it difficult or impossible for Kiltarn to liquidate any or all of its positions and would thereby expose investors to losses.
- *Transactions on Non-U.S. Exchanges.* In addition to trading on US stock exchanges, Kiltarn engages in trading on global markets. Transactions on non-U.S. exchanges are not regulated by U.S. governmental agencies, such as the SEC. As Clients are generally expected to determine their valuations in U.S. dollars, with respect to trading in non-U.S. markets, Clients will be subject to the risk of fluctuation in the exchange rate between local currency and U.S. dollars. Any profits which Clients might realize in any such trading could be eliminated by adverse changes in exchange rates or the Client could incur losses as a result of any such changes.

Some non-U.S. exchanges, in contrast to exchanges in the U.S., may be "principals markets" similar to the forward markets, in which responsibility for performance is only that of the

principal with whom a trader has entered into a transaction, and not of an exchange or clearing corporation. In some cases, a broker may in effect take the opposite side of trades. Because some non-U.S. exchanges generally lack a clearinghouse system such as that utilized by exchanges in the U.S., market disruptions may be more likely to occur on non-U.S. exchanges and, in extreme circumstances such as the failure of a broker or other counterparty, or the settlement of security trades may be delayed or cancelled. To minimize the risk of broker or counterparty default and subsequent loss, Kiltearn will normally arrange for security purchases and sales to be settled on a “delivery versus payment” basis. Kiltearn does not utilize the services of any prime brokers.

- *Investment Approach.* There is no guarantee that the investment approach, techniques, or strategies utilized by Kiltearn on behalf of the Clients will be successful or profitable. All investments of the Clients risk the loss of capital. Furthermore, there can be no assurance that the specific trading strategies utilized for the Clients will produce profitable results. Any factor that would make it difficult to execute trades, such as reduced liquidity or extreme market developments, also could be detrimental to profits. Unlike certain other types of funds, it is the intention that the Clients will have only one investment manager.
- *Cash Balances.* The U.S. dollar cash balances for non-segregated account Clients are invested in money market funds sponsored by Northern Trust. Kiltearn may direct Northern Trust to hold U.S. Dollar cash balances in other money market funds, deposit accounts or other vehicles in its sole discretion. Unitholders could incur losses in the event that the net asset value of the money market funds falls below US\$1.00 or if redemptions from the money market funds, deposit accounts or other vehicles were restricted. Non-U.S. Dollar cash balances are held in deposit accounts at various subagent banks. These deposit accounts are subject to counterparty and credit risk (for example, if either the custodian or the subagent bank were to declare bankruptcy or otherwise default on its financial obligations).
- *Credit Risk.* Securities trading is subject to the risk that the brokers and counterparties with which, and the exchanges on which, the trades are executed or positions are carried may default. The default by an exchange, clearinghouse or counterparty could result in material losses. Certain markets require all securities to be held in a central securities depository and, the depository may be owned by a foreign government or government body and not be supported by a national network of well capitalized financial institutions. The default of such government or depository, or the failure of such depository to maintain suitable and sufficient procedures to mitigate against theft or loss, could result in material losses. To minimize transaction and foreign exchange dealing costs, Kiltearn may request that a broker or counterparty “warehouse” smaller security trades. Where security positions are “warehoused”, the executed trade remains the property of the executing broker or counterparty until such time as the trade is allocated to a specific Client account. If the broker or counterparty defaults or declares bankruptcy, losses could be suffered on warehoused security positions.
- *Tax Risks.* Kiltearn’s investment decisions are based primarily upon economic considerations and not tax considerations, and could result, from time to time, in adverse tax consequences. Certain markets may assess capital gains taxes in the event a Client holds more than a given percentage of a company’s shares in issue and sells these shares at a gain in a given period. In other markets, local tax authorities may assess a capital gains tax on gains that are realized from selling shares issued by so-called “land rich” companies. “Land rich” companies are generally viewed as companies the majority of whose balance sheet consists of land, buildings, leasehold improvements, mining, mineral and oil concessions and leases or other similar issues. In other cases, capital gains taxes may be assessed on gains if the shares were not held for more than a given period of time (typically 12 months). In most cases, the amount of capital gains taxes can

be reduced under availing double taxation treaties to the extent Kiltearn can prove that each underlying investor is resident in the U.S. for income tax purposes. This is normally done by providing the foreign tax authority with an IRS Form 6166 (Certificate of Residency) and/or a copy of an individual IRS Form 6166 or an IRS Determination Letter.

Item 9. Disciplinary Information

There have been (and are) no material criminal, civil, regulatory, business, or administrative proceedings against Kiltearn or any of its employees, members, principals, affiliated entities or advisory affiliates. Kiltearn and its employees, members, principals, affiliated entities or advisory affiliates are not currently in litigation or arbitration and have not received any subpoenas. Neither Kiltearn nor any of its employees, members, principals, affiliated entities or advisory affiliates have ever been subject to any criminal proceeding.

Item 10. Other Financial Industry Activities and Affiliations

Kiltearn is not affiliated with any banks, broker dealers or custodians. Kiltearn is an independent limited liability partnership that is owned and controlled by its members. KP Ltd is owned and controlled by current Kiltearn employees, working members and their related parties as well as SP Ltd. As shown on the following organization chart, Kiltearn has one wholly owned subsidiary. Kiltearn Partners, Inc. (“**KP Inc.**”) provides marketing and client service support principally to North American based clients and consultants. KP Inc. also acts as the tax matters partner and registered agent for service of process for the Kiltearn Global Equity Fund (the “**US Fund**”), Kiltearn’s privately offered commingled fund for US investors.

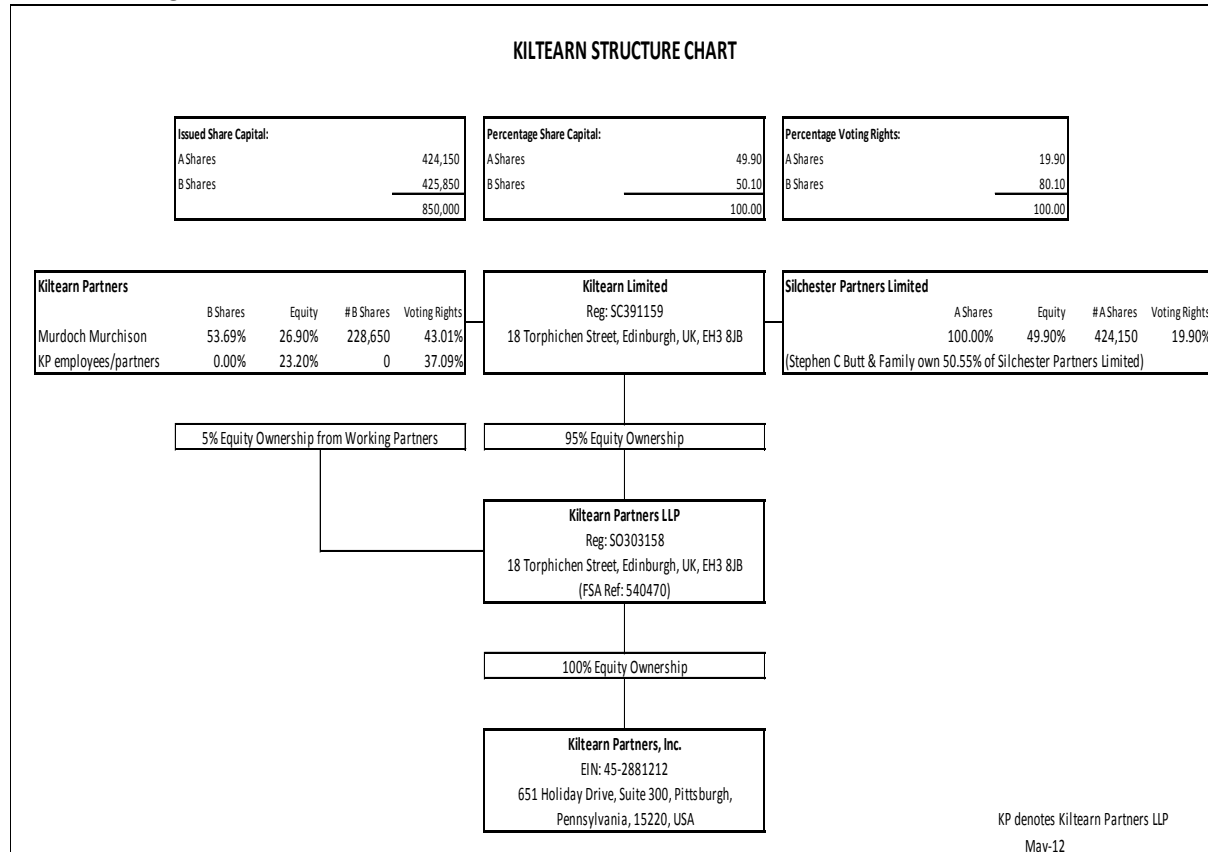
SP Ltd is a minority owner of Kiltearn and is entitled to receive dividends on a periodic basis from KP Ltd pursuant to the terms of KP Ltd’s articles and memorandum of association. SP Ltd is a member of Silchester, a UK based investment manager registered with the SEC as an investment adviser (SEC File Number: 801-49530). Silchester and SP Ltd have agreed to provide certain back office, compliance, legal, finance, administration, personnel and office support to Kiltearn pursuant to a separate Operational Services Agreement until April 30, 2015, unless Kiltearn reaches certain asset thresholds (US\$350 million) at which point Kiltearn must provide Silchester and SP Ltd with one years notice of its intention to fully assume responsibility for completing these functions. Under the terms of a Research and Consultancy Services Agreement, Silchester agreed to purchase approximately a set number of research reports from Kiltearn every twelve (12) calendar months. The cost of these research reports was determined by Silchester and Kiltearn in an arms-length manner. Under the terms of this agreement, Kiltearn has the right to limit or reduce the amount of research provided.

SP Ltd also maintains direct and indirect investments in a number of other regulated investment management firms. Kiltearn does not have any material business relationships with these firms and, as a result, has not described them in their regulatory filings. Further information on these other investment management firms is disclosed in Silchester’s ADV Part 1 and ADV Part 2. Silchester’s CRD Number is 110987. Alternatively, information is available from Silchester’s Head of Operations Timothy Linehan (tlinehan@silchester.com).

Timothy Linehan, Silchester’s Head of Operations and a SP Ltd Director, sits on the Supervisory Group of Kiltearn in the capacity of Non-Executive Member, having done so since inception with limited influence in the day to day management of Kiltearn’s operations and business. SP Ltd and its shareholders are eligible to receive dividends from KP Ltd as the result of its equity holding in KP Ltd. Timothy Linehan, sits on the Board of KP Ltd in the capacity of Non-Executive Director, having done

so since inception with limited influence in the day to day management of KP Ltd's operations and business. Silchester employees and partners, SP Ltd and its shareholders and former employees and their related parties and Chester Asset Allocation may, from time to time, invest assets in Kiltearn's commingled funds.

Kiltearn's Organisation Chart



Subsidiary – General Partner:

Kiltearn, through its wholly owned US subsidiary KP Inc., serves as tax matters partner for the US Fund. The US Fund is legally considered to be a Delaware statutory trust, but is treated as a partnership for US income tax purposes. KP Inc. also serves as the agent for service of process for Kiltearn and the US Fund with respect to certain regulatory and tax filings, including the SEC, the US Department of Labour and the IRS, as well as so-called state blue sky or limited offering notices.

Privacy Considerations:

Kiltearn is committed to maintaining the confidentiality, integrity and security of personal information provided by Clients. Personal information may be obtained in a number of ways, such as during the application process for units in a Fund or ongoing communications between Kiltearn and its Clients. All information obtained about Clients is treated as confidential unless the Client has otherwise made the information public, such as its relationship with Kiltearn or investment in a commingled fund. Kiltearn generally exercises the same care dealing with personal information obtained from its Clients that Kiltearn uses in dealing with its own internal confidential information.

Kiltearn protects personal information provided by Clients in a number of ways. All of Kiltearn's staff are subject to strict employment policies regarding Client confidentiality. Kiltearn takes reasonable measures to dispose of personal information to protect against unattended access and use. Kiltearn has adopted various procedures to implement its policy and reviews to monitor and ensure the

policy is observed, implemented properly and amended or updated as appropriate. Kiltearn attempts to ensure that its systems are secure and aims to apply password protections, firewalls, encryption technologies, and other mechanisms to guard confidential Client information that are suitable and sufficient based on the size and nature of its business. Select physical and procedural safeguards have been established to guard Client information. Former employees also are prohibited from disclosing non-public personal information to any person or entity.

Kiltearn may use data obtained from Clients for the purpose of communicating information about its investment products. Kiltearn may also provide information concerning Clients to firms that assist Kiltearn in servicing its Clients, including Kiltearn's associated firms such as Silchester International Investors, Inc. and/or Silchester International Investors LLP. Silchester International Investors LLP provides certain back office and administrative support to Kiltearn and KP Inc. Silchester International Investors, Inc. is a wholly owned subsidiary of Silchester International Investors LLP. This helps to ensure that all Clients are given an appropriate level of service. Information concerning Clients also may be passed to regulatory authorities or law enforcement officials who have jurisdiction over Kiltearn, as otherwise required by applicable law and regulations, or if reasonably required to prevent fraud and unauthorized transactions. Under certain limited circumstances, Kiltearn may provide Clients with information concerning the investment products of its business partners if Clients request such information. Clients may contact Kiltearn and request to be removed from any distribution lists maintained by Kiltearn. On at least an annual basis Kiltearn provides copies of its privacy policy to its Clients. Clients may request a copy of the current privacy policy at any time by contacting Kiltearn's Chief Operating Officer (Stuart Gunderson on 011-44-131-460-1041 or via email on sgunderson@kiltearnpartners.com).

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

Kiltearn has adopted a Code of Ethics to effectuate the purposes and objectives of Rule 204A-1 of the Investment Advisors Act of 1940. The Code of Ethics sets forth Kiltearn's business conduct in its capacity as a fiduciary for its Clients and establishes standards of conduct for its supervised personnel. The Code of Ethics was developed with the view that Kiltearn is, and wishes to remain, closely aligned with the interests of its Clients and underlying Unitholders. Among the topics covered in the Code of Ethics are: prohibitions on insider trading, resolving conflicts of interest, personal securities transactions by Kiltearn's personnel, and confidentiality of Client information and information related to the underlying Unitholders in the Funds. Kiltearn will provide a copy of its Code of Ethics to any Client, Unitholder or prospective investor upon request and without charge. To obtain a copy of Kiltearn's Code of Ethics, please contact Kiltearn's Chief Operating Officer, details of which are shown on the opening page of this document.

Participation or Interest in Client Transactions:

Kiltearn established each of its Funds, and pays for the ongoing costs of operating these Funds, including custody, fund administration, legal, tax accounting, annual audit, and reporting fees. Kiltearn derives fees from each Unitholder based upon the market value of each Unitholder's Units in the Funds. Employees of Kiltearn's subsidiary (KP Inc.) have invested in Kiltearn's US based Fund. Employees and members of Kiltearn as well as the shareholders and related parties of Kiltearn have invested in Kiltearn's US Fund and Irish Fund. KP Inc. serves as the tax matters partner for US income tax purposes of Kiltearn's US Fund.

Personal Account Trading Policies:

Employees and members of Kiltearn and its subsidiaries may trade securities for their own accounts in accordance with Kiltearn's Code of Ethics and the procedures set forth therein. These procedures ordinarily provide, in part, that employees, members and principals of Kiltearn or its associated

entities are ordinarily prohibited from acquiring any publicly traded security. Kiltearn's procedures prohibit Kiltearn from favouring accounts in which it, its associated entities, or its/their employees, partners, principals, directors or members have a direct or indirect financial interest over the accounts of Kiltearn's Clients. Certain agents and other independent contractors (including individuals that may provide research to Kiltearn on a contractual basis) may be subject to differing restricted trading procedures. Employees and members of Kiltearn are generally prohibited from acting as the directors of any publicly traded companies that may form part of a Clients portfolio.

Determination of Type, Number and Timing of Transactions:

Other than as specified by a Fund's investment guidelines or pursuant to the terms of a separate account investment management agreement, Kiltearn has sole authority to determine, without obtaining specific consent, the amount and specific securities to be bought and sold for each account.

Item 12. Brokerage Practices

Brokerage Selection and Commission Issues:

Kiltearn may select brokers and dealers on behalf of its Clients, to be used in purchasing or selling securities, for executing and clearing trades, for provision of research and research related services, and assistance with other stock exchange transactions in its sole discretion. Kiltearn is not affiliated with any broker/dealers and does not execute equity or foreign exchange transactions as a principal. Accordingly, Kiltearn selects unaffiliated third-party broker/dealers to execute all Client transactions although, as permitted by applicable law and described in more detail below, Kiltearn may from time to time direct a Client to purchase or sell equity securities or currencies directly from or to another Client as part of transactions not requiring the use of a broker.

In selecting brokers, Kiltearn seeks the best combination of price and quality of execution services, after considering factors that may impact the transaction. These factors include, but are not limited to, the particular expertise of the broker with respect to the size or type of transaction, the commission rates charged, the nature and character of the relevant markets on which the transactions will be executed, and the broker's execution experience, integrity, credit-worthiness, financial responsibility and operational efficiency. Kiltearn primarily relies upon its own proprietary research in rendering investment advice. Nevertheless, Kiltearn may consider the availability and quality of research products and services provided by a broker in selecting which brokers to use in effectuating Client transactions. Research products and services include information and analysis of portfolio companies, their competitors or suppliers, industry and economic appraisals, market intelligence data, and other services that may assist Kiltearn in its investment decision-making. Kiltearn executes Client transactions through various types of brokerage arrangements:

- **"Traditional"** Brokers. Traditional brokers provide Kiltearn and the Clients with a **"bundled"** service which typically includes both the cost of trade execution and research-related products and services in quoted commission rates. While traditional brokers will execute transactions on behalf of Clients on a so-called **"agency"** or **"execution only"** basis, they also will execute transactions as a principal, thereby risking their proprietary capital to facilitate Client transactions. Traditional brokers may also be used to execute transactions when, for example, a broker possesses special or unique knowledge of a company, industry or sector, where they act as **"house broker"** (i.e., to facilitate share buybacks), or can trade larger blocks of securities without disrupting market prices.
- **"Execution Only"** and **"Agency"** Brokers. Although permitted to do so, execution and agency brokers generally choose not to provide research services to Kiltearn, or risk their proprietary

capital when acting as counterparty, and therefore generally provide trade execution services at reduced commission rates relative to traditional brokers. These brokers ordinarily rely on natural market order flow to facilitate trades. On occasion, when there is a less-liquid natural market, this may make it somewhat more difficult to facilitate Client transactions. Given these shortcomings, execution and agency relationships are used primarily to facilitate Client transactions involving certain larger capitalization and highly liquid securities. Execution and agency brokers may utilize electronic crossing networks for Kiltearn's transactions if and when appropriate.

- **Internal Cross Transactions.** Subject to ERISA or other applicable laws to reduce transaction costs, rebalance the Fund investment portfolios or for other reasons, Kiltearn may from time to time, to the extent permitted by law, cause a Client account to enter into cross transactions directly with other Client accounts for which Kiltearn also acts as the discretionary investment adviser. This normally occurs where inflows into one Client account coincide with outflows from another Client account for which Kiltearn also acts as an adviser. In the event that Kiltearn causes one Client to purchase securities from or sell securities to another Client, Kiltearn uses its best efforts to mitigate potential conflicts of interest by causing such transaction to ordinarily occur at the then prevailing market price of the applicable securities and by considering the interests of all Clients that are parties to the transaction. Kiltearn may use unaffiliated third party brokers to facilitate these cross transactions and/or execute such cross transactions **"off-exchange"** without using a broker. No commissions are paid when the cross trades are executed **"off-exchange"**. Kiltearn will provide a Unitholder with details of the Clients crossing activities on a periodic basis upon the receipt of a written request for such information from the Unitholder.
- **Commission Recapture and Directed Brokerage.** Kiltearn does not participate in commission recapture or directed brokerage arrangements and Unitholders participating in any one of Kiltearn's Funds are not permitted to direct Kiltearn to use or allocate commissions from any broker. In certain limited circumstances separate account clients are permitted to direct brokerage. The level of directed brokerage (if any) is closely monitored for conflict purposes.

Commission costs may vary for reasons such as whether execution and research services are bundled or separately charged. Commission costs also are reflective of different commission schedules in effect in different markets. Commission cost factors include, but are not limited to, the particular expertise of the broker with respect to the size or type of transaction, the commission rates charged, the nature and character of the relevant markets on which the transactions will be executed, and the broker's execution experience, integrity, credit-worthiness, financial responsibility and operational efficiency. Kiltearn may determine to pay broker commissions or mark-ups in excess of that which another broker might have charged for effecting the same transaction in recognition of either the execution or research services provided by the broker. Commission rates generally are subject to periodic reappraisal, ordinarily during formal reviews of the third party broker relationship, and are subject to careful monitoring and renegotiation to ensure that they are competitive.

Kiltearn does not share, directly or indirectly, in any of the revenues generated by brokerage transactions. Kiltearn is responsible for negotiating commissions and spreads paid in connection with such transactions and may select brokerage firms that provide research to Kiltearn, resulting in the payment of higher rates or spreads than those charged by other brokers if Kiltearn believes such rates are justified by the value of the research provided, or the quality or nature of the brokerage services provided.

Soft Dollar Considerations:

It is Kiltearn's policy, consistent with the obligation to seek the most favourable combination of price and quality of execution, to effect transactions from time to time with brokers who provide research related products or services or pay for research related products and services provided by third parties directly or indirectly to Kiltearn.

Kiltearn may receive "**soft-dollar**" benefits from, or pay "**soft dollar commissions**" to the Clients brokers and may participate in commission sharing arrangements ("**CSAs**") so long as these CSAs comply with applicable regulations. The type of "**soft dollar**" benefits received by Kiltearn from brokers and counterparties is limited to research and research related services that fall within the so-called "**safe harbor**" provisions of Section 28(e) of the U.S. Securities Exchange Act of 1934 and the so-called "**permitted research**" exemptions established by the Financial Services Authority in the United Kingdom governing the receipt of research and execution services from brokerage counterparties. This includes, among other items, research of actual or potential portfolio companies, their competitors or suppliers as well as market intelligence data. These research services provide Kiltearn's investment and portfolio managers and analysts with valuable assistance in the decision-making process. Kiltearn believes that the amount of commissions paid to brokers providing it with research and research related products and services is reasonable in relation to the value of the brokerage and research services provided by the broker/dealer, viewed in terms of a particular transaction or Kiltearn's overall responsibilities to its Clients and Unitholders.

The United Kingdom Financial Services Authority ("**FSA**") requires all investment managers to provide Unitholders with detailed information on the sources and uses of Unitholders commissions. This summary is provided to Unitholders on a semi-annual basis and highlights the proportion of Unitholders commissions used for execution and research services across all Kiltearn's Client portfolios. Commission rates will vary from year to year depending on investment activity. This information is available on request.

Allocation of Investment Opportunities:

Kiltearn endeavours to act in a manner that it considers fair, reasonable and equitable in allocating investment opportunities among its various privately offered collective investment schemes and separate client accounts (each a "**Client**"), but does not otherwise impose any specific obligations or requirements concerning the allocation of time, effort or investment opportunities to the Clients, or any restrictions on the nature or timing of investments for the accounts of the Clients or Kiltearn's own account. To reduce transaction costs, rebalance the Client's portfolio or for other reasons, Kiltearn may, from time to time, to the extent permitted by law, cause a Client to enter into cross transactions with other Clients. This normally occurs where inflows into one Client coincide with outflows from other Clients. In the event that Kiltearn causes a Client to purchase securities from or sell securities to such other Clients, Kiltearn will use its best efforts to mitigate potential conflicts of interest by causing such transaction ordinarily to occur at the then prevailing market price of the applicable security and by considering the interests of all Clients.

The principals of Kiltearn are not obligated to devote any specific amount of their business time to the affairs of Kiltearn, and Kiltearn is not required to accord exclusivity or priority to a Client in the event of "limited availability" investment opportunities. Subject to Kiltearn's Code of Ethics, the directors, officers, partners, and employees of Kiltearn, may buy and sell securities (or other derivative instruments) for their own account and/or the accounts of others. Such trading may be similar to, or different from, the investment strategies pursued on behalf of a Client.

When Kiltearn determines that it would be appropriate for more than one Client to participate in an investment opportunity, Kiltearn seeks to execute orders for all of the participating Clients on an

equitable basis. Specifically, to the extent feasible under the applicable rules and regulations, if Kiltearn has determined to invest at the same time for more than one Client, Kiltearn may place combined orders for all such Clients simultaneously and, if any order is not filled at the same price, Kiltearn will average the prices paid. Similarly, if an order on behalf of more than one Client and the order cannot be fully executed under prevailing market conditions, Kiltearn may allocate the instruments traded among the different Clients on a basis that Kiltearn considers equitable. This is normally achieved by pro-rating actual trade executions among Clients in accordance with the total number of shares outstanding on each Client's respective order and rounding such executions to reflect minimum trading sizes, minimum allocations necessary to avoid undue costs being realized by clients (such as transaction and foreign exchange costs resulting from smaller allocations) and efficiencies inherent in trade reporting. Where Kiltearn elects to participate in initial public offerings or secondary offerings, governmental privatisations or other similar events, all allocations are done on a strict pro rata basis taking into account minimum trading sizes and other regulatory restrictions. Situations may occur where a Client could be disadvantaged because of the investment activities conducted by Kiltearn for other Clients. .

Kiltearn anticipates that the substantial majority of its trade executions will be allocated between Clients in a pro-rata manner. In circumstances where Kiltearn determines that this pro rata allocation methodology may not be in a Client's best interest, Kiltearn may, in its reasonable discretion, make an adjustment to the pro-rata allocation. This may occur when a Client has insufficient cash on hand to settle an allocated order or satisfy certain future commitments. This may also occur if a Client will be overdrawn as a result of accepting a commitment to purchase the allocated securities or if the Client will suffer unnecessary costs or charges related to trading or settlement. In these situations, Kiltearn will use its reasonable judgment to determine whether a Client should receive no allocation or a smaller allocation of shares resulting from a given execution. In other situations, a larger allocation of shares may be made to a Client if, for example, an additional allocation is required to clear a Client's negative cash balances or to raise funds to satisfy future Client's commitments.

Item 13. Review of Accounts

Reviews and Reviewers:

All Funds, and where applicable, separate account investments are kept under daily review both for price and changes in fundamentals affecting the securities. All portfolios are reviewed weekly. The principal reviewers are Murdoch Murchison, Craig Watson and Craig Collins. All reviewers are equally responsible for ensuring that accounts are maintained in line with Kiltearn's policies and are equally responsible for all accounts.

Frequency of Regular Reports to Clients:

Clients with segregated accounts (these are ordinarily used to facilitate investment in and/or withdrawal from one of the Funds) receive a monthly valuation and a schedule of transactions for their portfolios. Unitholders receive a monthly participation report showing selected information about their investments in the commingled fund directly from each fund's fund administrator. Such reports are ordinarily distributed on or before the seventh business day of each calendar month. Unitholders also receive audited financial statements for the Funds on an annual basis. All Clients and Unitholders receive a written review directly from Kiltearn that describes the economic and financial background, the strategy adopted, the results achieved and Kiltearn's outlook for the future, together with certain analytical information describing the Client's or Fund's (as applicable) holdings. This review is ordinarily included in a newsletter provided by Kiltearn, at a minimum, on a monthly basis.

Item 14. Client and Unitholder Referrals and Other Compensation

Kiltearn does not receive any compensation or other economic benefit from any non-Clients for providing investment management services nor compensates any persons for Client and/or Unitholder referrals so this item is not applicable.

Item 15. Custody Considerations

Northern Trust acts as the custodian, fund administrator and custodial trustee (where required) for the Funds. Unlike most privately offered collective investment funds which generally are organised as limited partnerships or limited liability companies, the US Fund is organised as a Delaware statutory trust. This type of fund calls for a specific custodial trustee and Delaware trustee to be appointed. With respect to this Fund, Northern Trust has been appointed as custodial trustee and an indirect wholly owned subsidiary of Northern Trust has been appointed as Delaware trustee. The Irish Fund is legally structured as an Irish unit trust and is regulated as a UCITS (Undertaking for Collective Investment in Transferable Securities).

Kiltearn does not act as custodian for or hold any Client moneys or assets. Northern Trust is solely responsible for the custody and safekeeping of the Funds' assets, performs certain administrative functions for the Funds at the direction of Kiltearn in accordance with each Fund's governing documents and provides certain recordkeeping and accounting services to the Funds, including the calculation of the Net Asset Value of the Funds and its units on a monthly (or more frequent) basis and the distribution of valuation statements directly to the Unitholders. Kiltearn pays Northern Trust's fees related to the services Northern Trust performs on behalf of the Funds and the Unitholders. Northern Trust acts as the principal counterparty to the Fund's spot and forward currency contracts and provides certain foreign exchange calculation and trade services in accordance with various agreements with Kiltearn. Kiltearn does not require Northern Trust to provide collateral to support unrealized gains related to the Fund's currency contracts.

Valuation of the Funds:

Northern Trust acts as the custodian and fund administrator for the Funds. In its capacity as fund administrator, Northern Trust is responsible for independently valuing each Fund's assets. Equity securities are valued using the closing price reported by their primary stock exchange and translated into USD using exchange rates provided by WM/Reuters. These are the same prices and exchange rates used by major market indices such as MSCI for valuing (among others) the MSCI ACWI (All Countries World Index) Index. Forward currency contracts are valued using WM/Reuters exchange rates and adjusted to reflect the settlement period for the forward currency contract. Dividend and withholding tax accruals are valued at fair market value in accordance with GAAP.

The net asset value of the Funds and the calculation of the net asset value of each unit of the Funds are determined in U.S. dollars by Northern Trust, as of the last business day of each month. Kiltearn may require Northern Trust to value the Funds more frequently.

The "Net Asset Value" of each of the Funds equals the aggregate value of the units of each Fund. For these purposes, the Net Asset Value of a Fund equals the aggregate value of the assets of the Fund, less its total liabilities (including accrued liabilities, irrespective of whether such liabilities may in fact ever be paid). The Net Asset Value of a Fund is determined under the accrual method of accounting in accordance with U.S. generally accepted accounting principles. The net asset value of any units held by a Unitholder as of a valuation date is equal to the net asset value of the Fund as of a valuation multiplied by the percentage interest corresponding to such Unitholder as of the valuation

date. Northern Trust is required to independently assign valuations to portfolio investments when determining the Net Asset Value of the Funds and the Net Asset Value of the unit of each Fund.

Securities which are listed or traded on any generally recognized securities exchange are valued at their closing price as is customarily ascertained by the respective primary exchange on which the security is traded and disseminated by quotation services such as WM/Reuters or Bloomberg or published in recognized newspapers such as The Wall Street Journal and the Financial Times. If no sale has been reported for that day or if the primary exchange was not open on that day, the last published sale price or the last recorded bid price, whichever is more recent, is used, unless Northern Trust believes the value obtained does not fairly indicate the actual market value. In these cases Northern Trust may rely on a value provided from a reputable broker, investment banker or investment manager (including Kiltearn).

Securities traded only in the over-the-counter market are valued at the mid-point between the closing representative bid and asked prices as reported by such securities' reporting system. Other over-the-counter securities are valued at the mid-point between the last current bid and asked prices determined in accordance with quotations obtained from a reputable broker, investment banker or investment manager (including Kiltearn). Northern Trust may also use any other method of valuation which is or which becomes generally accepted practice for valuing collective investment vehicles or which is or becomes permitted by the Codification of Financial Reporting Policies promulgated by the SEC.

When determining the value of the Funds' securities, Northern Trust may rely upon reports printed in any newspaper of general circulation or in any other newspaper Northern Trust deems appropriate, or in any financial periodical or industry-recognized quotation service, or in the records of any securities exchange, as sufficient evidence of sale, bid and asked prices, and over-the-counter quotations.

Other securities or assets which otherwise cannot be valued under the preceding provisions are valued on the basis of data obtained from the best available sources, including employees of Northern Trust, brokers or dealers who deal in or are familiar with the type of investment involved or other qualified appraisers including Kiltearn, or by reference to the market value of similar investments for which a market value is readily ascertainable.

If, on the date as of which any valuation is being made, the exchange or market herein designated for the valuation of any given asset is not open for business, the valuation of such asset is determined as of the last preceding date on which such exchange or market was open for business.

Notwithstanding the foregoing, if the securities to be valued constitute a block that, in the judgment of Kiltearn, could not be liquidated in a reasonable time without depressing or inflating the market, or restrictions upon marketability exist with respect to such securities, Kiltearn may direct Northern Trust to assign securities a different value than that calculated above; provided that such block shall not be valued at a unit value in excess of the quoted market price of such securities. The foregoing valuations also may be modified by Kiltearn, with the consent of Northern Trust, in its sole discretion, if and to the extent Kiltearn shall determine that such modifications are advisable to reflect other factors affecting the value of assets (see details of the "**challenge procedure**" below).

Kiltearn reviews but cannot arbitrarily override Northern Trust's valuations. If Kiltearn believes that Northern Trust has mis-valued a given security, Northern Trust requires Kiltearn to follow an established 'challenge procedure'. Kiltearn provides a written letter of direction advising Northern Trust of the discrepancy and support for an alternate market price/exchange rate. Northern Trust

will consider Kiltearn's challenge over the subsequent 24 hour period and compare the proposed price and/or exchange rate to other independent pricing sources and its own internal valuations. If Northern Trust determines that the proposed price and/or exchange rate is valid, Northern Trust will change the market price/exchange rate used in the valuation of the Funds' Net Asset Value. If the proposed price and/or exchange rate are not, determined to be valid, the original price and/or exchange rate used in the valuation will stand unless Kiltearn issues a written letter of direction to the contrary. Because of the nature of the Funds' investments (publicly traded equities), pricing challenges are infrequent. Unitholders are notified if Kiltearn overrides a Northern Trust price or exchange rate, normally in the monthly newsletter.

When approved, Northern Trust is responsible for preparing the Fund participant reports and Unitholder statements. As with the Funds valuations, Kiltearn reviews the reports prior to their transmittal to Unitholders. Once approved, the reports are sent directly by Northern Trust to the Unitholder. Kiltearn does not have any opportunity to 'alter' or 'adjust' Unitholders valuations.

Item 16. Investment Discretion

Kiltearn accepts discretionary authority to manage securities accounts on behalf of its Clients. Other than as specified by a Fund's investment guidelines or pursuant to the terms of a separate account investment management agreement, Kiltearn has sole authority to determine, without obtaining specific consent, the amount of and specific securities to be bought and sold for each Client.

Error Correction Considerations:

On rare occasions, an error may be made with respect to a Client transaction. For example, a security or other financial instrument (such as a spot or forward currency contract) may be erroneously purchased or sold, a Client account's investment guidelines may be inadvertently breached, or a security may be tendered in error as part of a corporate action. When it bears legal responsibility for correcting the error, Kiltearn seeks to place the Client in a substantially similar position as the Client would have been in had the error not occurred. In certain circumstances, Kiltearn may be required to obtain the consent of its insurers, regulators (which may include, but are not limited to the UK FSA, the SEC, and the US Department of Labor), an independent fiduciary acting on behalf of its Clients, and/or its Clients before resolving an error. Obtaining these consents or correcting the error may result in, among other items, delays in placing the Client in a substantially similar position as it would have been had the error not occurred, in the payment of compensatory amounts (these payments may, in certain circumstances, be paid over a period of years if Kiltearn has insufficient funds available to reimburse the impacted Client, and/or the suspension of the calculation of a Client's Net Asset Value.

Item 17. Voting Client Securities

Kiltearn considers it to be of paramount importance when assessing proxy voting responsibilities on behalf of its Clients to recognize the fiduciary responsibility it assumes in acting as investment manager. Kiltearn also recognizes the need to exercise its proxy voting obligations with a view to enhancing its Clients' long term investment values. Kiltearn believes that both are generally compatible with good corporate governance as they provide the best operating environment for each underlying portfolio company to cope with competitive commercial pressures. To help achieve its objectives, it is Kiltearn's policy, subject to the considerations described below, to use its best efforts to vote proxies arising on all shares held on behalf of its Clients.

Standard issues typically arise at Annual General Meetings ("AGMs") or Ordinary General Meetings ("OGMs"). Standard issues may include items of a routine nature such as the presentation of

financial statements to shareholders, approval of routine executive compensation or incentive plans, approval of financial statements by shareholders, election of directors and approval of director's fees, election of auditors and approval of audit fees, and declaration of dividends.

Material issues may arise at Extraordinary General Meetings (“EGMs”), Special General Meetings (“SGMs”), OGMs or AGMs. Material issues may include items that relate to corporate governance matters; changes in a company's country of incorporation; mergers and other corporate restructurings; anti-takeover provisions such as staggered boards, poison pills, or supermajority provisions; changes to capital structures including increases and decreases of capital and preferred stock issuance; material stock option, management compensation or incentive plan issues; and social and corporate responsibility considerations. Kiltarn also considers standard issues to be material issues when it has knowledge that a potential conflict of interest with management is present. These situations can arise where Kiltarn manages a portfolio company's U.S. retirement plan assets, a portfolio company or one of its associated entities is also a brokerage counterparty to a Client security or foreign currency transaction, or where the person responsible for overseeing investments at a Client or a Unitholder that is invested in one of the Funds is also a director or officer of a portfolio company that would materially benefit from any executive compensation or incentive scheme subject to shareholder vote. Please note, however, that Kiltarn may not be aware of the roles performed for portfolio companies by underlying Unitholders. Clients are requested to notify Kiltarn of any known affiliations with publicly traded companies that could fall within Kiltarn's investment universe. Clients are also requested to notify Kiltarn if they are actively involved in the financial services industry or affiliated or employed by an investment bank, broker dealer, custodian or asset management firm.

Northern Trust acts as the custodian of the Funds and holds all securities owned by the Funds for the benefit of their Unitholders. Northern Trust has outsourced certain of its proxy processing responsibilities to ISS, a leading provider of proxy voting and corporate governance services. ISS principally provides Kiltarn with meeting notification and ballot delivery services, agenda summaries, detailed agenda content including original source documents, translation services, power of attorney maintenance, recordkeeping and custom reports, and vote instruction processing services. Meeting notifications are provided according to an established service level agreement in place between Northern Trust and ISS and one in place between Northern Trust and Kiltarn. Kiltarn does not outsource any part of its proxy voting decision making process to ISS or Northern Trust. Longer term and temporary separate accounts Clients generally name their own custodians who may use a different provider of proxy processing services.

Following receipt of proxy voting materials from ISS, staff of Kiltarn gives a “**Proxy Voting Summary Form**” of the issues to a member of the Kiltarn's Portfolio Management Group (“**PMG**”) for review. The form includes the details of the number of shares held by a Client and a deadline for the response. If only standard issues are included on the proxy, one PMG member will decide on how to vote the proxy and sign the proxy voting summary form. If material issues are included, enhanced procedures apply. The PMG member will discuss the issues with a second portfolio manager, assess the potential impact that the issues may have on the portfolio company, and decide on how to vote the proxy in question. Both PMG members and the second portfolio manager (who may also be a PMG member) will then sign the proxy voting summary form. Once approved, staff for Kiltarn will process the proxy vote electronically using ISS's proprietary system. A second staff member for Kiltarn will verify the input.

In certain circumstances, Kiltarn may be unable to vote a specific proxy including (but not limited to) when Northern Trust or ISS does not provide a voting service in a given market, because Northern Trust or its agent, in error, does not process a proxy or provide sufficient notice of a vote,

or because an error is committed by any party involved in the proxy voting or registration process. Kiltearn may also refrain from voting if for example it is considering liquidating a position (as shares may be blocked when proxies are submitted), where the costs of voting a specific proxy outweigh the economic benefit that Kiltearn believes would be derived by the Client, where a specific class of shares does not carry voting rights with respect to a given issue subject to shareholder vote, or where re-registration of the shares into the Client's (rather than Northern Trust's nominee's) name may (or may reasonably be expected to) result in a violation of local privacy laws or adversely impact the Client's economic interests.

Clients are advised that when voting proxies in certain international markets, Kiltearn may be constrained by certain country or portfolio company specific issues. For example, some companies in the portfolio impose voting caps on the maximum number of proxy votes that any single outside shareholder may control. Others require all board issues to be resolved by a show of hands, rather than a poll. As all of Kiltearn's Client shares may be held by one nominee, these restrictions have the effect of substantially limiting the impact of any proxies cast. Furthermore, some companies in the portfolio may restrict investment managers (such as Kiltearn) from voting proxies where disclosures of Client holdings or securities under Kiltearn's control have not been made on a timely basis or in a format required under their articles of incorporation.

Additional information on Kiltearn's proxy voting and corporate governance policies can be found in the Stewardship Code Statement on Kiltearn's website (www.kiltearnpartners.com). Clients may receive a quarterly summary of proxies voted or not voted and issues raised at meetings held by portfolio companies, by contacting Kiltearn's Chief Operating Officer (Stuart Gunderson on 011-44-131-460-1041 or via email on sgunderson@kiltearnpartners.com) and asking to be included on the quarterly proxy voting distribution list.

Item 18. Financial information

Kiltearn does not require or solicit the prepayment of fees and so this item is not applicable.

Item 19. Education and Business Background of Various Kiltearn Members

A summary of the education and the last ten years of their business background of various Kiltearn employees, working partners and other members of senior management are set out below. Additional information is available from Kiltearn's Chief Operating Officer details of which are shown elsewhere in this Form ADV Part 2.

Name:	Murdoch Ross Murchison
Date of Birth:	1965
Education and Degree:	(1) University of Glasgow, UK Diploma of Legal Practice
	(2) University of Edinburgh, UK Bachelor of Law with Honours
Business Background:	Kiltearn Partners LLP; 2011 to present Chief Investment Officer Member of Supervisory Group Partner

Kiltearn Limited; 2011 to present
Chairman, Director

Franklin Templeton; 1993 to 2007
President, Portfolio Manager

Murdo Murchison has never been the subject of any legal or disciplinary events.

Name: Craig Robert Watson
Date of Birth: 1969

Education and Degree: (1) University of Stirling, UK
MSc. Investment Analysis (with distinction)
(2) Robert Gordon University, UK
B.A. (Honours) Business Studies

Business Background: Kiltearn Partners LLP; 2011 to present
Investment Manager
Partner

Franklin Templeton; 2007 to 2011

JP Morgan; 2003 to 2007

Deutsche Bank; 1997 to 2003

Craig Watson has never been the subject of any legal or disciplinary events.

Name: Craig McColl Collins
Date of Birth: 1974

Education and Degree: Robinson College, University of Cambridge, UK
Ph.D. in Chemistry

Business Background: Kiltearn Partners LLP; 2011 to present
Investment Manager
Partner

Baillie Gifford; 2000 to 2011

Craig Collins has never been the subject of any legal or disciplinary events.

Name: Khaled Mohamed
Date of Birth: 1983

Education and Degree: Downing College, University of Cambridge, UK
MA Classics

Business Background: Kiltearn Partners LLP; 2011 to present
Investment Manager
Partner

Baillie Gifford; 2007 to 2011

Khaled Mohamed has never been the subject of any legal or disciplinary events.

Name: Edward Gerard Clarke

Date of Birth: 1965

Education and Degree: Pennsylvania State University, USA
Bachelor of Science degree in Finance

Business Background: Kiltearn Partners LLP; 2011 to present
Head of Marketing and Client Service

Causeway Capital Management; 2001 to 2011

Edward Clarke has never been the subject of any legal or disciplinary events.

Name: Stuart Gunderson

Date of Birth: 1979

Business Background: Kiltearn Partners LLP; 2011 to present
Member of Supervisory Group
Chief Operating Officer
Partner

Kiltearn Limited; 2011 to present
Director

Franklin Templeton; 2007 to 2011

Morgan Stanley; 2002 to 2007

Stuart Gunderson has never been the subject of any legal or disciplinary events.

Name: Emma Louise Dalton

Date of Birth: 1981

Education and Degree: Napier University, Edinburgh, UK
Bachelor of Arts degree in Communication

Business Background: Kiltearn Partners LLP; 2011 to present
Dealer

Lockton Companies LLP; 2009 to 2011

Wood Mackenzie; 2006 to 2008

Emma Dalton has never been the subject of any legal or disciplinary events.

Name:	Timothy John Linehan
Date of Birth:	1970
Education and Degree:	University of Notre Dame BA in Accounting
Business Background:	Silchester International Investors, Inc. Client Services Manager / Legal and Compliance; 1997 to 2003 Silchester International Investors LLP; 2010 to present Member of Supervisory Group Chief Compliance Officer and Head of Operations Senior Partner Silchester Partners Limited; 2003 to 2010 Chief Compliance Officer and Head of Operations; 2003 to 2010 Director; 2011 to present Highclere International Investors LLP; 2011 to present Non-Executive Member of Supervisory Group Highclere Investment Management Limited; 2006 to present Non-Executive Director Heronbridge Investment Management LLP; 2005 to present Non-Executive Member of Supervisory Group Heronbridge Limited; 2005 to present Non-Executive Director Sanderson Asset Management Limited; 2006 to present Non-Executive Director Edgbaston Investment Partners Limited; 2008 to present Non-Executive Director Kiltearn Partners LLP; 2011 to present Non-Executive Member of Supervisory Group Kiltearn Limited; 2011 to present Non Executive Director

Timothy Linehan has never been the subject of any legal or disciplinary events.