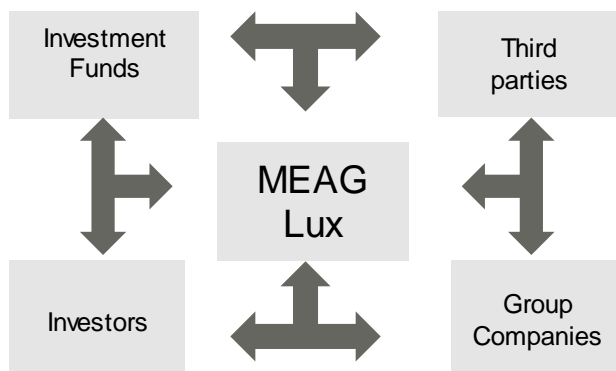


**Principles for avoiding conflicts of interests
at MEAG Luxembourg S.à r.l.
(hereinafter referred to as "MEAG Lux" or "Management Company")**

At an investment Management Company that offers its clients a wide range of securities services and that maintains extensive business relationships to companies both within and outside the own company group, conflicts of interests cannot always be avoided. In accordance with the requirements of Articles 18 to 22 of Regulation CSSF 10-4, the Law of 17 December 2010 and the Luxembourg law of 12 July 2013 on Alternative Investment Fund Managers and the delegate regulation (EU) No. 231/2013 amending Directive 2011/61/EU, we herewith inform you about the extensive measures we take to deal with such conflicts of interests at our Management Company.

Conflicts of interests can arise, for example, between MEAG Lux, other companies in Munich Re Group, outsourcing companies, the members of the Board of Managers, the conducting officers, our staff or other persons, our clients or between our clients themselves.

MEAG Lux undertakes, by means of appropriate organizational measures, to eliminate the risk of conflicts of interests between relevant **persons** and **parties** where possible, and to keep a close eye on conflicts of interests within the company group.



Relevant Persons and Parties:

- Management, Board of Managers and shareholders of MEAG Lux
- Investors
- Employees
- Group companies
- Outsourcing companies
- Other business partners (third parties)

Organizational measures in the event of conflicts of interests

In order to counteract potential conflicts of interests before they arise, the Management Company took care to ensure separation of functions when structuring its organization, especially of functions that are incompatible with each other. The principle of keeping functions separate applies all the way up to the Board of Managers level. The Management Company also has a compliance function to identify, prevent and manage conflicts of interests. MEAG MUNICH ERGO AssetManagement GmbH is the designated Compliance Office within the MEAG.

The Management Company also obliges its staff to observe high ethical standards. It expects the greatest of care and integrity at all times, lawful and professional conduct, the upholding of market standards and especially observance of the clients' best interests.

Despite these organizational precautions, the following conflicts of interests can arise within the organisational units and at process interfaces:

- When receiving inducements from a third party in the form of gifts, dining invitations or travel in the context of offering securities services;
- From predominantly success-related remuneration of employees;
- When obtaining information not yet publicly known (insider information);
- From personal relationships of employees or management or people related to or acquainted with them;
- When these persons are active on supervisory boards or other advisory bodies;
- Due to the Management Company's membership in the company group vis-à-vis clients;
- In transactions between funds managed by the Management Company and individual portfolios (cross trades);
- When regrouping investment in the funds or;
- When clients have identical interests in purchasing a share of investment projects;
- When grouping together similar buy/sell orders (block trades);
- Investors can secure advantages over other investors by attempting to conclude transactions in fund units/shares at known unit/shares prices.

We counteract or prevent these potential conflicts as follows:

- By ensuring that the Rules of Good Conduct/Code of Conduct and organisational guidelines are upheld;
- Keeping a watch list to counter possible conflicts of interests, for example by prohibiting certain transactions;
- With provisions that cover the acceptance and granting of benefits and their disclosure (e.g. value limit for gifts of EUR 40.00/prohibiting the acceptance of travel invitations, etc.);
- By not remunerating employees predominantly through bonuses;
- By creating areas of confidentiality by erecting information barriers, separating responsibilities and/or through functional and hierarchical separation of duties (Chinese walls);
- By keeping insider and observation lists that monitor the emergence of sensitive information and prevent the misuse of insider information;
- By disclosing to the Compliance Office securities transactions of employees who may be confronted with conflicts of interests within the course of their work;
- By ensuring that investors' best interests are served by when delegating tasks;
- By monitoring the portfolio turnover rate;
- Through pro-rata reductions of participations in investment projects in the event of an allocation that is lower than the offers submitted, and organisationally ensuring a fair flow of information between the project participants;
- By checking for conflicts of interests when designing new products;
- By regulating dealings with block trades;
- By dictating order cut-off times to custodians, to prevent the possibility of investors gaining advantages over other investors by knowing unit/share prices;
- By regularly training our staff in matters of compliance;
- Provisions that cover the voting rights on behalf of funds;
- By ensuring that there is no risk arising from the relationship with the depositary.

The Management Company points out the following:

The Management Company's clients have delegated the management of their assets through investment funds, and thus the authority to make decisions regarding the sale and purchase of financial instruments, to the Management Company. This means that within the scope of the funds, the Management Company (and its delegates) makes decisions on sales and purchases without gaining the client's prior consent. This can intensify any existing conflict of interests. The Management Company counters risks that may result from this with organizational measures (see above), and in particular by choosing investments that serve the interests of the funds. In this way it can ensure that when selecting the financial instruments, the returns, the continuity of the portfolio management and conformity with the investment objectives of the funds are focused upon.