

ITEM 1 – COVER PAGE



PART 2A OF FORM ADV: FIRM BROCHURE

DSM CAPITAL PARTNERS LLC

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March 31, 2020

This Brochure provides certain information about DSM Capital Partners LLC (“DSM”). If you have any questions about the contents of this Brochure, please contact Russell Katz, General Counsel and Chief Compliance Officer of DSM, at (561) 618-4000 or at rkatz@dsmcapital.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority. Additional information about DSM is available on the SEC’s website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for DSM is 113609. This Brochure should be reviewed in its entirety.

DSM is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training.

ITEM 2 – MATERIAL CHANGES

An adviser is to disclose in this Item any material changes to its business since the last annual update of its Form ADV. There have been no material changes to DSM's business since its last annual update of Form ADV on March 29, 2020.

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ITEM 4 – ADVISORY BUSINESS

DSM was founded in March 2001 by Stephen E. Memishian and Daniel B. Strickberger, its principal owners. In general, DSM employs a bottom-up, growth stock selection investment process with an

intermediate to long-term investment horizon. DSM combines fundamental research with a valuation methodology designed to reduce risk and enhance long-term returns. DSM seeks growing businesses with attractive returns, solid business fundamentals, and intelligent management. There is no guarantee that DSM's investment process will be successful or that clients will not incur losses.

DSM typically provides advisory services to a client on a discretionary basis pursuant to model investment strategies. The model investment strategies are US Large Cap Growth, Global Growth, Global Dividend Growth, Global Focus Growth, International Growth and Emerging Markets Growth. A client can invest in these model investment strategies through separately managed accounts, sub-advisory relationships, pooled investment vehicles, and wrap-fee programs. However, not all client accounts will match the relevant model investment strategy at all times. A client may impose various restrictions that can cause an account to differ from a model investment strategy. The inception date of a client account may also cause significant differences from the relevant model investment strategy and the differences could last for a considerable period of time. There is no set time in which a new client account will match the relevant model investment strategy. In addition, when contributions and withdrawals are made to or from a client account, the transactions made to satisfy the contributions or withdrawals may cause the account to be different than the model investment strategy for a period of time. Moreover, a client account may differ from the relevant model investment strategy while DSM is executing investment changes to a model investment strategy. This list is not exhaustive of all possible reasons why a client account may not match the relevant model investment strategy.

A client may impose reasonable restrictions on the management of its account, including restricting the purchase of particular securities or types of securities, provided DSM accepts such restrictions. Client imposed restrictions or guidelines that do not expressly provide compliance evaluation periods are typically implemented by DSM at month end. In addition, client-imposed percentage-based restrictions (e.g., do not hold more than 12% of XYZ) are applied on a rounded, whole-number basis unless specifically stated otherwise. For example, a restriction limiting a holding of XYZ to no more than 12% may reach 12.50% without violation and DSM may not take any action until the end of the month. DSM utilizes the Global Industry Classification Standard (GICS), which was developed by MSCI and Standard & Poor's, in connection with its advisory services. The GICS structure consists of 11 sectors, 24 industry groups, 69 industries and 158 sub-industries. The structure applies to companies globally and is reviewed annually. DSM also utilizes self-created sectors (e.g., Internet, Business Services, etc.) in its advisory business. The methodology used by DSM to analyze and apply restrictions may change without notice to clients.

Common stocks, preferred stocks, convertible securities, rights and warrants are examples, but not all, of the equity securities of issuers in which DSM may generally invest. All investments in equity securities are subject to market risks that may cause their prices to fluctuate over time. DSM may invest in equity securities of domestic and foreign issuers. In determining whether an issuer is domestic or foreign, DSM may, in its sole discretion, consider various factors including where the issuer's principal trading market is located, where the issuer is headquartered, where the issuer's principal operations are located, and/or the country in which the issuer is legally organized. The weight given to each of these factors will vary depending upon the facts and circumstances as determined by DSM and they may change over time without notice. DSM has traditionally defined shares of foreign domiciled issuers that primarily trade on US exchanges or over-the-counter markets (defined below) as domestic equity securities. Although it will seek to apply determinations consistently across all model investment strategies and client accounts, DSM may classify any security differently among strategies and there may be material differences due to various factors, including, but not limited to, business matters, legal restrictions, regulatory rules and taxes. While DSM invests in equity securities of foreign issuers located in developed countries, it also invests in issuers in developing or emerging market countries. DSM may also invest in US dollar-

denominated securities of foreign issuers, including, but not limited to, American Depositary Receipts (“ADRs”).

Unless a client has specified in writing that DSM may not hold cash of more than a specified amount, DSM may assume a temporary defensive position by investing all or a portion of a client’s assets in cash, cash equivalents, including those of foreign countries, money market instruments, or securities of other no-load mutual funds.

It is important to note that while DSM may advise clients with respect to the same or similar securities, there may be timing differences related to the transmission of that advice to clients and a subsequent determination of whether to act on that advice. DSM may execute trades for clients in advance of DSM communicating with other clients about those trades. As a result, these clients may receive prices that are less favorable than prices obtained for other clients. In other cases, DSM may decide to separate advice for types of clients. These client accounts may also not track DSM’s model investment strategy.

DSM does not participate in class-actions.

As of December 31, 2019, DSM’s assets under management were approximately USD 7,638,000,000, of which approximately USD 138,000,0000 was managed on a non-discretionary basis.

Model Investment Strategies

DSM has six published model investment strategies each designed to meet a particular investment goal. The model strategies are US Large Cap Growth, Global Growth, Global Dividend Growth, Global Focus Growth, International Growth and Emerging Markets Growth. DSM has, and may continue to create, test and manage other model investment strategies with employees and employee related accounts prior to managing client assets in the models. In general, such strategies are subject to DSM’s policy and procedures listed herein.

US Large Cap Growth

In general, the US Large Cap Growth strategy will invest in domestic equity securities of US large capitalization issuers. Domestic equity securities, as determined by DSM in its discretion, include, but are not limited to, common stocks, preferred stocks, securities convertible into common stocks, rights and warrants. Shares of foreign domiciled issuers that primarily trade on a US exchange are generally considered by DSM to be domestic equity securities. Also as determined by DSM, issuers that issue domestic equity securities may be domiciled and/or headquartered anywhere in the world. The US Large Cap Growth strategy may generally invest up to 20% of its assets in equity securities of foreign issuers. A large capitalization issuer is one that has a market capitalization of more than USD 10 billion at the time of purchase. The US Large Cap Growth strategy may also invest in equity securities of issuers that have a market capitalization below USD 10 billion at the time of purchase. The US Large Cap Growth strategy generally will contain 25 to 35 equity securities.

Global Growth

In general, the Global Growth strategy will invest in equity securities of large capitalization issuers. Equity securities, as determined by DSM in its discretion include, but are not limited to, common stocks, preferred stocks, securities convertible into common stocks, rights and warrants. The Global Growth strategy has no limit on the amount of its assets it can invest in equity securities of domestic or foreign issuers. A large capitalization issuer is one that has a market capitalization of more than USD 10 billion at the time of purchase. The Global Growth strategy may also invest up to 20% of its net assets in equity securities of issuers that have a market capitalization below USD 10 billion at the time of purchase. The Global Growth strategy generally will contain 25 to 50 equity securities.

Global Dividend Growth

In general, the Global Dividend Growth strategy will invest in equity securities without regard to market capitalization. Equity securities, as determined by DSM in its discretion include, but are not limited to, common stocks, preferred stocks, securities convertible into common stocks, rights and warrants. The Global Dividend Growth strategy has no limit on the amount of its assets it can invest in equity securities of domestic or foreign issuers. The Global Dividend Growth strategy generally seeks to have an average dividend yield in the range of 1% to 2% and will typically contain 25 to 35 equity securities.

Global Focus Growth

In general, the Global Focus Growth strategy will invest in equity securities of large capitalization issuers. Equity securities, as determined by DSM in its discretion include, but are not limited to, common stocks, preferred stocks, securities convertible into common stocks, rights and warrants. The Global Focus Growth strategy has no limit on the amount of its assets it can invest in equity securities of domestic or foreign issuers. A large capitalization issuer is one that has a market capitalization of more than USD 10 billion at the time of purchase. DSM historically purchased non-US securities (otherwise known as local shares) for this model investment strategy. Clients may specifically authorize DSM to purchase American Depositary Receipts or similar securities instead of non-US securities (local shares) for this strategy. The Global Focus Growth strategy generally will contain 12 or fewer equity securities.

International Growth

In general, the International Growth strategy will invest in foreign equity securities of large capitalization issuers. Equity securities, as determined by DSM in its discretion include, but are not limited to, common stocks, preferred stocks, securities convertible into common stocks, rights and warrants. The International Growth strategy may generally invest up to 20% of its net assets in equity securities of non-foreign issuers. A large capitalization company is one that has a market capitalization of more than USD 10 billion at the time of purchase. The International Growth strategy may also invest in equity securities of issuers that have a market capitalization below USD 10 billion at the time of purchase. The International Growth strategy generally will contain 25 to 50 equity securities.

Emerging Markets Growth

In general, the Emerging Markets Growth strategy will invest in equity securities of issuers from emerging markets countries without regard to market capitalization. Equity securities, as determined by DSM in its discretion, include, but are not limited to, common stocks, preferred stocks, securities convertible into common stocks, rights and warrants. Emerging market countries include every nation in the world except the US, Canada, Japan, Australia, New Zealand and most countries located in Western Europe. In addition, as determined by DSM, factors bearing on whether an issuer is considered to be based in an emerging market may include whether it is legally domiciled in an emerging market, whether the security's principal trading market is located in an emerging market, and/or whether the issuer conducts approximately one-third or more of its business, as measured by location of sales, earning, assets or production in an emerging market. The Emerging Markets Growth strategy may generally invest up to 20% of its net assets in equity securities of issuers from non-emerging markets. The Emerging Markets Growth strategy generally will contain 25 to 50 equity securities.

Investment Vehicles

Clients and prospective clients can typically invest with DSM through separately managed accounts, pooled investment vehicles and wrap-fee programs.

Separately Managed Accounts

In general, a separately managed account is an individual investment account held by a qualified custodian and managed by DSM on a discretionary basis for a fee. Please see Item 5 for information regarding DSM's management fees for separately managed accounts. The minimum amount required to

open a separately managed account under the US Large Cap Growth strategy is USD 1,500,000, subject to DSM's discretion. The minimum amount required to open a separately managed account under the Global Growth strategy, the Global Focus Growth strategy, the Global Dividend Growth strategy, the International Growth strategy and the Emerging Markets Growth strategy is USD 5,000,000, subject to DSM's discretion. Once a model investment strategy has been selected by a client, the account will be managed based on that model. However, each client will have the opportunity to place reasonable restrictions on their account. DSM may choose not to accept an account in its sole discretion.

Pooled Investment Vehicles

A pooled investment vehicle is an account that is managed for a group of entities. DSM manages three sponsored pooled investment vehicles: two US domiciled and one non-US domiciled. DSM provides advisory and sub-advisory services to other pooled investment vehicles not listed herein. Where DSM is the investment adviser or sub-advisory to a pooled investment vehicle, investment objectives, guidelines and any investment restrictions are generally not tailored to the needs of individual investors in those vehicles, but rather are described in the prospectus or other relevant offering documents for the vehicle.

DSM All World Growth Trust - The DSM All World Growth Trust is a Delaware Statutory Trust organized for Accredited Investors, as defined by the Securities Act of 1933, who are also Qualified Purchasers, as defined by the Investment Company Act of 1940. The DSM All World Growth Trust has three investment options: the Global Growth strategy, the International Growth strategy and the Emerging Markets Growth strategy. Prior to making any investment in the Trust, qualified, prospective investors should carefully review the offering documents of the Trust for a comprehensive understanding of its terms and conditions. This information is intended merely as a brief summary and is provided for discussion purposes only and does not constitute an offer, agreement or binding commitment by anyone.

DSM US Large Cap Growth CIF - The DSM US Large Cap Growth CIF is a Collective Investment Fund with an intermediate to long-term investment horizon, generally investing in domestic equity securities of large capitalization issuers. The DSM US Large Cap Growth CIF is generally managed under the US Large Cap Growth strategy. The Fund is not regulated under the Investment Act of 1940 but is instead under the regulatory authority of the Office of the Comptroller of the Currency. Prior to making any investment in the Fund, prospective investors should carefully review the offering documents of the Fund for a comprehensive understanding of its terms and conditions. This information is intended merely as a brief summary and is provided for discussion purposes only and does not constitute an offer, agreement or binding commitment by anyone.

DSM Capital Partners Funds – The DSM Capital Partners Funds was incorporated for an unlimited period on February 21, 2014 as a société anonyme under the laws of the Grand Duchy of Luxembourg and qualifies as an open-ended SICAV under part I of the Law of 2010. DSM Capital Partners Funds presently has two sub-funds: the Global Growth Sub-Fund and the US Large Cap Growth Sub-Fund. The Global Growth Sub-Fund is managed under the Global Growth strategy and the US Large Cap Growth Sub-Fund is managed under the US Large Cap Growth strategy. Prior to making any investment in the DSM Capital Partners Funds, prospective investors should carefully review the offering documents of the DSM Capital Partners Funds for a comprehensive understanding of its terms and conditions. This information is intended merely as a brief summary and is provided for discussion purposes only and does not constitute an offer, agreement or binding commitment by anyone.

Wrap-Fee Programs

In general, a wrap-fee program is a program under which a client is charged a fee by a “Sponsor” for investment advisory services, execution of investment transactions, and custody. These programs are

generally sponsored either by an investment adviser or broker-dealer unaffiliated with DSM. Clients may impose reasonable restrictions on the management of their accounts, including restricting particular securities or types of securities, provided DSM accepts such restrictions. With respect to wrap-fee clients, absent specific instructions to the contrary, certain types of restrictions, for example, prohibiting investment in particular industries or socially responsible categories, may be defined, identified and restricted by the Sponsor. In a wrap-fee program, a representative of the Sponsor will typically work with a client to determine his or her investment objectives, risk tolerance, liquidity requirements, investment restrictions and other relevant suitability factors. Based on this information and DSM's investment philosophy and style, the representative may recommend placing all or a portion of the client's assets with DSM. For approved clients, DSM will manage their account in accordance with the investment objectives established in the applicable DSM model investment strategy as well as any reasonable restrictions imposed by the client.

DSM is paid a portion of the total wrap-fee charged by the Sponsor, typically receiving less than 0.45% of a client's assets. Client transactions are generally executed without commission charges provided that such transactions are affected by or through the Sponsor (or affiliate). In other words, clients in a wrap-fee program bear all additional costs of commissions and other transaction fees for trades affected by or through any other broker-dealer. The wrap-fee paid by clients in this program will generally exceed DSM's management fee for a separately managed account. In evaluating a wrap-fee arrangement, a client should recognize that commission rates are not negotiated by DSM. In addition, the Sponsor may charge additional costs, and the Sponsor maintains the discretion to modify the fee sharing arrangement with DSM. DSM does not control the fees or the billing arrangements in a wrap-fee program. For a complete description of a wrap-fee arrangement, including billing practices and account termination provisions, clients in wrap-fee programs should review the Sponsor's brochure. Clients in wrap-fee programs should also satisfy themselves that the Sponsor is able to provide best execution of transactions. Clients should be aware that transactions in wrap-fee programs will generally produce increased trading flow for the Sponsor. In addition, clients in wrap-fee programs should also be aware of the risks related to wrap account turnover (i.e. reverse churning). Because wrap client transactions are generally executed without commission charge, a disparity in commission charges may exist between the commissions charged to a client in a wrap-fee program and DSM's other clients, including clients in other wrap-fee programs. A client in a wrap-fee program should also consider that, depending upon the level of the fee charged by the Sponsor, the amount of portfolio activity in the client's account, the value of custodial and other services that are provided, and certain other factors, a wrap-fee may exceed the aggregate cost of such services if they were provided separately. DSM only manages client assets in wrap-fee programs when a client is presented to DSM by the Sponsor of a program. DSM does not place potential clients in wrap-fee programs. The Sponsor has the sole discretion over client acceptance. Please see the discussion on conflicts listed in this Item 4 as well as in Item 12 – Brokerage Practices.

Portfolio Licensing

DSM also participates in portfolio licensing programs in which it does not trade a client's account. In such programs, DSM provides the sponsor of the portfolio licensing program with DSM's model investment strategy for the sponsor to implement for its clients' accounts. Please see the discussion on conflicts listed in this Item 4 as well as in Item 12 – Brokerage Practices.

ITEM 5 – FEES AND COMPENSATION

In general, the fee that a client pays to DSM will be a percentage of the market value of the assets in the client's account on the last trading day of each calendar quarter by using market quotations when they are readily available. When market quotations are not readily available (or as otherwise determined by DSM), the securities held in client accounts are to be fair valued in good faith by DSM.

Fees are typically payable at the end of each quarter for DSM’s services during the prior three months. Some clients pay fees in advance (payment at the end of each quarter for services during the upcoming three months). In the case of capital flows during a given quarter that exceed 10% of the market value of the account, the fee will be pro-rated based on the number of days after an addition or prior to a withdrawal (unless the adjustment is deemed de minimis by DSM). Accounts initiated or terminated during a calendar quarter will be charged a prorated fee (with the exception of de minimis amounts). Upon termination of any account, any prepaid, unearned fees will be refunded, and any earned, unpaid fees will be due and payable.

Substantial consultant relationships, wrap-fee programs, pooled investment vehicles, sub-advisory structures, clients in certain foreign countries, and other client situations including those with performance-based fees, are negotiable or vary and are excluded from the fee schedules described in this section. DSM, in its discretion, groups certain client accounts for the purpose of achieving the minimum account size and/or for determining the annualized fee. DSM may add an additional fee tier for a very large account which, historically, has then applied to all clients in the strategy. In addition, DSM typically has “seed” investors in the Global Focus Growth strategy, the International Growth strategy, the Emerging Markets Growth strategy, or in a new strategy who pay a fee rate less than that shown below.

Separately Managed Accounts

In its sole discretion, DSM may elect to reduce, waive or calculate differently the fees payable by clients that are employees of DSM, relatives of such persons, or personal acquaintances of such persons. Clients should note that similar advisory services may be available from other investment advisers for similar or lower fees. DSM’s fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which are incurred by a client. A client may incur charges imposed by custodians, broker-dealers, third party investments and other parties such as fees charged by other managers, deferred sales charges, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions.

US Large Cap Growth

The annualized fee for a separately managed account in the US Large Cap Growth strategy will be charged as a percentage of assets under management according to the schedule below:

<u>AUM under USD 200 Million</u>	<u>Annualized Tiered Fee</u>
First USD 5 million	1.00%
From USD >5 million to 20 million	0.75%
From USD >20 million to 100 million	0.625%
From USD >100 million	0.50%
<u>AUM =>USD 200 Million</u>	<u>Annualized Alternative Flat Fee</u>
Entire Account Value	0.45%

Should an account start with USD 200 million or more, and withdraw money below USD 200 million, the Annualized Alternative Flat Fee will revert to the Annualized Tiered Fee above.

Global Growth

The annualized fee for a separately managed account in the Global Growth strategy will be charged as a percentage of assets under management according to the schedule below:

<u>AUM</u>	<u>Annualized Fee</u>
First USD 25 million	0.65%
From USD >25 million to USD 50 million	0.60%
From USD >50 million to USD 100 million	0.55%
From USD >100 million to USD 200 million	0.50%
Over USD 200 million	0.45%

Global Focus Growth

The annualized fee for a separately managed account in the Global Focus Growth strategy will be charged as a percentage of assets under management according to the schedule below:

<u>AUM</u>	<u>Annualized Fee</u>
All Asset Sizes	1.00%

Global Dividend Growth

The annualized fee for a separately managed account in the Global Dividend Growth strategy will be charged as a percentage of assets under management according to the schedule below:

<u>AUM</u>	<u>Annualized Fee</u>
First USD 25 million	0.65%
From USD >25 million to USD 50 million	0.60%
From USD >50 million to USD 100 million	0.55%
From USD >100 million to USD 200 million	0.50%
Over USD 200 million	0.45%

International Growth

The annualized fee for a separately managed account in the International Growth strategy will be charged as a percentage of assets under management according to the schedule below:

<u>AUM</u>	<u>Annualized Fee</u>
First USD 50 million	0.70%
From USD >50 million to USD 100 million	0.65%
From USD >100 million to USD 200 million	0.60%
Over USD 200 million	0.55%

Emerging Markets Growth

The annualized fee for a separately managed account in the Emerging Markets Growth strategy will be charged as a percentage of assets under management according to the schedule below:

<u>AUM</u>	<u>Annualized Fee</u>
First USD 50 million	0.70%
From USD >50 million to USD 100 million	0.65%

From	USD >100 million to USD 200 million	0.60%
Over	USD 200 million	0.55%

DSM Pooled Investment Vehicles

For a pooled investment vehicle, DSM will generally enter into an investment advisory agreement that entitles DSM to all or a certain portion of the pooled vehicle’s management fee based on its net assets. Please refer to the offering documents of each pooled investment vehicle for a detailed discussion regarding the fees received by DSM. As per applicable law, shareholders of a pooled investment vehicle are not direct clients of DSM. The investment vehicle itself is DSM’s client.

Wrap-Fee Programs

In general, a wrap-fee program is a program under which the client of a Sponsor is charged a fee for investment advisory services, execution of investment transactions, and custody. As noted in Item 4, DSM is normally paid a portion of the total wrap-fee charged by the Sponsor, typically receiving up to a maximum of 0.45% of client’s assets. Client transactions are executed without commission charges provided that such transactions are affected by or through the Sponsor. In other words, clients in a wrap-fee program will typically bear all additional costs of commissions and other transaction fees for trades affected by or through any other broker-dealer. The wrap-fee paid by clients in these programs will generally exceed DSM’s management fee for a separately managed account. The Sponsor may charge additional costs and maintains the discretion to modify the fee sharing arrangement with DSM. DSM does not control the fees or the billing arrangements in a wrap-fee program. For a complete description of a wrap-fee arrangement including billing practices and account termination provisions, clients in wrap-fee programs should review the Sponsor’s brochure.

ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

DSM has entered into various performance-based fee arrangements with qualified clients. In general, a performance-based fee is a fee based on capital appreciation of the assets of a client’s account. Performance-based fee arrangements may vary among clients and model investment strategies. Most performance-based fees have two components: a percentage of assets under management (“base fee”) typically charged quarterly in arrears, plus a percentage of the difference between a client’s account and that of an appropriate index charged annually. The index will be agreed to by DSM and the client. Others may be subject to a performance-based fee that is paid only after a specified return has been achieved (a “preferred return”). This list does not include all types of performance-based fees that may be used by DSM. The fees charged for separately managed accounts with a performance fee are negotiated on a client-by-client basis, taking into account DSM’s and the client’s fee objectives as well as the size and composition of the assets. The fee calculation methodology, and examples of such calculations, will be agreed to with the client before entering into this type of arrangement. The base fee (based on the percentage of assets under management) will be billed periodically in advance or arrears in accordance with the terms of the investment advisory agreement.

DSM manages client accounts that pay performance-based fees and client accounts that pay asset-based fees that utilize the same model investment strategy. Performance-based fees present a conflict of interest for DSM because DSM can potentially receive greater fees from a client having a performance-based fee than from a client it charges an asset-based fee. DSM may be viewed as having an incentive to direct the best investment ideas to, or to allocate or sequence trades in favor of, the client accounts that pay a performance-based fee. Performance-based fees also create an incentive for DSM to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement, and DSM may receive increased compensation with regard to unrealized appreciation in a client’s account. DSM has policies and procedures reasonably designed to help ensure

that all clients are treated fairly and equally, and to prevent conflicts from influencing the allocation of investment opportunities among clients. DSM's policies and procedures relating to allocation of investment opportunities are noted in Item 12. In addition, to qualify for a performance-based fee, a client must meet certain minimum regulatory requirements.

Clients with performance-based fees who elect to terminate their advisory agreements are charged a fee based on the performance of the account for the measuring period going back from the termination date and pro-rated from the date on which the performance-based fee was last assessed. In measuring the client's assets for the calculation of performance-based fees, DSM uses market quotations that are readily available and fair valuation procedures, if necessary, of securities over the period.

ITEM 7 – TYPES OF CLIENTS

DSM provides investment advice to individuals, banks, thrift institutions, investment companies, pension and profit-sharing plans, trusts, estates, charitable organizations, corporations or other business entities. As noted in Item 4, DSM also provides investment advice to US and non-US pooled investment vehicles. These vehicles may be recommended to qualified and appropriate clients. Clients solely determine whether a particular pooled investment vehicle presents them with tax consequences or reporting requirements. Clients and potential clients in any pooled investment vehicle should refer to the vehicle's offering documents regarding the types of investments that may be utilized in managing the vehicle's assets as well as the associated risks of such vehicles.

Conditions for Managing a Separate Account

The minimum amount required to open a separately managed account under the US Large Cap Growth strategy is USD 1,500,000, subject to DSM's discretion. The minimum amount required to open a separately managed account under the Global Growth strategy, the Global Focus Growth strategy, the Global Dividend Growth strategy, the International Growth strategy and the Emerging Markets strategy is USD 5,000,000, subject to DSM's discretion. DSM may group, in its discretion, certain client accounts for the purposes of achieving the minimum account size and/or for determining the annualized fee.

Conditions for Pooled Investment Vehicles

There is a minimum required investment of USD 1,000,000, subject to DSM's discretion, for the DSM All World Growth Trust. There is a minimum required investment of USD/Euro 25,000, subject to DSM's discretion, for the DSM Capital Partners Fund (SICAV). There is no stated minimum investment for the DSM US Large Cap Growth CIF.

Conditions for Wrap-Fee Programs

DSM generally requires a minimum investment of USD 100,000 in a wrap-fee program. Wrap-fee Sponsors may allocate accounts below this amount to DSM. DSM may not accept any wrap-fee account for any reason. Clients in wrap-fee programs should refer to the Sponsor's brochure for information on minimum account size requirements or any other conditions for participation in a wrap-fee program.

ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

DSM's investment philosophy is based on the belief that high-quality companies that consistently grow their earnings, as long as their shares are purchased at reasonable valuations, should produce attractive returns over time. DSM's decision-making process utilizes both a fundamental and a valuation analysis to evaluate investment opportunities. DSM's team of investment professionals who, working with its Chief Investment Officer, implement the same intensive research approach and valuation discipline regardless

of the company's geography, industry or market cap. As a “bottom-up stock picker,” DSM’s work is done on the front end to select the positions that it owns. DSM constructs a portfolio by choosing the best names based on the strategy’s objectives, sector requirements, position and geography limits. In addition, DSM seeks to ensure sector and industry diversification to avoid undue risk. Investment decisions may only involve one analyst and the CIO. However, at times, multiple members of the team may participate in the investment decision. The CIO has overriding authority.

DSM is a research-driven organization. There are three components of the work DSM’s team carries out for each company. The first component is fundamental research. The second component is the development of a detailed earnings model (quarterly for each of the next four quarters and annually for each of the following three years). The final component involves setting a target P/E.

Before the fundamental research begins, DSM screens for growth ideas by searching several databases representing thousands of companies, using a number of quality criteria, including revenue growth, earnings growth, free cash flow, profitability, debt and lack of earnings misses. DSM also seeks to identify communicative/experienced management teams. In addition to analysis of company results over several years, DSM attends “Wall Street” sponsored conferences. In that setting DSM has the opportunity to screen a broad range of companies in a particular industry and attend small group meetings with the top managements of companies. Importantly, in addition to such sponsored conferences, DSM also attends industry conferences, which typically span several days and provide a “full immersion” with the company, its competitors and its customers. DSM also regularly attends company-sponsored analysts’ days. DSM does review “Wall Street” research but it tends to be a supplement to its proprietary work. Another important component of DSM’s qualitative company research is the use of industry experts. DSM typically sources experts through the Gerson Lehrman Group (“GLG”), which, for a fee, helps connect industry experts with investment managers to address specific questions. DSM has also used GLG and other third-party providers to help design and distribute surveys that assist it in understanding critical investment issues.

After the qualitative research is complete, the analyst utilizes the research to create a detailed proprietary projection of earnings per share estimates over the next three years. These projections are based on thorough modelling of the company, discussions with the management and competitors, a study of the candidate’s industry and the critical factors that drive industry growth. A historical financial analysis is completed as well. The income statement and cash flow statements are particularly emphasized both historically and prospectively.

In its stock valuation work, DSM focuses primarily on P/E ratios. P/E is the ratio of a company's share price to its per-share earnings. DSM will generally only buy a stock that it believes has a forward four-quarter P/E ratio that will rise over the next three years. To accomplish this, a target P/E ratio that DSM believes is reasonable and rational and is reflective of a fair valued stock three years from now is selected. DSM will typically buy when the company’s stock clears two hurdles: 1. it must have attractive fundamental business characteristics that translate into a reasonably predictable and growing stream of earnings and 2. it must have a P/E on forward four quarters earnings that is normally 8% to 10% below the target P/E three years from the calculation point. In order to determine a target P/E, DSM takes into consideration a number of qualitative and quantitative factors. Among the qualitative factors are barriers to entry, number of competitors, economic cyclicality, customer loyalty, price competition, global reach, government involvement and management quality. Among the quantitative factors are historic revenue and EPS growth, projected revenue and EPS growth, margins, return on assets, return on equity, capital expenditures relative to net income and the historic range of P/E over the last five years. Once a target P/E has been agreed upon, it may occasionally be adjusted.

Clients should understand that all of DSM's model investment strategies and the investments purchased, sold and/or traded for such strategies involve risk of loss, including the potential loss of the entire investment in their account. The investment performance and the success of any model investment strategy or particular investment can never be predicted or guaranteed, and the value of a client's investment will fluctuate due to market conditions and other factors. The investment decisions made and the actions taken for any model investment strategies as well as for any client account will be subject to various markets, liquidity, currency, economic, political and other risks. The value of investments and the income derived from investments can go down as well as up. Past performance is not indicative of future results and future returns are not guaranteed. The nature of the securities to be purchased, sold and/or traded based on any model investment strategy and the investment techniques to be employed in an effort to increase profits may increase the risks. The identification and exploitation of investment opportunities involves uncertainty, and no assurances can be given that any model investment strategy or client account will be able to locate investment opportunities or to correctly exploit inefficiencies in the markets. Many unforeseeable events, including actions by governmental authorities, such as the US Federal Reserve Board and foreign central banks, or pandemics, may cause sharp market fluctuations that impact clients' investments.

The following is a summary of material risks for the model investment strategies employed by DSM as well as the securities purchased, sold and/or traded in a client account for those strategies. The information contained in this Brochure cannot disclose every potential risk associated with every model investment strategy, or all of the risks applicable to a particular client account. Rather, it is a general description of the nature and risks of the model investment strategies and securities purchased, sold and/or traded in client accounts. In addition, clients of DSM pooled investment vehicles should carefully review the prospectuses, offering memorandums and constituent documents for additional information about risks associated with those products.

Economic Risk

Although the world's economies have seen improvement since 2008, the effects of the global financial crisis that began to unfold in 2007 continues to exist and economic growth has been slow and uneven. In addition, the negative impacts and continued uncertainty stemming from the sovereign debt crisis and economic difficulties in Europe and US have impacted and may continue to impact the global economic recovery. These events and possible continuing market turbulence may have an adverse effect on DSM's model investment strategies and any and all client accounts. In response to the global financial crisis, the US government, the Federal Reserve, and other governments and other foreign central banks took steps to support financial markets. However, risks to a growth persist: a weak consumer, the growing size of the federal budget deficit and national debt, and the threat of inflation. A number of countries have experienced, and continue to experience, severe economic and financial difficulties. Many non-governmental issuers, and even certain governments, have defaulted on, or been forced to restructure, their debts; many other issuers have faced difficulties obtaining credit or refinancing existing obligations; financial institutions have in many cases required government or central bank support, have needed to raise capital, and/or have been impaired in their ability to extend credit; and financial markets in Europe, Asia and elsewhere have experienced extreme volatility and declines in asset values and liquidity. There is continued concern about national-level support for the euro and the accompanying coordination of fiscal and wage policy among European Economic and Monetary Union ("EMU") member countries. There are also many risks with respect to "Brexit", the United Kingdom's withdrawal from the European Union. The first is the psychological impact on consumers and investors created by the uncertainty of the situation. The second concern is the actual economic impact of the withdrawal from the Union. There is also the risk that other nations might withdraw from the EU. This list not exhaustive of all possible risks associated with Brexit. Member countries are required to maintain tight control over inflation, public debt, and budget deficit to qualify for membership in the European EMU. These requirements can severely limit European EMU member countries' ability to implement monetary policy to address

regional economic conditions. A return of unfavorable economic conditions could impair DSM's ability to execute on its model investment strategies and in client accounts. Therefore, such issues could lead to losses on investment opportunities for any model investment strategy and any client account and otherwise could prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

Capital Markets Risk

There has been substantial turmoil in financial markets generally, including declines in the market value of asset-backed securities, especially securities backed by "subprime" mortgages. Such turmoil has resulted in part from significant market events, including widely publicized financial institution failures and associated governmental and regulatory intervention in capital markets. Credit and valuation problems in the subprime mortgage market generated extreme volatility and illiquidity in the markets for securities directly or indirectly exposed to subprime mortgage loans. This volatility and illiquidity extended to the global equity markets generally, and was exacerbated by, among other things, growing uncertainty regarding the extent of the problems in the mortgage industry and the degree of exposure of financial institutions and others to such problems, decreased risk tolerance by investors and significantly tightened availability of credit. The duration and ultimate effect of these market conditions cannot be predicted, nor is it known whether or the degree to which such conditions may worsen. However, the continuation of these market conditions, uncertainty or further deterioration could result in future declines in the market values of an investment. Therefore, such issues could lead to losses on investment opportunities for any model investment strategy and any client account, otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

Geopolitical Risk and Terrorism

An unstable geopolitical climate as well as continued threats of terrorism could have a material effect on general economic conditions, market conditions and market liquidity. In addition, a pandemic or natural disaster could severely disrupt global, national and/or regional economies. A negative impact on economic fundamentals and consumer confidence may increase the risk of default of particular investments, negatively impact market values, increase market volatility and cause credit spreads to widen and reduce liquidity, all of which could have an adverse effect on the investment strategies and client accounts. No assurance can be given as to the effect of such events on the value of or markets for the investments made pursuant to a model investment strategy. Therefore, such issues could lead to losses on investment opportunities for any model investment strategy and any client account, otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

Pandemic Risk

Natural disasters, epidemics and pandemics, and social unrest could have significant impacts on issuers, industries, governments and other systems, including the financial markets. As global systems, economies and financial markets are increasingly interconnected, event, such as pandemics, that once had only local impact are now more likely to have regional or global effects. Events that occur in one country, region or financial market will, more frequently, adversely impact issuers in other countries, regions or markets. These impacts can be exacerbated by failures of governments and societies to adequately respond to an emerging event or threat. Clients will be negatively impacted if the value of their portfolio holdings decreases as a result of such events, if these events adversely impact the operations and effectiveness of DSM or key service providers or if these events disrupt systems and processes necessary or beneficial to the management of accounts. Therefore, such issues could lead to losses on investment for any model investment strategy and any client account, otherwise prevent DSM

from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail

Regulatory Risk

In reaction to various events, regulators in the US and several other countries undertook unprecedented regulatory actions. The markets have also been materially affected by uncertainty surrounding actions by many governments around the world to guarantee the debts of or invest in their respective local banks and similar financial institutions. The nature and scope of governmental actions are ongoing, and the success or failure of any governmental program has yet to be determined. It is not clear how such programs will impact the global economy or a client portfolio, and the impact could be material. Legal, tax and regulatory changes could also occur that may adversely affect a client account and the ability to pursue DSM investment strategies and/or increase the costs of implementing such strategies. The US Government, the Federal Reserve, the Treasury, the SEC, the Commodity Futures Trading Commission, the Federal Deposit Insurance Corporation and other governmental and regulatory bodies have taken and/or are considering taking actions in light of the financial crisis. These actions included, but were not limited to, the enactment by the United States Congress of the “Dodd-Frank Wall Street Reform and Consumer Protection Act,” which was signed into law on July 21, 2010, and imposes a new regulatory framework over the US financial services industry and the consumer credit markets in general, and proposed regulations by the SEC. Given the broad scope, sweeping nature, and relatively recent enactment of some of these regulatory measures, the potential impact they could have on securities held by clients is unknown. There can be no assurance that these measures will not have an adverse effect on the value or marketability of securities held by a client. Furthermore, no assurance can be made that the US Government or any US regulatory body (or any non-US authority or regulatory body) will not continue to take further legislative or regulatory action in response to economic turmoil or otherwise, and the effect of such actions, if taken, cannot be known. The same risks also apply to all jurisdictions outside of the US. Therefore, such issues could lead to losses on investment opportunities for any model investment strategy and any client account, otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

Cybersecurity Risk

The computer systems, networks and devices used by DSM to conduct business operations employ a variety of protections designed to prevent damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches. Despite the various protections, systems, networks, or devices potentially can be breached. A client could be negatively impacted as a result of a cybersecurity breach. Cybersecurity breaches can include unauthorized access to systems, networks, or devices; infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. Cybersecurity breaches may cause disruptions and impact business operations, potentially resulting in financial losses to a client; interference with DSM’s ability to calculate the value of an investment; prevent trading; the inability for DSM to transact business; violation of applicable privacy and other laws; regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs; as well as the inadvertent release of confidential information. Similar adverse consequences could result from cybersecurity breaches affecting: issuers of securities in which a client invests; governmental and other regulatory authorities; exchange and other financial market operators, banks, brokers, dealers, insurance companies, and other financial institutions; and other parties. In addition, substantial costs may be incurred by these entities in order to prevent any future cybersecurity breaches. Therefore, such issues could lead to losses on investment opportunities for any model investment strategy and any client account, otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

Concentration of Investment Risk

In general, DSM's model investment strategies are not limited in the amount of capital that may be committed to any one security, investment, industry or sector. A client's account will typically hold one or more positions that are relatively large and are concentrated in a single issuer or a group of related issuers or in a single industry or sector. The result of such concentration is that a loss in any such position could materially reduce a client's account.

Strategy Risk

Each DSM model investment strategy is subject to strategy risk. Strategy risk is associated with the failure or deterioration of an entire strategy (such that most or all investments in the strategy suffer significant losses). Strategy-specific losses can result from excessive concentration by multiple advisors in the same investment or broad events that adversely affect particular strategies (e.g., illiquidity within a given market). Many of the strategies employed by DSM are speculative and involve risk of loss. Such issues could therefore lead to losses on investment opportunities for any model investment strategy and any client accounts, otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client accounts to dispose of investments at a loss while such adverse conditions prevail.

Equity Securities Risk

DSM will invest in common and preferred stock and other equity securities. Equity securities generally will be subordinate to the debt securities and other indebtedness of the issuers of such equity securities. Prices of equity securities generally fluctuate more than prices of debt securities and are more likely to be affected by poor economic or market conditions, general stock market fluctuations and changes in market confidence and perceptions of their issuers. Investor perceptions are based on various and unpredictable factors, including expectations regarding governmental, economic, monetary and fiscal policies, inflation and interest rates, economic expansion or contraction, and global or regional political, economic or financial crises. In some cases, the issuers of such equity securities may be highly leveraged or subject to other risks such as limited product lines, markets or financial resources. Some of the small and mid-capitalization issuers of equity securities in which a client account may invest may be more vulnerable than larger companies to adverse business or market developments, may have limited markets or financial resources and may lack experienced management. In addition, some equity securities may be illiquid. Due to perceived or actual illiquidity or investor concerns regarding leveraged capitalization, certain equity securities often trade at significant discounts to otherwise comparable investments or are not readily tradable. Such securities generally do not produce current income for client accounts and may also be speculative. In addition, actual and perceived accounting irregularities may cause dramatic price declines in the equity securities of companies reporting such irregularities or that are rumored to be subject to accounting irregularities. Such issues could lead to losses on investment opportunities for any model investment strategy and any client account, otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

American Depositary Receipts Risk

DSM model investment strategies may invest in American Depositary Receipts, European Depositary Receipts, and Global Depositary Receipts (collectively, "ADRs"). ADRs are certificates evidencing ownership of shares of a foreign issuer. These certificates are issued by depositary banks, and the underlying shares are held in trust by a custodian bank or similar financial institution in the issuer's home country. ADRs may be purchased in over-the-counter ("OTC") markets or on securities exchanges. DSM may make arrangements through a broker/dealer to purchase a foreign security on the issuer's primary securities exchange and convert the security to a US dollar-denominated ADR. ADRs may also be sold in a similar manner. ADRs may be sponsored or unsponsored. A sponsored ADR is issued by a depositary

which has an exclusive relationship with the issuer of the underlying security. An unsponsored ADR may be issued by any number of US depositaries. Under the terms of most sponsored arrangements, depositaries agree to distribute notices of shareholder meetings and voting instructions and to provide shareholder communications and other information to the ADR holders at the request of the issuer of the deposited securities. The depositary of an unsponsored ADR, on the other hand, is under no obligation to distribute shareholder communications received from the issuer of the deposited securities or to pass through voting rights to ADR holders in respect of the deposited securities. Client accounts may invest in either type of ADR. A foreign issuer of the security underlying an ADR is generally not subject to the same reporting requirements in the United States as a domestic issuer. Accordingly, information available to a US investor will be limited to the information the foreign issuer is required to disclose in its country, and the market value of an ADR may not reflect undisclosed material information concerning the issuer of the underlying security. ADRs may also be subject to exchange rate risks if the underlying foreign securities are denominated in a foreign currency. ADRs do not eliminate the risks inherent in investing in the securities of foreign issuers. Such issues could lead to losses on investment opportunities for any model investment strategy and any client account, otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

“Over-the-Counter” Securities Risk

DSM model investment strategies may buy or sell securities in the over-the-counter (“OTC”) markets. The OTC market includes securities of foreign issuers quoted through the OTC Bulletin Board Service (“OTCBB”). The OTCBB provides real-time quotations for securities of foreign issuers, including ADRs convertible into such securities, which are registered with the SEC under Section 12 of the Securities Exchange Act of 1934. The OTC market also includes “pink sheet” securities (“Pink Sheets”) published by Pink Sheets LLC (formerly known as the National Quotation Bureau, Inc.), a quotation medium for unregistered securities of domestic and foreign issuers, including unregistered ADRs convertible into such securities. Pink Sheets LLC is not registered with the SEC as a stock exchange, nor does the SEC regulate its activities. Pink Sheets LLC is not required to provide real-time quotations and does not require issuers whose securities are quoted on its systems to meet any listing requirements. With the exception of certain foreign issuers, the issuers quoted in the Pink Sheets may be thinly traded. Many of these issuers do not file periodic reports or audited financial statements with the SEC. For these reasons, issuers quoted in the Pink Sheets can involve greater risk. Investments in certain markets may be made through ADRs traded in the United States or on foreign markets or exchanges. Foreign markets are generally not as developed or efficient as, and may be more volatile than, those in the US. While growing in volume, they usually have substantially less volume than US markets and a security may be less liquid and subject to more rapid and erratic price movements than securities of comparable US issuers. Securities may trade at price/earnings multiples higher than comparable US securities and such levels may not be sustainable. Commissions on foreign exchanges are generally higher than commissions on US exchanges. While there are an increasing number of overseas securities markets that have adopted a system of negotiated rates, a number are still subject to an established schedule of minimum commission rates. There is generally less government supervision and regulation of foreign exchanges, brokers and listed companies than in the United States. Moreover, settlement practices for transactions in foreign markets may differ from those in US markets. Such differences may include delays beyond periods customary in the United States and practices, such as delivery of securities prior to receipt of payment, which increase the likelihood of a “failed settlement.” Failed settlements can result in losses to a client. Such issues could lead to losses on investment opportunities for any model investment strategy and any client account, otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

Securities of Foreign Issuers Risk

DSM model investment strategy may invest in equity securities of foreign issuers. In determining whether an issuer is foreign, DSM will consider various factors including where the issuer is headquartered, where the issuer's principal operations are located, where the issuer's revenues are derived, where the principal trading market is located and the country in which the issuer is legally organized. The weight given to each of these factors will vary depending upon the circumstances and as determined by DSM.

Investments in securities of foreign issuers may involve a greater degree of risk than those in securities of domestic issuers. Securities of foreign issuers may be subject to greater fluctuations in price than domestic securities. The price of foreign securities is affected by changes in the currency exchange rates. Potential political or economic instability of the country of the issuer, especially in emerging or developing countries, could cause rapid and extreme changes in the value of an investment. Foreign countries have different accounting, auditing and financial reporting standards, and foreign issuers may be subject to less governmental regulation and oversight and higher levels of taxation than US issuers. Also, many countries are not as politically or economically developed as the US. Acts of foreign governments interfering in capital markets, such as capital or currency controls, nationalization of companies or industries, expropriation of assets, or imposition of punitive taxes would have an adverse effect on an investment. In addition, additional costs may be incurred in connection with a foreign investment. Foreign brokerage commissions are generally higher than those in the United States. Increased custodial costs, as well as administrative difficulties, may be experienced in connection with maintaining assets in foreign jurisdictions. Such issues could lead to losses on investment opportunities for any model investment strategy and any client account and could otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

Non-US Exchanges Risk

DSM model investment strategies may engage in trading on non-US exchanges and markets. Trading on non-US exchanges or markets may be conducted in such a manner that all participants are not afforded an equal opportunity to execute certain trades and may also be subject to a variety of political influences and the possibility of direct governmental intervention. If settlement procedures are unable to keep pace with the volume of transactions, it will be difficult to conduct such transactions. Any difficulty with clearance or settlement procedures on non-US exchanges and markets may expose a client to losses. Such issues could lead to losses on investment opportunities for any model investment strategy and any client account, otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail. In addition, foreign markets are generally not as developed or efficient as, and may be more volatile than, those in the US. While growing in volume, these markets usually have substantially less volume than US markets and securities may be less liquid and subject to more rapid and erratic price movements than securities of comparable domestic issuers. Securities may trade at price/earnings multiples higher than comparable US securities and such levels may not be sustainable. There is generally less government supervision and regulation of foreign exchanges, brokers and listed companies than in the US. Moreover, settlement practices for transactions in foreign markets may differ from those in US markets. Such differences may include delays beyond periods customary in the US and practices, such as delivery of securities prior to receipt of payment, which increase the likelihood of a "failed settlement." Failed settlements can result in losses to a client.

Emerging Markets Risk

DSM model investment strategies may invest in emerging markets, and such investing involves additional risks and special considerations not typically associated with investing in other more established economies or securities markets. Such risks may include (i) increased risk of nationalization or expropriation of assets or confiscatory taxation, (ii) greater social, economic and political uncertainty including war, (iii) higher dependence on exports and the corresponding importance of international trade,

(iv) greater volatility, less liquidity and smaller capitalization of securities markets, (v) greater volatility in currency exchange rates, (vi) greater risk of inflation, (vii) greater controls on foreign investment and limitations on repatriation of invested capital and on the ability to exchange local currencies for US dollars, (viii) increased likelihood of governmental involvement in and control over the economies, (ix) governmental decisions to cease support of economic reform programs or to impose centrally planned economies, (x) differences in auditing and financial reporting standards which may result in the unavailability of material information about issuers, (xi) less extensive regulation of the securities markets, (xii) longer settlement periods for securities transactions and less reliable clearance and custody arrangements, (xiii) less developed corporate laws regarding fiduciary duties of officers and directors and the protection of investors, and (xiv) certain considerations regarding the maintenance of securities and cash with non-US brokers and securities depositories. Such issues could lead to losses on investment opportunities for any model investment strategy and any client account, otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

China Risk

DSM model investment strategies may invest in securities of Chinese issuers. As a developing market, investing in securities of Chinese issuers involves special risks, including: fluctuations in the rate of exchange between China's currency and the US Dollar, greater price volatility, illiquid markets, cost inflation, investment and repatriation controls, less developed corporate disclosure and government standards, and uncertainty of China's ability to develop and sustain comprehensive securities, corporate or commercial laws. Issuers of Chinese securities may be subject to changes in regulations and tax policies as China has been engaged in economic and financial market liberalization. Investments in securities of certain Chinese issuers may be subject to large fluctuations over short periods of time, and governmental involvement in and influence on the private sector may also impact investments as the Chinese government continues to liberalize its economy and regulatory system. Such issues could lead to losses on investment opportunities for any model investment strategy and any client account, otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

Currency Exposure Risk

DSM model investment strategies may invest in securities and other investments that are denominated in currencies other than US dollars. Accordingly, the value of such assets may be affected favorably or unfavorably by fluctuations in currency rates. A model investment strategy and related client account may or may not seek to hedge the foreign currency exposure, but such hedging may not necessarily be available or effective and may not always be employed. Accordingly, a model investment strategy may at times be, directly or indirectly, subject to foreign exchange risks. In addition, clients whose assets and liabilities are denominated predominately in other currencies should take into account the potential risk of loss arising from fluctuations in value between the US dollar and such other currencies. Such issues could lead to losses on investment opportunities for any model investment strategy and any client account, otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

Convertible Securities Risk

DSM model investment strategies may invest in convertible securities. Convertible securities (such as debt securities or preferred stock) may be converted into or exchanged for a prescribed amount of common stock of the same or different issuer within a particular period of time at a specified price or formula. A convertible security entitles the holder to receive interest paid or accrued on debt or dividends paid on preferred stock until the convertible stock matures or is redeemed, converted or exchanged. While no securities investment is without risk, investments in convertible securities generally entail less risk than the issuer's common stock. However, the extent to which such risk is reduced depends in large

measure upon the degree to which the convertible security sells above its value as a fixed income security. In addition to the general risk associated with equity securities discussed above, the market value of convertible securities is also affected by prevailing interest rates, the credit quality of the issuer and any call provisions. While convertible securities generally offer lower interest or dividend yields than nonconvertible debt securities of similar quality, they do enable the investor to benefit from increases in the market price of the underlying common stock. Such issues could lead to losses on investment opportunities for any model investment strategy and any client account, otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

Rights and Warrants Risk

DSM model investment strategies may invest in rights and warrants. Rights and warrants are securities which entitle the holder to purchase the securities of an issuer at a specified price during a specified time period. The value of a right or warrant is affected by many of the same factors that determine the prices of common stocks. Rights and warrants may be purchased directly or acquired in connection with a corporate reorganization or exchange offer. A right is an instrument granting rights to existing shareholders of a corporation to subscribe to shares of a new issue of common stock at below the public offering price before the stock is offered to the public. A warrant is an instrument issued by a corporation that gives the holder the right to subscribe to a specific amount of the corporation's capital stock at a set price for a specified period of time. Rights and warrants do not represent ownership of the securities, but only the right to buy the securities. The prices of rights and warrants do not necessarily move parallel to the prices of underlying securities. Rights and warrants may be considered speculative in that they have no voting rights, pay no dividends and have no rights with respect to the assets of a corporation issuing them. Such issues could lead to losses on investment opportunities for any model investment strategy and any client account, otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

Investment Company Risk

DSM model investment strategies may invest in registered and unregistered investment companies, subject to the limitations set forth in the Investment Company Act of 1940, as amended, (the "1940 Act"). Investments in the securities of investment companies will likely result in the duplication of advisory fees and certain other expenses. By investing in an investment company, a client becomes a shareholder of that investment company. As a result, clients will indirectly bear a proportionate share of the fees and expenses paid by shareholders of the investment company, in addition to the fees and expenses. Moreover, losses on investment company issues could lead to losses on investment opportunities for any model investment strategy and any client account, otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

Exchange-Traded Funds Risk

DSM model investment strategies may invest in shares of exchange-traded funds ("ETFs"). ETFs are investment companies which seek to replicate the performance, before fees and expenses, of an underlying index of securities. An ETF is similar to a traditional mutual fund but trades at different prices during the day on a securities exchange like a stock. Similar to investments in other investment companies discussed herein, an investment in ETFs will involve duplication of advisory fees and other expenses since a client will be investing in another investment company. The shares of an ETF in which a client will invest will be listed on a national securities exchange and a client will purchase and sell these shares on the secondary market at their current market price, which may be more or less than their net asset value. Investors should be aware that ETFs are subject to "tracking risk," which is the risk that an ETF will not be able to replicate exactly the performance of the index it tracks. As a purchaser of ETF

shares on the secondary market, a client will be subject to the market risk associated with owning any security whose value is based on market price. ETF shares historically have tended to trade at or near their net asset value, but there is no guarantee that they will continue to do so. Unlike traditional mutual funds, shares of an ETF may be purchased and redeemed directly from the ETF only in large blocks (typically, 50,000 shares or more) and only through participating organizations that have entered into contractual agreements with the ETF. DSM does not expect to enter into such agreements and therefore will not be able to purchase and redeem their ETF shares directly from the ETF but will instead purchase and sell shares on the secondary market. Nevertheless, such issues could lead to losses on investment opportunities for any model investment strategy and any client account and could otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

Illiquid Security Risk

DSM model investment strategies may invest in illiquid securities. Historically, illiquid securities have included securities subject to contractual or legal restrictions on resale because they have not been registered under the Securities Act of 1933, as amended (the “Securities Act”), securities which are otherwise not readily marketable and repurchase agreements having a maturity of longer than seven days. As described below, in some cases, securities subject to legal or contractual restrictions on resales may not be deemed to be illiquid (see “Restricted Securities” below). Mutual funds do not typically hold a significant amount of these illiquid securities because of the potential for delays on resale and uncertainty in valuation. Limitations on resale may have an adverse effect on the marketability of portfolio securities and might be unable to dispose of illiquid securities promptly or at reasonable prices. Nevertheless, such issues could lead to losses on investment opportunities for any model investment strategy and any client account and could otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

Restricted Security Risk

DSM model investment strategies may invest in restricted securities. Investments in securities that are subject to restrictions on resale because they have not been registered under applicable law presents risk. These securities are sometimes referred to as private placements. Although securities which may be resold only to “qualified institutional buyers” in accordance with the provisions of Rule 144A under the Securities Act of 1934 are technically considered “restricted securities,” DSM model investment strategies may purchase and sell Rule 144A securities without regard to the limitation on investments in illiquid securities described above in the “Illiquid Securities” section, provided that a determination is made that such securities have a readily available trading market. DSM may also purchase certain commercial paper issued in reliance on the exemption from regulations in Section 4(2) of the Securities Act (“4(2) Paper”). DSM will determine the liquidity of Rule 144A securities and 4(2) Paper. The liquidity of Rule 144A securities and 4(2) Paper will be monitored by DSM, and if as a result of changed conditions it is determined that a Rule 144A security or 4(2) Paper is no longer liquid, DSM will determine what action, if any, is appropriate. DSM may determine that it is appropriate to continue to hold such instrument for a period of time to avoid a distressed sale which would be harmful. Limitations on the resale of restricted securities may have an adverse effect on the marketability of portfolio securities and DSM might be unable to dispose of restricted securities promptly or at reasonable prices and might thereby experience difficulty satisfying redemption requirements. DSM might also have to register such restricted securities in order to dispose of them, resulting in additional expense and delay. Adverse market conditions could impede such a public offering of securities. Such issues could therefore lead to losses on investment opportunities for any model investment strategy and any client account and could otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

Large-Cap Company Risk

DSM model investment strategies invest in large-cap securities. Large cap company risk is the risk that securities of larger issuers may underperform relative to those of small and mid-sized issuers. Larger, more established issuers may be unable to respond quickly to new competitive challenges, such as changes in technology and consumer tastes. Many larger issuers may not be able to attain the high growth rates of successful smaller issuers, especially during extended periods of economic expansion. Such issues could therefore lead to losses on investment opportunities for any model investment strategy and any client account and could otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

Small and Mid-Cap Company Risk

DSM model investment strategies may invest in small and mid-cap securities. Small and mid-cap risk is the risk that securities of small and midsized capitalization issuers often experience greater price volatility than large-cap issuers because small and mid-cap issuers are often newer or less established than larger issuers and are likely to have more limited resources. Many small and mid-sized issuers may not be able to attain the growth rates of successful larger issuers, especially during extended periods of economic expansion. Such issues could therefore lead to losses on investment opportunities for any model investment strategy and any client account and could otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

Growth Style Investment Risk

DSM model investment strategies invest in growth securities. Growth securities often sell at premium valuations compared to other types of securities due to perceived quality but may suffer greater downside movement when issuers falter. Growth securities can perform differently from the market as a whole and from other types of securities. Growth securities may be designated as such and purchased based on the premise that the market will eventually reward a given issuers' long-term earnings growth with a higher price when that issuers' earnings grow faster than both inflation and the economy in general. Thus, a growth style investment strategy attempts to identify issuers whose earnings may grow or are growing at a faster rate than inflation and the economy. While growth securities may react differently to issuer, political, market and economic developments than the market as a whole and other types of securities by rising in price in certain environments, growth securities also tend to be sensitive to changes in the earnings of their underlying issuers and more volatile than other types of securities, particularly over the short term. During periods of adverse economic and market conditions, the prices of growth securities may fall despite favorable earnings trends. Such issues could therefore lead to losses on investment opportunities for any model investment strategy and any client account and could otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

Industry and/or Sector Focus Risk

DSM model investment strategies may be subject to industry and/or sector focus risk. If a model investment strategy is overweight a certain industry and/or sector, any negative development affecting that industry and/or sector will have a greater impact on client accounts than if the accounts were not overweight that industry sector. Such issues could therefore lead to losses on investment opportunities for any model investment strategy and any client account and could otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

Consumer Discretionary Sector Risk

DSM model investment strategies invest in the securities of issues in the consumer discretionary sector. Because issuers in the consumer discretionary sector manufacture products and provide discretionary services directly to the consumer, the success of these issuers is tied closely to the performance of the overall domestic and international economy, interest rates, competition and consumer confidence. Success depends heavily on disposable household income and consumer spending. Changes in demographics and consumer tastes also can affect the demand for, and success of, consumer discretionary products in the marketplace. Such issues could therefore lead to losses on investment opportunities for any model investment strategy and any client account and could otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

Consumer Staples Sector Risk

DSM model investment strategies invest in the securities of issuers in the consumer staples sector. The consumer staples sector may be affected by the permissibility of using various food additives and production methods, fads, marketing campaigns and other factors affecting consumer demand. In particular, tobacco companies may be adversely affected by new laws, regulations and litigation. The consumer staples sector may also be adversely affected by changes or trends in commodity prices, which may be influenced or characterized by unpredictable factors. Such issues could therefore lead to losses on investment opportunities for any model investment strategy and any client account and could otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

Energy Sector Risk

DSM model investment strategies invest in the securities of issuers in the energy sector. The profitability of issuers in the energy sector is related to worldwide energy prices, exploration, and production spending. Such issuers also are subject to risks of changes in exchange rates, government regulation, world events, depletion of resources and economic conditions, as well as market, economic and political risks of the countries where energy issuers are located or do business. Oil and gas exploration and production can be significantly affected by natural disasters. Oil exploration and production companies may be adversely affected by changes in exchange rates, interest rates, government regulation, world events, and economic conditions. Oil exploration and production issuers may be at risk for environmental damage claims. Such issues could therefore lead to losses on investment opportunities for any model investment strategy and any client account and could otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

Financials Sector Risk

DSM model investment strategies invest in the securities of issuers in the financial sector. The financial services industries are subject to extensive government regulation, can be subject to relatively rapid change due to increasingly blurred distinctions between service segments, and can be significantly affected by availability and cost of capital funds, changes in interest rates, the rate of corporate and consumer debt defaults, and price competition. Numerous financial services issuers have experienced substantial declines in the valuations of their assets, taken action to raise capital (such as the issuance of debt or equity securities), or even ceased operations. These actions have caused the securities of many financial services issuers to experience a dramatic decline in value. Issuers that have exposure to the real estate, mortgage and credit markets have been particularly affected by the foregoing events and the general market turmoil, and it is uncertain whether or for how long these conditions will continue. Such issues could therefore lead to losses on investment opportunities for any model investment strategy and any client account, otherwise prevent DSM from successfully executing a model investment strategy or

require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

Health Care Sector Risk

DSM model investment strategies invest in the securities of issuers in the healthcare sector. The profitability of issuers in the healthcare sector may be affected by extensive government regulation, restrictions on government reimbursement for medical expenses, rising costs of medical products and services, pricing pressure, an increased emphasis on outpatient services, limited number of products, industry innovation, changes in technologies and other market developments. Many healthcare issuers are heavily dependent on patent protection. The expiration of patents may adversely affect the profitability of these issuers. Many healthcare issuers are subject to extensive litigation based on product liability and similar claims. Healthcare issuers are subject to competitive forces that may make it difficult to raise prices and, in fact, may result in price discounting. Many new products in the healthcare sector may be subject to regulatory approvals. The process of obtaining such approvals may be long and costly. Such issues could therefore lead to losses on investment opportunities for any model investment strategy and any client account and could otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

Industrials Sector Risk

DSM model investment strategies invest in the securities of issues in the industrial sector. The prices of issuers in the industrials sector are affected by supply and demand both for their specific product or service and for industrials sector products in general. The products of manufacturing issuers may face product obsolescence due to rapid technological developments and frequent new product introduction. Government regulation, world events and economic conditions may affect the performance of issuers in the industrials sector. Issuers in the industrials sector may be at risk for environmental damage and product liability claims. Such issues could therefore lead to losses on investment opportunities for any model investment strategy and any client account and could otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

Materials Sector Risk

DSM model investment strategies invest in the securities of issuers in the material sector. Issuers in the materials sector could be adversely affected by commodity price volatility, exchange rates, import controls and increased competition. Production of industrial materials often exceeds demand as a result of overbuilding or economic downturns, leading to poor investment returns. Issuers in the materials sector are at risk for environmental damage and product liability claims. Issuers in the materials sector may be adversely affected by depletion of resources, technical progress, labor relations, and government regulations. Such issues could therefore lead to losses on investment opportunities for any model investment strategy and any client account and could otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

Technology Sector Risk

DSM model investment strategies invest in securities of issuers in the technology sector. Information technology issuers face intense competition, both domestically and internationally, which may have an adverse effect on profit margins. Like other technology issuers, information technology issuers may have limited product lines, markets, financial resources or personnel. The products of information technology issuers may face product obsolescence due to rapid technological developments and frequent new product introduction, unpredictable changes in growth rates and competition for the services of qualified personnel. Technology issuers and issuers that rely heavily on technology, especially those of smaller,

less-seasoned issuers, tend to be more volatile than the overall market. Issuers in the information technology sector are heavily dependent on patent and intellectual property rights. The loss or impairment of these rights may adversely affect the profitability of these issuers. Finally, while all issuers may be susceptible to network security breaches, certain issuers in the information technology sector may be particular targets of hacking and potential theft of proprietary or consumer information or disruptions in service, which could have a material adverse effect on their businesses. These risks are heightened for information technology issuers in foreign markets. Such issues could therefore lead to losses on investment opportunities for any model investment strategy and any client account and could otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

Telecommunications Services Sector Risk

DSM model investment strategies invest in securities of issuers in the telecommunications services sector. The telecommunications sector is subject to extensive government regulations. The costs of complying with governmental regulations, delays or failure to receive required regulatory approvals, or the enactment of new regulatory requirements may negatively affect the business of telecommunications issuers. Government actions around the world, specifically in the area of pre-marketing clearance of products and prices, can be arbitrary and unpredictable. The telecommunications market is characterized by increasing competition and regulation by various state, federal and international regulatory authorities. Issuers in the telecommunications sector may encounter distressed cash flows due to the need to commit substantial capital to meet increasing competition, particularly in formulating new products and services using new technology. Technological innovations may make the products and services of certain telecommunications issuers obsolete. Such issues could therefore lead to losses on investment opportunities for any model investment strategy and any client account and could otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

Short-Term Instrument Risk

DSM model investment strategies may invest in short-term money market instruments issued by the United States or abroad (e.g., Australia, Canada, etc.), denominated in US dollars or any foreign currency. Short-term money market instruments include repurchase agreements, short-term fixed or variable rate certificates of deposit, time deposits with a maturity no greater than 180 days, bankers' acceptances, commercial paper rated A-1 by S&P or Prime-1 by Moody's or in other similar money market securities. Certificates of deposit represent an institution's obligation to repay funds deposited with it that earn a specified interest rate over a given period. Bankers' acceptances are negotiable obligations of a bank to pay a draft, which has been drawn by a customer, and are usually backed by goods in international trade. Time deposits are non-negotiable deposits with a banking institution that earn a specified interest rate over a given period. Certificates of deposit and time deposits generally may be withdrawn on demand but may be subject to early withdrawal penalties that could reduce performance. DSM model investment may also invest in other high-quality fixed income securities denominated in US dollars, any foreign currency or in a multi-national currency unit (e.g., the European Currency Unit). Nevertheless, such instruments could lead to losses on investment opportunities for any model investment strategy and any client account and could otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

Temporary Defensive Position Risk

Subject to any client-imposed restrictions, DSM's model investment strategies may assume a temporary defensive position in its investment strategies by investing all or a portion of its assets in cash, cash equivalents money market instruments, or securities of other no-load mutual funds. The money market instruments in which DSM's model investment strategy may invest include US government securities,

commercial paper, bankers' acceptances, certificates of deposit, interest-bearing savings deposits of commercial banks, repurchase agreements concerning securities in which DSM may invest and money market mutual funds. DSM may also invest in short-term money market instruments issued outside the United States. If DSM invests in shares of another mutual fund, clients will bear the advisory and other fees of the mutual fund in which it invests. Nevertheless, such issues could lead to losses on investment opportunities for any model investment strategy and any client account and could otherwise prevent DSM from successfully executing a model investment strategy or require a model strategy or any client account to dispose of investments at a loss while such adverse conditions prevail.

Custodian and Counterparty Risk

Each client account is subject to the risk of the inability of its custodians, brokers and dealers and counterparties to safeguard assets or to perform with respect to transactions, whether due to bankruptcy, insolvency or other causes. The bankruptcy or insolvency of any such institutions may result in a portfolio and client accounts losing all or a portion of its assets held with such institutions or the termination of any outstanding transactions. In addition, brokers and dealers, custodians and counterparties may use sub-custodians and disclaim responsibility for any losses which may result therefrom. DSM shall not be liable for any such custodians, brokers, dealers and counterparties. In addition, client accounts may use counterparties and custodians located in various jurisdictions outside the US. Such local counterparties and custodians are subject to various laws and regulations in various jurisdictions that are designed to protect their customers in the event of their insolvency. However, the practical effect of these laws and their application to client assets are subject to substantial limitations and uncertainties. Investors should assume that the insolvency of any non-US counterparty or custodian would result in a loss which could be material.

Valuation Risk

DSM is responsible for valuing the securities and other investments comprising the assets of a client's account. Typically, the valuations would be "marked to market" by reference to the last generally available price quotation. However, where a security is subject to any resale restriction, lack of available price quotations, illiquid market conditions or other factors preventing immediate liquidity, DSM has the sole and absolute discretion to value such security using its best good faith estimate as to fair value. This causes the potential for a conflict of interest due to the fact that a higher fair value assigned to such security will result in greater management fees paid to DSM. Valuations assigned to securities and other investments are not necessarily equivalent to the value that can be realized on the sale of those securities and other investments.

Turnover Risk

DSM model investment strategies may involve frequent investment transactions. As a result, the turnover in clients' accounts and their brokerage commission expenses may significantly exceed those of other investments and vehicles of comparable size and could also retrace from investment gains or increase investment losses.

Litigation Risk

Litigation can and does occur in the ordinary course of the investment management business. DSM may be engaged in litigation both as a plaintiff and as a defendant. Such litigation can arise as a result of issuer defaults, issuer bankruptcies or other reasons. In certain cases, such issuers may bring claims or counterclaims against DSM and its respective principals and employees alleging violations of securities laws and other typical issuer claims and counterclaims seeking significant damages. DSM and its employees may be indemnified by a pooled investment vehicle or client. The expense of defending against third-party claims generally would be borne by the pooled vehicle and reduce net assets or by the firm itself.

Infrastructure Risk

The majority of DSM's personnel are physically located in the firm's headquarters in Florida. Although DSM has a business continuity plan, a back-up generator, and a dedicated disaster-recovery site, loss of the building and/or the key personnel, whether through fire, terrorist action, earthquake or some other catastrophic event, could nonetheless adversely affect DSM's operations and the investment returns of client accounts. A serious impairment to the infrastructure of the building, such as an extended loss of power or a prolonged restriction of physical access to the building by governmental authorities, also could adversely affect DSM's operations and the investment returns of client accounts.

Access to Nonpublic Information Risk

DSM may obtain material, nonpublic information regarding issuers of securities that are investments or potential investments of a model investment strategy. Such access to material, nonpublic information will impair the ability of client accounts to purchase or sell investments when, and upon the terms, DSM might otherwise desire.

ITEM 9 – DISCIPLINARY INFORMATION

DSM does not have any material legal or disciplinary information to disclose.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

DSM has no material relationships with any related financial industry participants. However, DSM serves as the investment adviser and sub-adviser to US and non-US pooled investment vehicles. In cases where DSM deems it appropriate, DSM may introduce one or more of these investment vehicles to a client or a prospective client. As a sub-adviser, DSM receives different management fees from these investment vehicles. DSM's management fee for a separately managed account may be different than the fee paid to DSM from these investment vehicles. Please refer to Item 4 for information on these investment vehicles.

ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

DSM has adopted a Code of Ethics describing its commitment to integrity and high ethical standards. The Code of Ethics is based upon the principle that DSM and its employees owe a fiduciary duty to clients to conduct their affairs, including their personal securities transactions, in such a manner as to avoid any actual or potential conflict of interest. DSM's Code of Ethics contains provisions relating to the prohibition against trading on material, non-public information. The Code of Ethics also describes permissible personal securities transactions, gifts and entertainment, outside business activities as well as protecting the confidentiality of client information. All employees of DSM must acknowledge the terms of the Code of Ethics annually and as amended.

To align the interest of its employees with its clients, DSM encourages its employees to personally invest in the same model investment strategies and securities as its clients. This may cause a conflict as DSM, its employees and their related accounts may invest in the same securities, at the same or different times, that it purchases and sells for clients. Moreover, DSM may purchase or sell securities for clients in which DSM, its employees, and their immediate family members have an interest. For instance, DSM may recommend that a client invest in a pooled investment vehicle that it advises or in which its employees are invested. In addition, employees of DSM and their related accounts may hedge any and all investments,

including their model investment strategy accounts or specific investments that are managed on a discretionary basis by DSM. This may also create a conflict as DSM, its employees and their immediate family members' accounts may hedge, all or a portion thereof, of the same investment strategies and/or securities held or purchased by clients.

To address these, and other potential conflicts, DSM's employees and their immediate family members are required to follow DSM's Code of Ethics. Under the Code of Ethics, employees of DSM and their immediate family members must obtain pre-clearance for certain securities transactions. Approval of an employee or employee-related transaction is based upon a careful review by DSM's Chief Compliance Officer. Certain classes of securities have been designated as exempt, not needing pre-clearance, based upon a determination that these would not materially interfere with the best interest of clients. Account statements of employees of DSM and their immediate family members are also reviewed periodically by the Chief Compliance Officer of DSM. Nonetheless, because the Code of Ethics permits employees and immediate family members to invest in the same model investment strategies and securities as clients, there is a possibility that employees and immediate family members might benefit from market activity resulting from a client transaction. Employee accounts and accounts of their immediate family members that are managed by DSM and that trade in the same securities on the same day as clients are aggregated. These accounts and the client accounts share commission costs, be allocated on a pro rata basis, and receive securities at the same average price.

DSM will typically retain records of the pre-allocation trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the trade order. Partially filled orders will typically be allocated on a pro rata basis. Any exceptions will be documented.

Clients or prospective clients may request a copy of DSM's Code of Ethics by contacting Russell Katz at (561) 618-4000 or at rkatz@dsmcapital.com.

ITEM 12 – BROKERAGE PRACTICES

Best Execution and Soft Dollars

DSM has an obligation to seek to obtain "best execution" of a client's securities transactions. In general, best execution is a process in which an adviser seeks to execute a transaction in such a manner that a client's total cost from each transaction is the most favorable under the circumstances. In determining what is most favorable, DSM considers the full range and quality of a broker-dealer's services in placing a client's order including, among other things, the value of research provided as well as execution capability, commission rate, financial responsibility, and responsiveness of the broker-dealer. With regard to research offered by a broker-dealer, DSM considers the quality and frequency of its analytical work, the breadth and depth of its coverage, the availability of its analysts for discussion with DSM, its industry conferences, and its ability to organize meetings with company management. The determinative factor for DSM therefore is not the lowest possible commission cost but whether the transaction represents the best qualitative execution.

Section 28(e) of the Securities Exchange Act of 1934, as amended, provides a "safe harbor" for an investment adviser such as DSM to pay for certain research and brokerage products and services ("Research") with commission dollars generated by client account transactions. DSM believes that its purchase of Research is within this safe harbor.

When DSM effects certain client's transactions through certain broker-dealers, DSM purchases Research with the client's commissions. In other words, DSM will be using "soft dollars" to pay for the Research. As noted above, DSM may pay a higher commission rate to a broker-dealer that provided Research than

to another broker-dealer that did not provide Research; provided, DSM determined in good faith that such commission rates are reasonable in relation to the Research provided.

Research is generally considered to be that which provides lawful and appropriate assistance to DSM in connection with the performance of its investment decision-making responsibilities. Examples of such Research include, but are not limited to, software that provides analyses of securities portfolios, market data and economic research, including stock quotes, last sale prices, and trading volumes, company financial data and economic data (e.g., unemployment, GDP figures), sell-side research, company news, and expert consultants. In some cases, Research obtained using client commissions may serve functions that are not related to DSM's investment decision-making process. For example, certain products are provided as part of a service that bundles many separate and distinct brokerage, execution, investment management, custodial and recordkeeping services into one package. These are referred to as "mixed-use" services. For mixed-use services, DSM evaluates the mixed-use products and attempts to make a reasonable allocation of the cost of the Research that may be purchased with commissions and that which cannot be purchased with commissions. A conflict of interest arises in allocating the cost of mixed-use items. The portion of a product used in DSM's investment decision-making process will be paid through commissions generated by client transactions while the remaining cost will be paid by DSM.

As using a client's brokerage commission to obtain Research is viewed as a benefit to DSM, soft dollar practices present a conflict of interest between DSM and its clients, and among its clients. For instance, there may be an incentive to select a broker-dealer based on receiving its Research. In addition, Research is generally used to benefit all client accounts of DSM. It is therefore important to note that Research paid for by a given client's commission may not benefit that particular client's account while it may be used for the benefit of another client that did not pay any commission. This is most evident in WRAP relationships and with certain non-US clients. DSM typically does not use client transactions in WRAP accounts to generate soft dollars to purchase Research. There are also certain non-US clients that are subject to regulations that generally prevent DSM from using client transactions to generate soft dollars to purchase Research.

When selecting broker-dealers that provide Research, DSM is obligated to determine in good faith that the "commissions" (as broadly defined by the SEC to include a markup, markdown, commission equivalent or other fee in certain circumstances) paid to a broker-dealer are reasonable in relation to the value of the Research. The reasonableness of the commissions is to be viewed in terms of the particular transactions or DSM's overall responsibilities to clients over which it exercises investment discretion, even though that broker-dealer itself, or another broker-dealer might be willing to execute the transactions at a lower commission. Accordingly, transactions will not always be executed at the lowest available price or commission and DSM may cause clients to pay commissions higher than those charged by other broker-dealers in return for Research.

To address these and potentially other conflicts, DSM prepares a soft dollar budget prior to each calendar year. This budget is reviewed and updated periodically to reflect, among other factors, changes in DSM's opinion of the quality and usefulness of the Research. In addition, all uses of soft dollars and the annual budget for soft dollars are approved by the Chief Compliance Officer. Lastly, DSM regularly evaluates the execution performance of the broker-dealers it uses to execute clients' transactions. These efforts are designed to help address the conflict of interest associated with soft dollars.

Arrangements under which DSM receives Research may vary by product, model investment strategy, account or applicable law in the jurisdictions in which DSM conducts business. DSM may also participate in so-called "commission sharing arrangements" and "client commission arrangements" under which DSM may execute transactions through a broker-dealer and request that the broker-dealer allocate a portion of the commissions or commission credits to another firm that provides Research to DSM.

Participating in commission sharing and client commission arrangements may enable DSM to consolidate payments for Research through one or more channels using accumulated client commissions or credits from transactions executed through a particular broker-dealer to obtain Research provided by other firms. Such arrangements also help to ensure the continued receipt of Research while facilitating DSM's ability to seek best execution. DSM believes such arrangements are useful in its investment decision-making process by, among other things, ensuring access to a variety of high-quality Research, access to individual analysts and availability of resources that DSM might not be provided access to absent such arrangements. As an adviser to pooled investment vehicles and separately managed accounts, DSM may also engage in client commission sharing and similar arrangements and those arrangements may be broader and may raise conflicts other than those described above.

Again, Research may be used to service any or all clients, including clients other than those that pay commissions to the broker-dealer. As a result, the Research may disproportionately benefit certain DSM clients. DSM does not attempt to allocate soft dollar benefits proportionately among clients or to track the benefits of Research to the commissions associated with a particular account or group of accounts.

The accounts of some DSM clients are held at custodian/broker-dealers such as Royal Bank of Canada ("RBC") and Charles Schwab & Co., Inc. ("Schwab"). These custodian/broker-dealers provide a combined custody/brokerage service to DSM's clients. RBC and Schwab typically either charge DSM's clients a commission rate or a "Minimum Ticket Charge." If DSM were to trade a small number of shares (which will happen with high-priced securities), the apparent commission rate per share may be much more expensive than for other clients of DSM. For example, purchasing three shares of a stock a "Minimum Ticket Charge" could calculate to a high commission rate. Unfortunately, if DSM were to trade the stock away from RBC or Schwab, these DSM clients would be subject to a "Trade Away" charge to settle and clear the trade plus the costs of the broker-dealer selected by DSM to execute the trade. Due to this set-up, the total cost of the "Trade Away" transaction may exceed the total cost of the "Minimum Ticket Charge" transaction.

Directed Brokerage

Some clients, or asset allocators acting on behalf of clients, already have a pre-existing relationship with a broker-dealer when they open accounts with DSM, and they will instruct DSM to execute some or all transactions through that broker-dealer. When a client directs DSM to use a particular broker-dealer, DSM may have to trade such client account(s) after other client accounts, and DSM may not have authority to negotiate commission rates or obtain volume discounts, and therefore, best execution may not be achieved. In addition, under these circumstances, a disparity in commission charges may exist between the commissions charged to other clients. DSM reserves the right to decline to accept any client account that directs the use of a broker-dealer that DSM believes would adversely affect DSM's duty to obtain best execution.

DSM may, in certain cases, accept direction from clients as to which broker-dealer(s) should or must be used to execute a portion of account transactions. If the client directs the use of a particular broker-dealer, DSM generally asks that the client specify, in writing, whether the designated firm should be used for all transactions, whether as part of the client's advisory agreement or by separate instruction. Clients that, in whole or in part, direct DSM to use a particular broker-dealer to execute account transactions are hereby notified that in doing so, they may adversely affect DSM's ability to seek best price and execution by, for example, negotiating commission rates or spreads, obtaining volume discounts on bunched orders or executing over-the-counter stock transactions with the market-makers for such securities.

Transactions for a client that direct a portion of brokerage may not be combined or "batched" for execution purposes with orders for the same securities for other accounts managed by DSM. In these instances, a client that has directed DSM to use a particular broker or dealer to execute a portion of its

trades may have its trades placed at the end of batched trading activity for a particular security. Accordingly, directed transactions may be subject to price movements, particularly in volatile markets, that may result in the client receiving a price that is less favorable than the price obtained for the batched order. Under these circumstances, the direction by a client of a particular broker or dealer to execute transactions may result in higher commissions, greater spreads, or less favorable net prices than might be the case if DSM could negotiate commission rates or spreads freely, or select brokers or dealers, or trade based on best execution. Clients should understand that by directing brokerage, they are limiting or removing DSM's discretion to select broker-dealers and the time of execution of the trades. Consequently, best price and execution may not be achieved by clients who have directed brokerage.

In an effort to achieve orderly execution of transactions, execution of orders for clients that have directed DSM to use particular broker-dealers may, in certain circumstances, be delayed until after DSM completes the execution of non-directed orders.

DSM may aggregate trades for execution and request that the executing broker "step-out" a portion of the trade to a client's directed broker. The executing broker "gives-up" the trades to the directed broker who receives any related commission and clears, settles and confirms the transaction to DSM and the client involved.

Aggregation of Trades

DSM seeks to execute orders for clients fairly and equitably over time and DSM may aggregate client trades where possible and when advantageous. In general, aggregation of trades allows DSM to execute groups of trades in a timely, equitable manner at an average share price. DSM will typically aggregate trades of various clients whose accounts can be traded at a given broker-dealer and DSM will generally rotate or vary the order of broker-dealers used to execute a given trade.

Transactions for a client's account may not be aggregated if the practice is prohibited by or inconsistent with the client's advisory agreement. DSM must also determine that the purchase or sale of the particular security is appropriate for the client and consistent with the client's investment objectives as well as with any investment guidelines or restrictions applicable to the client's account. In addition, DSM must reasonably believe that order aggregation will benefit each client by enabling DSM to seek best execution for all clients participating in the aggregated order. This requires a good faith judgment by DSM at the time the order is placed for execution. It does not mean that the determination made in advance of the transaction must prove to have been correct in hindsight.

During the entry of an aggregated order, a pre-allocation ticket is typically generated by DSM that identifies each client account participating in the order and the proposed allocation of the order. If the order cannot be executed in full at the same price or time, the securities actually purchased or sold will be allocated pro-rata among the participating client accounts in accordance with the pre-allocation ticket. However, adjustments to this pro-rata allocation may be made by DSM to participating client accounts. Adjustments to this pro-rata allocation include, but are not limited to, to avoid having odd amounts of shares held in any client account or to avoid excessive ticket charges in smaller accounts. Generally, each client that participates in the aggregated order will do so at the average price and shares in the commission rate on a pro rata basis. If an order is allocated in a manner other than stated on a pre-allocation ticket, a written explanation of the change must be provided to, and approved by, the Chief Compliance Officer no later than the morning following the execution of the trade.

DSM may not bunch or aggregate orders if portfolio management decisions for different accounts are made separately, or if DSM determines that bunching or aggregating is not practicable or appropriate. In addition, time zone differences, may, among other factors, result in separate, non-aggregated executions.

Where DSM's services are provided through a wrap-fee program, DSM generally will not aggregate transactions with those for other clients. However, trades for different wrap-fee programs may be aggregated to the extent that the programs utilize the same executing broker-dealer.

DSM may be able to negotiate a better price and lower commission rate on aggregated trades than on trades for accounts that are not aggregated. Where transactions for a client's account are not aggregated with other orders, including wrap-fee program clients and directed brokerage accounts, it may not benefit from a better price and lower commission rate.

DSM may, from time to time, develop and implement new trading strategies. These strategies may not be employed in all client accounts or pro rata among all client accounts where they are employed, even if the strategy is consistent with the objectives of such accounts. In addition to the factors described above, DSM may make decisions based on other factors such as strategic fit and other portfolio management considerations, including a client account's capacity for such strategy, the liquidity of the strategy and its underlying instruments, the account's liquidity, the business risk of the strategy relative to the account's overall portfolio make-up, and the lack of efficacy of, or return expectations from, the strategy for the account. For example, such a determination may include consideration of the expectation that a particular strategy will not have a meaningful impact on an account given the overall size of the account, the limited availability of opportunities in the strategy and the availability of other strategies for the account.

As a result of the above, there will be cases where certain client accounts receive an allocation of an investment opportunity when other accounts do not. The application of these principles may cause differences in the performance of different client accounts that have the same strategies.

During periods of unusual market conditions, DSM may deviate from its normal trade allocation practices.

Trade Rotation

In general, DSM executes aggregated trades with approved broker-dealers, ranging from broker-dealers providing DSM with Research, wrap-fee broker-dealers, broker-dealers directed by clients, and other broker-dealers. New broker-dealers can be used for a specific purpose including execution capability, Research, order flow, their electronic systems, geographic location, or client direction. Proposed broker-dealers are reviewed and approved by the Chief Compliance Officer. DSM rates all approved broker-dealers based on, among other things, quality and extent of Research, perceived execution (pricing and market movement), ability to handle large or unusual orders, completeness and timeliness of reporting, financial stability, perceived discretion and settlement quality, reliability, and promptness. Resulting broker-dealer ratings are considered by DSM in developing its annual soft-dollar budget and also in preparing a broker-dealer rotation plan for each trade.

DSM will typically determine all of the broker-dealers that will participate in an aggregated trade based on, among other things, the securities involved, current market conditions, and DSM's rating of broker-dealers. DSM will also determine the size of the orders to be executed by each broker-dealer. DSM then will trade among the broker-dealers by breaking the trade into several blocks and interweaving parts of these blocks among the broker-dealers for execution. All client trades executed in a block by the same broker-dealer on the same day receive the average price achieved by that broker-dealer. DSM uses its discretion to rotate the order of trading with broker-dealers participating in an aggregated trade such that client accounts are to be treated in a fair and equitable manner over time. There is a potential for a conflict of interest with DSM's system of broker-rotation. Although each client at a given broker-dealer obtains the average price achieved, the average price achieved by other broker-dealer blocks may be materially different. To verify the effectiveness of DSM's broker-rotation, sample executions achieved by clients in each broker-dealer block are analyzed quarterly and monitored over a rolling period.

In some situations, DSM effectively does not have unlimited discretion to choose a broker-dealer, such as in recapture arrangements, wrap programs, certain custodial brokerage arrangements, and other directed brokerage situations. Nonetheless, DSM will generally rotate such restricted broker-dealers on the same basis as the non-restricted broker-dealers provided that doing so does not impair other clients of DSM. Where DSM determines that a directed broker-dealer situation impairs execution for other clients, DSM may trade such directed situations last or with a secondary priority.

Notwithstanding the above, client trades that are initiated separately from a given allocation plan on the same day (e.g. a new account buying in the afternoon after a block was completed in the morning) will be excluded from participating in the average price of the earlier block trade.

DSM's trade sequencing and rotation policy may be amended, modified or supplemented at any time without prior notice to clients.

Wrap-Fee Programs

Where DSM is retained as an investment manager to a wrap-fee program, DSM may have discretion to select broker-dealers to execute trades for the wrap-fee program clients it manages. Due to its obligation to seek best execution, DSM generally places such trades through the Sponsor, or its designated broker-dealer because: (i) typically the all-inclusive fee paid by each client in a wrap-fee program only covers certain execution costs on agency trades executed through the Sponsor or its affiliates, and (ii) wrap-fee program accounts are typically custodied with the Sponsor. In addition, operational limitations with these types of accounts may make trading away from the Sponsor difficult. Wrap-fee program clients also do not generally participate in new issues (including "hot" initial public offerings). The result of these limitations may be that the overall execution of trades in wrap-fee program clients' accounts is less favorable than for other clients of DSM. Clients who enroll in wrap-fee programs should satisfy themselves that the Sponsor is able to provide best execution of transactions. Clients should also be aware that transactions in wrap-fee programs may generally produce increased trading flow or commissions for the Sponsor. For more information, see the brochure for the relevant Sponsor of the wrap-fee program.

Because of the involvement of multiple broker-dealers and the number of wrap-fee program client accounts, trading for DSM's separately managed accounts may be completed prior to the completion of contemporaneous trades for wrap-fee program client accounts. As a consequence, DSM's separately managed accounts may obtain better execution, including more favorable prices for their transactions, than wrap-fee program clients purchasing or selling the same securities. Notwithstanding the foregoing, in certain circumstances, wrap-fee program clients may receive better execution than DSM's separately managed accounts purchasing or selling the same security. When DSM is trading the same security in foreign markets for both wrap-fee program clients and separately managed accounts, DSM generally buys ordinary shares for the separately managed accounts and American Depositary Receipts, or similar securities, for the wrap-fee program client accounts.

If permitted by the Sponsor, DSM may place "step-out" orders with certain broker-dealers. The use of "step-out" orders may allow DSM to address the lack of liquidity in a market by using the executing broker to obtain the securities. Wrap-fee program clients may pay additional fees associated with such transactions.

Wrap-fee program client accounts may not be managed identically to DSM's model investment strategy or its separately managed accounts. Transactions for DSM's model investment strategy and its separately managed accounts may not always be reflected or fully reflected in wrap-fee program client accounts. For instance, wrap-fee programs may have position thresholds. Clients should expect their holdings in wrap-fee programs to differ from one another and from DSM's separately managed accounts and its

model investment strategies. Such deviations are not considered errors, and these deviations will contribute to performance differences between wrap-fee program client accounts and DSM's separately managed accounts and model investment strategies.

If DSM selects a broker-dealer other than the Sponsor or its affiliates to affect a trade for a wrap-fee program client, that client should expect that any execution costs charged by that other broker-dealer will be charged to his or her account. As with trades effected through the Sponsor, transactions may be affected as principal and therefore the spread, mark-ups and mark-downs will be paid by the account on those trades to the third-party broker-dealer. Such execution costs are in addition to the wrap fees paid by clients.

DSM generally will not aggregate transactions for Wrap-fee program clients with those of its other clients. Wrap-fee program clients may trade behind other DSM clients based on trade rotation protocol instituted by DSM as described more fully in this Item 12. To the extent wrap-fee program clients trade behind other DSM client accounts within the rotation, it is possible that wrap-fee program clients may suffer adverse effects depending on market conditions and may trade at a disadvantage to other DSM clients.

Wrap-fee program clients may request that DSM engage in trades intended to offset capital gains tax liability. Such tax loss harvesting trades are subject to DSM's discretion. Notwithstanding anything to the contrary, tax loss harvesting trades are processed on a best efforts basis and will generally receive a lower priority than other transactions, such as cash flow trades, trades to fund new accounts, trades to liquidate securities in connection with account terminations and block trades. As such, there may be a significant delay between a wrap-fee program client's tax loss harvesting request and its execution, and requests received relatively later in the tax year may not be executed before year end.

DSM provides advisory services through wrap-fee programs as well as "dual-contract" programs. As opposed to wrap-fee programs, in a dual-contract program, DSM provides its advisory services to a client directly through an investment advisory agreement. A client may separately arrange with one or more third parties for custody, financial advisory and certain trading services to be provided on a partially bundled (wrap) or unbundled basis. In a partially bundled program, certain services, typical custody, financial advisory, and trading are provided for a bundled fee. In an unbundled arrangement, such services are contracted, provided and paid separately.

For errors that occur in wrap-fee programs, and possibly for dual contract programs, DSM may not have the ability to control the ultimate resolution of the error. In these instances, the error and resolution thereof will be governed by the Sponsor.

Account Errors and Error Corrections

DSM has procedures to help it assess and determine, consistent with applicable standards of care, as well as client documentation, when reimbursement is due by it to a client because DSM has committed an error. Pursuant to DSM's policy, an error is generally compensable from DSM when it is a mistake (whether an action or inaction) in which DSM has, in DSM's reasonable view, deviated from the applicable standard of care in managing the client's assets. Consistent with the applicable standard of care, DSM's policy does not require perfect implementation of investment management decisions, trading, processing or other functions performed by DSM. Therefore, not all mistakes will be considered compensable errors. For example, without limitation, imperfection in the implementation of investment, cash flow, rebalancing or processing instructions are generally not considered by DSM to be violations of standards of care. Errors resulting from the mistakes of third parties also may not be compensable from DSM.

DSM makes its determinations on a case-by-case basis, in its discretion, based on factors it considers reasonable. Relevant facts and circumstances DSM may consider include, among others, specific applicable contractual and legal restrictions, standards of care, whether a client's investment restriction was contravened, the nature of a client's investment program, whether a contractual restriction was violated, the nature and materiality of the relevant circumstances, and, if a compensable error occurred, the materiality of the resulting losses. The determination by DSM to treat a mistake as a compensable error, and any calculation of compensation in respect thereof, for any account may differ from the determination and calculation made by DSM in respect of one or more other accounts in respect of which the same or a similar mistake occurred.

When DSM determines that reimbursement is appropriate, the client will be compensated as determined in good faith by DSM. DSM will follow what it considers reasonable guidelines regarding these matters in light of all of the facts and circumstances related to an error. In general, compensation is expected to be limited to direct and actual losses, which may be calculated relative to comparable conforming investments, market factors and benchmarks and with reference to other factors DSM considers relevant. Compensation generally will not include any amounts or measures that DSM determines are speculative or uncertain, including potential opportunity losses resulting from delayed investment or sale as a result of correcting an error or other forms of consequential or indirect losses. Losses may also be capped at the value of the actual loss, particularly when the outcome of a differing investment would in DSM's view be speculative or uncertain or in light of reasonable equitable considerations. As a result, error compensation is expected to be limited to the lesser of actual losses or losses in relation to other investments.

In general, it is DSM's policy to notify clients of errors corrected post settlement that violate a client's guideline. Investors in a pooled investment vehicle will generally not be notified of the occurrence of an error or the resolution thereof. More information about correction of and compensation for errors is available upon request and may be set forth in the prospectuses or other relevant offering documents of pooled investment vehicles. DSM may at any time, in its sole discretion and without notice to investors, amend or supplement its error correction policy and procedures.

ITEM 13 – REVIEW OF ACCOUNTS

Separately Managed Accounts

Holdings in separately managed accounts managed by DSM are generally reviewed daily and no less than weekly by DSM's Chief Compliance Officer, Trading Desk and senior management. Accounts are reviewed in the context of DSM's model investment strategies and each client's restrictions. More frequent reviews may be undertaken due to material changes in a client's individual circumstances or to the market, political or economic environment. In addition to monthly account statements and transaction confirmations that each client receives from their custodian, DSM generally provides clients with quarterly account statements.

Pooled Investment Vehicles

Holdings within pooled investment vehicles managed by DSM are generally reviewed daily and no less than weekly by DSM's Chief Compliance Officer, Trading Desk and senior management. Pooled investment vehicles are reviewed in the context of DSM's model investment strategies and each vehicle's restrictions. More frequent reviews may be undertaken due to material changes in the vehicle's circumstances or in the market, political or economic environment. Shareholders in any of the pooled vehicles managed by DSM should refer to the offering documents of the applicable vehicles for information regarding regular reports.

Wrap-Fee Programs

Model investment strategies managed by DSM utilized by wrap-free programs are reviewed daily and no less than weekly by DSM's Chief Compliance Officer, Trading Desk and senior management. Accounts are reviewed in the context of DSM's model investment strategies. More frequent reviews may be undertaken due to material changes in the client's individual circumstances or in the market, political or economic environment. Clients in wrap-fee programs should refer to the wrap-free program Sponsor's brochure for information regarding Sponsor reviewers, the frequency of reviews, and reports.

General Information

As noted in Item 4, client-imposed restrictions or guidelines that do not expressly provide compliance evaluation periods are typically implemented by DSM at month end. In addition, client-imposed percentage-based restrictions (e.g., do not hold more than 12% of XYZ) are applied on a rounded, whole-number basis unless specifically stated otherwise. For example, a restriction limiting a holding of XYZ to no more than 12% may reach 12.50% without violation and DSM may not take any action until the end of the month. Please refer to Item 4 for more information regarding DSM's advisory business. DSM utilizes the Global Industry Classification Standard (GICS), which was developed by MSCI and Standard & Poor's, in connection with its advisory services. The GICS structure consists of 11 sectors, 24 industry groups, 69 industries and 158 sub-industries. DSM also utilizes self-created sectors (e.g., Internet, Business Services, etc.) in its advisory business.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

DSM compensates certain non-employees and third-party entities for client referrals. As applicable, and as required by law, a "Solicitation Agreement" will be in place for certain referral arrangement and all appropriate disclosure will be made in advance to clients involved. For certain funds managed by DSM, DSM or the fund's distributor may provide compensation to non-employees or third-party entities based on the dollar amount of shares purchased. Investors and potential investors in these funds should refer to the fund's Prospectus and SAI regarding the payment of such fees.

ITEM 15 – CUSTODY

DSM may be deemed to have constructive custody of client funds or securities because DSM has authority to debit fees from certain client accounts. Actual custody of client funds or securities, however, is through qualified custodians (broker-dealers, banks, or trust companies) selected by the client. Clients should receive statements, at least quarterly, from their broker-dealers, banks or other qualified custodians that hold and maintain their funds or securities. DSM urges all of its clients to carefully review such statements and compare such official custodial records to the account statements provided by DSM. DSM's statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies. Clients who do not receive such statements are encouraged to follow up directly with their custodian.

ITEM 16 – INVESTMENT DISCRETION

In general, DSM has discretionary authority to manage client accounts. This authority, which is subject to reasonable restrictions that may be imposed by a client, is typically established by either an investment advisory agreement or a sub-advisory agreement signed by the client. Clients may impose reasonable restrictions on the management of their accounts, including restricting particular securities or types of securities, provided DSM accepts such restrictions. The methodology used by DSM to analyze and apply

restrictions may change without notice to clients. Moreover, as noted in Item 4, client-imposed restrictions or guidelines that do not expressly provide evaluation periods are typically implemented by DSM at month end. In addition, client-imposed percentage-based restrictions (e.g., do not hold more than 12% of XYZ) are applied on a rounded, whole-number basis unless specifically stated otherwise. For example, a restriction limiting a holding of XYZ to no more than 12% may reach 12.50% without violation and DSM may not take any action until the end of the month. DSM utilizes the Global Industry Classification Standard (GICS), which was developed by MSCI and Standard & Poor's, in connection with its advisory services. The GICS structure consists of 11 sectors, 24 industry groups, 69 industries and 158 sub-industries. DSM also utilizes self-created sectors (e.g., Internet, Business Services, etc.) in its advisory business. Please carefully review Item 4 for more information regarding DSM's advisory business.

ITEM 17 – VOTING CLIENT SECURITIES

It is DSM's policy that all proxies be voted solely in the best interests of the beneficial owners of the securities. DSM's proxy voting policy may be amended from time to time. Below is a sample of DSM's proxy voting positions on certain proxy issues. This sample is designed to give a general view of how DSM generally votes on certain proxy issues.

In addition, DSM has contracted with an independent third party (currently, Institutional Shareholder Services, LLC) (the "Third Party Administrator") to provide issue analysis and vote recommendations with respect to proxy proposals. The Third-Party Administrator offers a U.S. policy, a European policy, a Canadian policy as well as specialty policies such as a Socially Responsible policy, a Faith-Based policy, a Taft-Hartley policy and a Public Fund policy, along with custom policies defined by its clients. In general, DSM utilizes the U.S. Policy and the European Policy. A copy of all policies can be found at www.issgovernance.com.

While it is DSM's policy to generally follow the vote recommendations of the Third-Party Administrator, DSM retains the authority to vote differently than the recommendation on any proxy proposal. However, this action is subject to an internal approval process which includes a determination that the proxy decision was not influenced by any conflict of interest issues. In instances in which the Third-Party Administrator is unable to make a vote recommendation, DSM's Proxy Voting Committee will, based on such advice as it deems necessary, determine the manner in which, if at all, to vote such proxy.

Each year, the Third-Party Administrator undertakes a process to update the policies that inform its proxy voting recommendations. Typically, the Third-Party Administrator has a policy formulation process that collects feedback from a diverse range of market participants through multiple channels: an annual policy survey of institutional investors and corporate issuers, roundtables with industry groups, and ongoing feedback during proxy season. The Third-Party Administrator uses this input to develop draft policy updates on important governance issues, which are then published for open review and comment. This information is also available at www.issgovernance.com. Updates and revisions by the Third-Party Administrator are reviewed by DSM to determine whether they are consistent with its principals. Because the Third-Party Administrator conducts issue analysis and makes vote recommendations based on its independent, objective analysis, the proxy voting process is designed to cast votes in the best interests of DSM's Clients.

DSM, as a matter of policy, votes proxies for pooled investment vehicles that it manages, for ERISA accounts that require the investment manager to vote proxies and for Clients who ask DSM to vote their proxies. Clients may wish to vote their own proxies. Further, DSM does not vote proxies for unsupervised securities, or for proxies associated with securities that were transferred to DSM but

subsequently sold because the securities were not in DSM's model portfolio at that time. DSM also reserves the right to not accept a potential client account if DSM believes that a custom proxy policy is too undefined or too complex to implement.

Mutual Fund Proxies

DSM does not normally invest in mutual funds in the separate accounts of its Clients and therefore does not generally take any action on these proposals.

Material Conflicts of Interest

DSM does not engage in any investment banking or corporate finance activities, nor does DSM produce research for publication. However, DSM personnel may have interests in securities, instruments, and companies that may be purchased or sold by DSM for its Clients' accounts. The interests of DSM and/or its personnel may conflict with the interests of DSM Clients in connection with any proxy issue. In addition, DSM may not be able to identify all of the conflicts of interest relating to any proxy matter. If a potential conflict does arise, it is to be brought to the attention of the CCO to be resolved.

Proxy Voting Committee

DSM has a Proxy Voting Committee (the "Committee") comprised of Stephen Memishian, Daniel Strickberger, Meredith Meyer, Christopher Bertoni, Blair Barton and Russell Katz. The Committee is to administer DSM's proxy voting policy. The Committee will meet as necessary to discuss proxy issues. In addition, on an annual basis, the Committee will review the proxy voting policy of the Third-Party Administrator.

Procedures

The Proxy Voting Committee will administer the voting of all Client proxies. DSM has engaged the Third-Party Administrator to assist in issue analysis and the voting of client proxies. Such entity will coordinate with each Client's custodian to help ensure that proxy materials reviewed by the custodians are processed in a timely fashion.

An analysis of proxy issues and vote recommendations will be provided or made available to DSM by the Third-Party Administrator. The Proxy Voting Committee will notify the Third-Party Administrator of any changes to DSM's proxy voting policy or any deviations thereof.

DSM conducts reviews of the Third-Party Administrator which are reasonable designed to assess the adequacy and quality of its staffing and personnel, and whether it has policies and procedures that enable it to make proxy voting recommendations based on current and accurate information and to identify and address conflicts of interest relating to its voting recommendations. DSM periodically samples the voting activity by the Third-Party Administrator for compliance with DSM's instructions and conducts sample reconciliations with client account holdings for accuracy.

Recordkeeping

DSM is required to maintain in an easily accessible place for five years all records relating to proxy voting. These records include the following:

- a copy of the proxy voting policy;
- a copy of each proxy statement received on behalf of DSM's Clients;
- a record of each vote cast on behalf of DSM's Clients;

- a copy of all documents created by DSM’s personnel that were material to making a decision on a vote or that memorializes the basis for the decision; and
- a copy of each written request by a Client for information on how DSM voted proxies, as well as a copy of any written response.

DSM reserves the right to maintain certain proxy records with the Third-Party Administrator or any other entity in accordance with all applicable regulations.

Disclosure

Any client may obtain information about how DSM voted its security ballots (but not the security ballots of any other Client) and/or a copy of DSM’s proxy voting policy, without cost, by calling 561-618-4000 or by writing to DSM at 7111 Fairway Drive, Suite 350, Palm Beach Gardens, Florida 33418, Attn: Legal and Compliance.

DSM’s Proxy Voting Policy on Certain Proxy Issues

The following is a sample of DSM’s general position on certain proxy issues.

Operational Items – DSM generally supports policies that strengthen shareholders’ rights with regard to: annual and special shareholder meetings; ratification of auditors (unless the auditor has a financial interest, has rendered an inaccurate opinion, or has poor accounting practices); and maintaining shareholders’ ability to vote on transactions, compensation or other general corporate issues that may arise.

Board of Directors – DSM normally supports policies that allow for strong corporate governance, including a majority of independent directors and key committees that are chaired by independent directors. Declassified boards are generally supported and cumulative voting of stock is viewed on a case-by-case basis. DSM may also support liability protections for directors but not protection for willful misconduct or fraud. DSM prefers stock ownership by boards but does not require it.

DSM will typically vote on director nominees on a case-by-case basis, generally withholding or voting against a nominee for attending less than 75% of meetings, sitting on more than five public company boards, or serving as CEOs of public companies while sitting on boards of more than two public companies besides their own. DSM also generally votes against directors who lack accountability and oversight coupled with sustained poor performance.

Proxy Contests – In contested elections, the following is commonly taken into account by DSM: the target company’s long-term financial performance relative to its industry; management’s track record; background to the proxy contest; qualifications of director nominees (both slates), stock ownership positions; evaluation of what each side is offering shareholders, and the likelihood that the proposed objectives and goals can be met. DSM generally supports confidential voting.

Mergers and Corporate Restructuring – For mergers, acquisitions, divestitures, joint ventures, private placements, spin-offs, DSM evaluates the merits and drawbacks of the proposed transaction, taking into consideration the following factors:

- Valuation - is the value to be received (or paid) reasonable. Emphasis is placed on the offer premium, market reaction and strategic rationale;
- Market Reaction - how has the market reacted to the proposed deal;

- Strategic Rationale - does the deal make sense strategically. Cost and revenue synergies should be reasonably achievable. Management should have a favorable track record of successful integration of historical acquisitions;
- Negotiations and process - is the process fair and equitable;
- Governance - will the combined company have better or worse governance than the current governance profiles of the respective parties to the transaction;
- Dilution to existing shareholders;
- Control issues; and
- Other financial issues.

ITEM 18 – FINANCIAL INFORMATION

DSM has no financial commitment that impairs its ability to meet contractual and fiduciary obligations and has not been the subject of a bankruptcy proceeding.