



BVI Rules of Conduct
- Part I –

Based on Sec. 9 of the German Investment Act (*Investmentgesetz* - "InvG"), these Rules of Conduct further specify the interpretation and application of the general rules of conduct of investment companies (*Kapitalanlagegesellschaften*) and, to the extent they do not relate to ancillary services within the meaning of Sec. 7 (2) InvG, the general rules of conduct for self-managed investment stock corporations (hereinafter referred to as "Company"). Further requirements resulting from Secs. 31 to 31 b, Sec. 31 d and Secs. 33 to 34a of the German Securities Trading Act (*Wertpapierhandelsgesetz* - "WpHG") and the related regulations and interpretative letters of the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht* - "BaFin") regarding the services and ancillary services specified in Sec. 7 (2) nos. 1, 3 and 4 InvG remain unaffected hereby or take precedence over the provisions hereof.

For the purposes of these Rules of Conduct, the term "investors" shall include clients for which the Company provides services or ancillary services pursuant to Sec. 7 (2) InvG.

I.

When performing its functions, the Company acts exclusively in the interest of the investors and the integrity of the market.

1. The Company manages the investment undertakings independently of any instructions of third parties and exclusively in the interest of the investors and the integrity of the market.

2. When performing its functions, the Company will pay due regard to the integrity of the market. It will comply with the existing rules of conduct applying to the markets in which it is active. The Company will refrain from any acts which may adversely affect a transparent pricing in accordance with the prevailing conditions at the securities markets, e.g. acts which serve the purpose of price manipulation, or transactions with fund investments that aim at influencing the prices of assets held in its own portfolio or in the portfolio of another investor. If the Company is in possession of insider information regarding individual assets, it will refrain from entering into any transactions in respect of such assets. The Company will take all appropriate measures to prevent it from being used for money laundering or terrorism financing purposes.

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3. The Company ensures that no investor will be able to gain any advantages through the purchase or sale of units in investment undertakings launched by it at unit values already known. For this purpose, the Company will determine for each investment undertaking managed by it a certain cut-off time for the receipt of purchase and redemption orders for units by the Company, its agent or the depositary bank (order cut-off time).

The Company agrees with the depositary bank that - in connection with the issue and the redemption of units - orders received after the order cut-off time determined by the Company shall no longer be executed at the value per unit applicable at such order cut-off time.

This provision neither applies to special funds the units of which are held by one investor only, nor to savings plans entered into with the Company where the date of the order placement has been contractually determined in advance upon the conclusion of the relevant savings plan, so that, thereafter, the investor can no longer exert any influence on/can no longer influence the date of the order placement.

4. The Company will adopt appropriate measures in respect of the investment undertakings managed by it to prevent time-zone arbitrage. Such appropriate measures include, without limitation, the reasonable determination of the order cut-off time. The Company informs the investors about the adopted measures and procedures in an appropriate form and manner.

5. The Company manages the investment undertakings launched by it in accordance with the principle of equal treatment, i.e. neither of the investment undertakings or the investors of such investment undertakings will receive preferential treatment to the disadvantage of other investment undertakings or investors. The equal treatment must be ensured at all levels of management of the investment undertaking, in particular in the portfolio management, transactions in eligible assets, accounting and controlling. An exception from the principle of equal treatment of all investors of an investment undertaking constitutes the permissible differentiation between various unit classes within the meaning of Sec. 34 (1) InvG.

6. The Company exercises the shareholder and creditor rights attached to the assets of the managed investment undertakings independently of the interests of third parties (e.g. the depositary bank, another closely linked enterprise and persons within the meaning of Sec. 1 (19) InvG in conjunction with Sec. 1 (10) of the German Banking Act (*Kreditwesengesetz* - "KWG") and/or any other affiliated enterprise within the meaning of Sec. 1 (6) and (7) KWG, or another investor) and exclusively in the interest of the investors of the respective investment undertaking and the integrity of the market. The independent exercise of voting rights also applies in respect of any recommendations made by the investor of a special fund. If the interests of several investment undertakings differ from each other, this fact must be reflected in

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the voting behaviour of the Company. The Company informs the investors about the principles of its voting policy in an appropriate form and manner.

7. If the Company in the individual case authorises third parties as proxies for the exercise of voting rights, it will normally provide detailed instructions regarding each agenda item of the general meeting. The Company monitors, by appropriate means, the activity of any independent proxies that are permanently authorised. The obligation to monitor independent proxies extends to the controlling of voting behaviour, e.g. by establishing general guidelines or voting standards, or, in particular cases, by giving specific individual instructions. Independence of the proxy does not mean that the proxy is independent of the Company, but that the proxy is independent of the interests of third parties (including the Company) for whose securities voting rights are to be exercised, and that the proxy is not subject to any conflicts of interest.

8. The Company warrants that any complaints and requests for information made by investors are processed in a timely and appropriate manner. The Company will document for each individual case in a verifiable manner all measures (including on an ex-gratia basis) taken in connection with any complaints and information requests.

II.

The Company endeavours to avoid any conflicts of interests.

1. By implementing appropriate organisational measures, the Company ensures that the risk of conflicts of interest between the Company¹ or third parties, respectively, and the investors or an investment undertaking, between several investors, between an investor and an investment undertaking or between two investment undertakings is kept to a minimum.

2. The potential conflicts of interest include without restriction:

- incentive systems for employees of the Company,
- employee transactions,
- benefits for employees of the Company,
- reallocations of investments in the investment fund,
- improvement of the appearance of the fund performance in relation to a certain date ("window dressing"),
- transactions between the Company and the investment undertakings or individual portfolios managed by it, and/or

¹ This also includes the enterprises and persons closely linked to the Company within the meaning of Sec. 2 (19) InvG in conjunction with Sec. 1 (10) KWG or, as the case may be, other affiliated enterprises within the meaning of Sec. 1 (6) and (7) KWG.

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- transactions between investment undertakings and/or individual portfolios managed by the Company,
- consolidation of orders ("block trades"),
- commissioning of closely linked enterprises and persons²,
- single investments of significant size,
- frequent trading,
- determination of the cut-off time,
- IPO allotments.

3. The Company must establish procedures which are suitable to

- identify circumstances which could give rise to conflicts of interest,
- avoid any conflicts of interest and to resolve any unavoidable conflicts of interest upon their occurrence in accordance with the provisions below, or, otherwise, to resolve such conflicts paying due regard to the protection of the interests of the investors and/or the investment undertakings. Conflicts with the interests of third parties must be resolved in favour of the interests of the Company's own investors and investment undertakings.

4. For the public mutual funds managed by it, the Company will establish suitable procedures designed to avoid an unreasonable impairment of the investors' interests through transaction costs. These procedures are intended to protect the investors in particular against unnecessary transaction costs arising as a result of an excessive turnover rate, and against disadvantages due to redemption-related transaction costs (which, for example, may result from redemptions with a high aggregate value which cannot be settled using the liquidity reserves of an investment undertaking). The Company informs the investors about the implemented measures and procedures in an appropriate form and manner.

The type of transactions entered into by the investment undertakings is, at all times, determined in accordance with the investment objectives of the relevant investment undertaking. Transactions which are not necessary for the proper management of the investment undertaking and which merely serve the purpose of generating additional fees or commissions ("churning") are not permissible. Taking into account the investment strategy, the liquidity level maintained and the issue and redemption volume in respect of units, the Company must determine, for each investment undertaking, a threshold value as an indicator for the portfolio

² For the purposes of this provision, this means the enterprises and persons closely linked to the Company within the meaning of Sec. 2 (19) InvG in conjunction with Sec. 1 (10) KWG or, as the case may be, other affiliated enterprises within the meaning of Sec. 1 (6) and (7) KWG.

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turnover rate, which rate is to be calculated based on an appropriate and recognised method, and stipulate the further measures to be taken in the event such threshold value is exceeded.

Possible measures and procedures for the avoidance of redemption-related transaction costs include, for instance, the imposition of redemption charges for the benefit of the investment undertaking or the maintenance of appropriate liquidity reserves.

5. In connection with the performance of their duties, the employees of the Company are generally not permitted, whether for themselves or on behalf of third parties, to accept, or accept the promise of, any benefits from third parties. The Company ensures compliance with this provision and, if appropriate, determines certain threshold values that allow for low-value benefits only and are therefore suitable for the prevention of any conflicts of interest (petty cases).

III.

The execution of transactions for investment undertakings, for individual portfolios and for the investment of the Company's own assets is subject to unambiguous principles which guarantee settlement of such transactions in line with market conditions and ensure equal treatment of the investors.

1. The Company submits orders for the execution of transactions in the best interest of the investment undertakings and their investors. For this purpose, the Company must establish detailed rules for the careful selection of the manner of execution and the counterparty, and shall have in place procedures which ensure the execution of all transactions in compliance with these principles.

To the extent that the Company commissions closely linked enterprises and persons within the meaning of Sec. 2 (19) InvG in conjunction with Sec. 1 (10) KWG or, as the case may be, other affiliated enterprises within the meaning of Secs. 1 (6) and (7) KWG, with the settlement of transactions for the account of investment funds, it will inform the investors at least in the annual report of the percentage share and the volume of such transactions.

Orders for other services charged to the account of the investment undertaking are submitted by the Company only in the best interest of the investment undertaking and its investors.

2. Transactions between a Company and the investment undertakings or individual portfolios managed by it are only permissible if they are deemed necessary in the interest of the investment undertaking or the individual portfolio, respectively. Transactions between the

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investment undertakings or individual portfolios managed by a Company are only permissible if they are in the best interest of both parties to such transaction. The Company will put into place appropriate procedures to ensure compliance with these principles. The Company must maintain detailed documentation of the relevant transactions and interests present.

3. The consolidation of several orders is permissible if this is necessary to ensure equal treatment or where this is not expected to result in any disadvantages for an investment undertaking or an individual portfolio. The Company determines in advance the principles for allocating acquired assets to various investment undertakings, individual portfolios and investors to provide for the case of a full or a partial execution (e.g. block trades or IPO allotments). "Block trades" are dealings in one single financial instrument for the account of several investment undertakings or individual portfolios, respectively, under one single transaction. "IPO allotments" refer to the portion of securities allotted to the Company following an oversubscription of shares in connection with an initial public offering if the Company has subscribed to such shares for several investment undertakings or individual portfolios.

When determining the allocation principles, the Company must ensure that partially executed orders or, as the case may be, orders executed at different conditions/prices are generally allocated in proportion to the submitted orders. When orders of the Company related to the investment of the Company's own assets in financial instruments are consolidated with orders of investors, portfolios and investment undertakings, in the case of partially executed orders, the respective investors, individual portfolios and investment undertakings must receive a preferential treatment unless particular reasons exist in favour of a pro-rata allocation.

This rule also extends to the allocation of real property, real estate companies and rights equivalent to real property to several investment undertakings.

4. The Company ensures that, in connection with transactions attributable to an investment undertaking, any proceeds received are credited to the fund's assets (except for the cash-equivalent benefits referred to in sub-paragraph 5 below), and disclosed in the annual report. This rule comprises the treatment of refunds of expenses incurred for the account of the investment fund which are paid to the Company in monetary form ("kick backs"). Any commissions which the Company receives for investment units or other financial instruments held in the investment undertaking are attributed to the relevant investment undertaking and included under "other income" in the income statement. If the refunds do not merely relate to expenses which have been incurred for the account of one single investment undertaking, they must be attributed to the respective investment undertakings on a pro-rata basis.

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5. Any other cash-equivalent benefits (broker research, financial analyses, market and price information systems) received in connection with transactions attributable to an investment undertaking must be used in the interest of the investors when making investment decisions. The intention of the Company to accept such cash-equivalent benefits must be disclosed in the sales prospectus.

6. The Company must have in place suitable procedures to ensure that no measures are taken in order to improve the appearance of the fund performance or the fund portfolio in relation to a certain date ("window dressing"). The Company will avoid any activities which would serve the above purpose, such as the sale of assets, the price-influencing purchase of investments in narrow markets as of the valuation date, or activities affecting the benchmark of an investment undertaking.

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**BVI Rules of Conduct
- Part II –****IV.**

The Company will render information in a clear, comprehensive and understandable manner in order to ensure an appropriate and professional client soliciting and servicing.

1. The Company explains the investment policy and investment suitability of the funds in a manner and language suitable for the client and by using appropriate media.
2. In particular, the Company informs of the opportunities and risks of the relevant fund investment. The risk information includes also special risks such as:
 - increased price volatility of specific equity funds (e.g. special sector or regional funds with investments in emerging countries),
 - increased price volatility of specific bond funds (e.g. funds with investments in high yield bonds),
 - the possibility of temporary concentration of the investment policy on certain market segments or investments in narrow markets, even though the fund rules may permit a more diversified investment universe.
3. In the publication of performance data of the funds managed by it, the Company will adhere to recognised standards in respect of
 - the calculation method
 - the appropriate period of time (e.g. 1, 3, and 5 years, and as from the launch of the fund), which must cover the time period until the date of publication to the extent the relevant data is available, and
 - to the extent possible, the selection of suitable benchmark indices.

The Company informs about the relevant selected standard and any material changes of the benchmark indices used as a basis for the presentation of the performance data.

4. The Company may use fund evaluations and analyses, i.e. performance and/or risk evaluations of the funds managed by it, whether commissioned or not, with forward-looking nature (ratings) or without forward-looking nature (rankings), and may select one or more service providers.

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The Company will procure that each publication of rankings and ratings of funds includes the following information:

- the name of the organisation providing the ranking or rating and the name of the fund evaluation product,
- the result of the fund evaluation and the individual partial results of a fund evaluation, if applicable,
- the date of the evaluation.

5. When using performance data of a fund for advertising purposes, the Company will only refer to time periods in which the fund was publicly distributed. If, at the time of the advertising, the fundamental principles of the investment policy have changed, any advertising using performance data of the fund must contain a clear and visible note to this effect.

6. When publishing performance data, the Company will, in each case, also state the performance of published benchmark indices, if any, and advise of the fact that past performance is not indicative of future results. In addition, the Company will disclose the calculation basis and expressly state whether or not any sales or redemption charges have been taken into account.

7. The Company will refrain from publishing any misleading performance comparisons or performance promises in connection with its advertising measures. Any statements as to the potential results of any type of investment must include a disclosure of the underlying presumptions. The Company will support the establishment of appropriate standards for comparative performance measuring and evaluations of funds.

8. If the Company retains advisory services in connection with the management of the funds, it will disclose information to this effect in the sales prospectus.

9. The Company discloses in the annual report the costs (excluding transaction costs) incurred at the expense of the investment fund in connection with the fund management during the preceding fiscal year. The Company states in the annual report, as well as in any sales documents and advertising materials (e.g. brochures, advertisements and internet sites) published or newly prepared after the end of the fiscal year, the aggregate amount of such costs expressed as a percentage of the average value of the fund assets, thus ensuring transparency of the remuneration process.

10. In the denomination of the investment funds, the Company will endeavour to adhere to the principles of truth and clarity.

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11. The Company will only materially change the investment policy of a fund (within the framework of the applicable fund rules) if it has disclosed this option in the prospectus. The Company will inform the investors of any material changes in the investment policy of a fund in the next following report.

12. To the extent that the Company commissions third parties with the distribution of the funds managed by it (distribution partners), it will ensure that the minimum standards relating to professional client advice and services are complied with. In the selection of the distribution partners and in the day-to-day business relationship, the Company endeavours to ensure that investment advice suitable for investors will be provided.

13. The Company prepares all sales documents as well as all advertising materials in such a way as to make sure that these documents and materials are neither ambiguous nor misleading and that the information given therein corresponds to the content of the fund rules and the sales prospectus. The Company commits all distribution partners to adhere to these regulations and to coordinate own advertising materials with the Company prior to the use thereof.

14. The Company will include in the sales documents, in a suitable form and manner, information as to the possibility of sales and service commissions being charged. The commissions payable by the Company to third parties will be paid out of the amount of sales charges or management fees. To the extent that, in connection with a fund savings contract offered by the Company, the distribution costs are not allocated evenly to the savings amounts over the entire term of the savings contract, the Company will provide understandable and comprehensible explanations with respect thereto.

V.

Supervisory board and management will work towards a good corporate governance of the Company.

1. The members of the management must be reliable and possess the professional qualification necessary for the management of the Company. When managing the funds, they act exclusively in the interest of the investors.

2. During the term of their office for the Company, the members of the management are subject to a comprehensive non-competition covenant. In the event of conflicts of interests arising for reasons specific to them as an individual, they will disclose such conflicts to the

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supervisory board without undue delay and inform the other members of the management thereof.

3. The members of the supervisory board must, by virtue of their personal integrity and their professional expertise, safeguard the interests of the investors. They may not pursue their own personal interests or take advantage of any business opportunities intended for the investors or the Company.

4. Each supervisory board member shall disclose to the supervisory board without undue delay any conflicts of interest arising for reasons specific to him/her as an individual.

5. In connection with the performance of their duties, the members of the supervisory board are generally not permitted, whether for themselves or on behalf of third parties, to accept, or accept the promise of, any benefits from third parties, or to promise or grant any unjustified benefits to third parties. The Company will ensure compliance with this requirement by implementing and continuously updating internal guidelines, and may determine exemption criteria (petty cases).

6. Advisory agreements and other service agreements and works contracts concluded between a supervisory board member and the Company require the consent of the supervisory board.

7. The supervisory board will ensure that the management board observes the legal and other provisions which are applicable in the investors' interests, including an appropriate risk management and risk controlling.

8. The supervisory board will support the safeguarding of the investors' interests through its monitoring activities. To this end, appropriate measures have to be taken, such as

- regular reporting by the management board of the activities of the compliance department,
- regular efficiency control of own activities
- close co-operation of the supervisory board with the auditor.

The supervisory board shall have at least one member who is independent of the owners, their affiliated companies and the business partners of the Company.

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VI.

The Company guarantees proper evaluation, booking and safekeeping of the assets of the funds by an appropriate selection, instruction and monitoring of the depositary bank.

1. The Company cooperates exclusively with depositary banks sufficiently qualified for the respective function.
2. The managers (*Geschäftsleiter*) and executives of the depositary bank must not, at the same time, be managers and/or employees of the Company; the managers and executives of the Company must not, at the same time, be managers and/or employees of the depositary bank.
3. The Company will enter into a written agreement with the depositary bank of the fund, in which the functions and duties of both the depositary bank and the Company are stipulated.
4. The Company will agree with the depositary bank that - in connection with the issue and the redemption of units - orders received after the order cut-off time determined by the Company shall no longer be executed at the value per unit applicable at such order cut-off time.
5. The Company will ensure that the depositary bank adopts all required measures to ensure timely submission of the necessary information and documents required for the exercise of shareholder and creditor rights in respect of companies domiciled in the Federal Republic of Germany.