

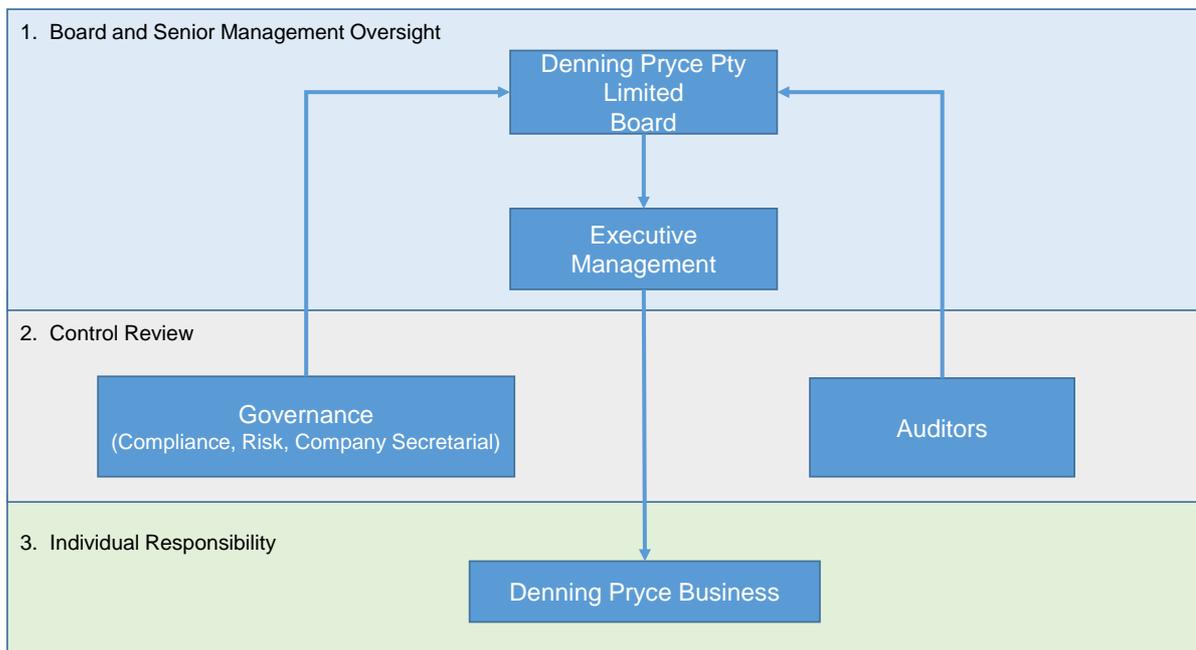
Governance Fact Sheet

At Denning Pryce Pty Limited (Denning Pryce) we are committed to promoting and adhering to an efficient and effective governance regime, observing client instructions, as well as Australian and overseas legislation, rules, regulations, codes, contractual obligations and best practices as applicable to our business.

1. Board and senior management oversight;
2. Control Review; and
3. Individual responsibility

This is summarised in the diagram below:

Denning Pryce Governance Framework



1. Board and Senior Management Oversight

Denning Pryce’s Board and Executive Management are responsible for overseeing Governance, including compliance and risk. Governance matters are reviewed formally by executive management and reported to the Board at its regular meetings. The Governance Function (see below) is responsible for ensuring that executive management and the Board are adequately apprised of governance matters.

2. Governance Function

The Governance Function facilitates the management of compliance and risk and assists executive management and the business in creating an appropriate environment through training, ongoing monitoring of compliance obligations and risk and the provision of an advisory service to all areas of the business. The Governance Function reports to the Board of Denning Pryce. This structure is aimed at ensuring both objectivity and an appropriate degree of independence as well as an appropriate standing within the business.

3. Individual Responsibility

All employees are collectively responsible for adhering to compliance obligations and consideration of risk in their day to day roles. Furthermore staff have a duty to understand, promote and be accountable for compliance and risk matters applicable to their area of responsibility, and must ensure that there are appropriate procedures in place, supported by adequate controls.

Governance Function Responsibilities

The key responsibilities of the Governance Function are:

A. Identification of Compliance Requirements

The Governance Function works closely with the business with the primary aim of ensuring that existing, new or changes to key laws, regulations, contractual obligations and best practice requirements are identified and considered.

The Governance Function attend relevant regulator and industry discussion forums to remain updated on changes to requirements and receive regular briefings from legal and accounting advisers.

Procedures are in place which aim to ensure that new or changes to existing products or client instructions are considered and approved by relevant business areas and the Governance Function. These processes are designed to ensure that responsibility for managing, controlling or monitoring client portfolios or other investment vehicles, are aware of product and client requirements.

B. Communication and Education

The Governance Function is responsible for ensuring continuous staff education on compliance and risk matters in particular through effective training and communication. The Governance Function maintains a comprehensive Governance Handbook containing documented policies and procedures for the business. This is available to all members of staff. The Governance Function also coordinates a training plan aimed at ensuring all staff receive adequate governance training. This training is provided in various forms, and may including external computer based training, face to face presentations and workshops, briefings and dissemination of written information.

C. Provision of Advice

The Governance Function provides advice on governance requirements through informal communication channels and is accessible to the business to answer and follow up on any governance related issues.

D. Monitoring and Review

The Governance Function has designed a risk based program to monitor adherence to policies and procedures across the business as well as adherence to portfolio guidelines. The monitoring program involves a combination of testing and review techniques as well as business attestations by which the business confirms compliance with key governance requirements. The nature and extent of monitoring depends upon the assessment of the risk and nature of the requirement.

E. Reporting

The Governance Function prepares regular written reports covering key activities, including development, review and issue of new policies, provision of training to staff and monitoring undertaken. These reports also detail exceptions such as breaches, complaints and action items arising from the monitoring program. These reports are made to the Board and, where required, escalated to Regulators.

F. Some Key Governance Focuses

As part of the governance program, Denning Pryce has procedures in place to cover the following:

a. Breaches

- Notification of breaches to the Governance Function;
- The resolution and analysis of breaches, including determination of any required reimbursement to clients and consideration of any underlying control weaknesses;
- The maintenance by the Governance Function of a breach register; and
- The reporting of breaches, as appropriate, to management, the Board, clients and regulators (if required).

b. Client and Investor Complaints

- Notification of complaints to the Governance Function;
- The investigation of complaints;
- Responding to complaints;
- The maintenance of a complaints register;
- The reporting of complaints to management.

c. Staff Trading

Staff trading procedures exist for employees who wish to trade or invest for their personal account. The procedures are in place to avoid any conflicts of interest or trading when employees are in possession of inside information. Generally employees are required to:

- Trade through a nominated broker(s);
- Obtain pre-clearance from the Governance Function;
- Hold securities for a set period, generally 30 days.

d. Insider Trading

- Guidance is provided on the identification of inside information;
- The procedures to be followed, including notifying the Governance Function when staff are in possession of inside information; and
- The maintenance of a register of insiders by the Governance Function.

e. Conflicts of Interest

Procedures are in place to assist Denning Pryce in identifying and managing identified or potential conflicts of interest. These include:

- Notification to the Governance Function of certain conflicts;
- The Governance Function's involvement in reviewing such conflicts;
- Procedures relating to employee conduct, as it relates to conflicts of interest;
- Allocation procedures providing guidance for the determination of investment allocation between the various funds managed by Denning Pryce; and
- Maintenance of a Register of Conflicts.

f. Related Parties

- The identification and management of identified or potential related party transactions;
- Any related party transactions must be on arm's length terms; and
- Relevant client disclosure.

They also cover transfers between portfolios to ensure they are permitted in the best interests of all portfolios involved and are carried out on an arm's length basis.

g. Investment Guidelines

- Reviews by investment staff to ensure that investments are appropriate, permitted and in accordance with instructions and guidelines;
- The authorisation of investment transactions; and
- Independent review by the Governance Function of adherence to portfolio investment guidelines.

h. Use of Brokers and Alternative Commissions

- Review and approval of brokers and counterparties; and
- Consideration and review of counterparty exposures and limits.

Procedures involving alternative commission arrangements include guidelines on permitted arrangements, disclosure requirements, and review and approval of arrangements.

i. AML Program

The Governance Function is responsible for ensuring that Denning Pryce has appropriate processes in place in order to comply with the various legislative and regulatory requirements for adopting new clients under appropriate Know Your Client obligations, including the Australian Anti Money Laundering & Counter Terrorism Act 2006. Processes are in place to verify the identity of clients, to review clients against various relevant global databases (such as politically exposed persons) and to undertake regular reviews of such information from time to time.

J Confidentiality

We value our customer information by making sure the collection, use, retrieval and transfer of this information complies with DB Policies, data protection laws and any contractual obligations.

This document was issued by Denning Pryce (ABN 67 116 639 25), Financial Services Licence Holder as at November 2013 for information purposes only. The matters reflected in this fact sheet are applicable as at the time of publication and may be updated from time to time.