Berkshire Asset Management
Compliance Manual

February 2019

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INTRODUCTION

PURPOSE

Pursuant to Rule 206(4)-7 of the Advisers Act, this Compliance Manual (the "**Manual**") sets forth the policies and supervisory procedures of Berkshire Asset Management, LLC ("**BAMCO**" **or "Firm"**) with respect to the operations of its investment advisory business. This Manual has been tailored to BAMCO's specific investment activities and compliance needs as a registered investment adviser with the U.S. Securities and Exchange Commission ("**SEC**"). This Manual shall serve to provide BAMCO, its principals, members, senior/executive management, advisory representatives and employees (collectively, "**employees**") with an awareness and understanding of the requirements of applicable US federal and state laws, rules and regulations governing investment advisory activities, and in turn, enable such individuals to effectively comply with BAMCO's policies and procedures.

At all times BAMCO will seek to be proactive in identifying potential risks in its business and developing policies and procedures to minimize and mitigate these risks.

BAMCO is currently an investment adviser to separately managed client accounts (each a "Client") and two private funds, Berkshire Growth Fund and the Berkshire Partnership (each a "Fund") and collectively, the "**Clients", "Funds"**or **"Client Accounts**"). In managing the Client Accounts, BAMCO invests in a wide variety of securities and financial instruments that are primarily publicly listed.

This Manual is based on the principle that the employees of BAMCO owe a fiduciary duty to the clients of BAMCO. In light of this fiduciary duty, all BAMCO employees must conduct themselves in all circumstances in accordance with the following general principles:

- Must at all times place the interest of BAMCO's clients before your own interests;
- Must conduct all of your investment transactions (including your personal investment transactions or outside business activities) consistent with this Manual and the Code of Ethics (and any other relevant BAMCO policies) and in such a manner as to avoid any actual or potential conflict of interest or any abuse of your position of trust and responsibility;
- Adhere to the fundamental standard that investment advisory personnel should not take inappropriate advantage of their positions to their personal benefit; and
- Must not misrepresent BAMCO or your role within BAMCO.

Use of Manual

Each employee of BAMCO must:

- Receive and review a copy of this Manual;

- Ensure that the policies and procedures within this Manual, and the spirit of those policies and procedures, are followed in your day-to-day activities;

- Maintain a copy of the Manual in a readily accessible place within the office; and

- Sign and acknowledge the "**Acknowledgement of Receipt**" form (see **Exhibit 1**) and return to the Chief Compliance Officer ("**CCO**").

Failure to Comply with the Manual

If the CCO or senior management determines that an employee, after reviewing this Manual and agreeing to abide by its contents, has committed a violation of the Manual and/or the Code of Ethics, BAMCO may impose sanctions and/or take other action as it deems appropriate. These actions may include: a letter of caution or warning, suspension of personal trading privileges, suspension or termination of employment with BAMCO, imposition of fines, and/or notification to the SEC of the violations. If a violation of the Code of Ethics occurs, BAMCO may require the violating employee to reverse the transaction in question, forfeit any profit, and/or absorb any loss derived from the transaction. BAMCO reserves the sole and absolute right to determine the sanction to be imposed on the employee.

Each employee must be sensitive to the general principles involved with this Manual as well as its specific guidelines.

Amendments

BAMCO will amend this Manual as necessary within a reasonable time after changes occur in federal and state securities laws, rules and regulations, and as changes occur in BAMCO's business lines or its supervisory system.

Questions

If an employee of BAMCO has a question regarding the requirements of this Manual they should consult the CCO.

Supervision & Oversight

Marilyn D. Millington is BAMCO's CCO and is responsible for the administration of the Firm's compliance policies and procedures. Kenneth J. Krogulski, President, will supervise Marilyn D. Millington's activities, review any matters and provide any compliance approvals and/or pre-approvals necessary for the CCO.

Duties

The Chief Compliance Officer is responsible for ensuring that the following elements of supervision are established:

- Preparing and updating the written policies and procedures of BAMCO in accordance with Rule 206(4)-7 of the Advisers Act;

- Reviewing, no less frequently than annually, the adequacy of the compliance policies and procedures and the effectiveness of their implementation;

- Communicating to employees all changes to the compliance policies and procedures

- Conducting periodic reviews and audits to monitor and test compliance procedures;

- Maintaining written records to support and document reviews in accordance with Rule 204-2 of the Advisers Act;

- Conducting compliance training for new and existing employees;

- Ensuring that internal training and assessment procedures reflect changes in applicable laws, regulations and administrative positions;

- Documenting all material violations of applicable law, regulation and the Firm policy when violations are detected, and establish a system for reporting such violations to the Supervisor;

- Take appropriate disciplinary action when violations are detected and reported;

- Coordinating with management and legal counsel to review compliance issues and assess the impact of changes in applicable laws, regulations and administrative positions; and

- Reviewing the Form ADV on an annual and ongoing basis to ensure that all information is current and accurate.

Compliance Committee

The Compliance Committee meets semi-annually. The committee members include Kenneth J. Krogulski and Marilyn D. Millington. The committee has responsibility over all compliance related issues within Berkshire Asset Management, LLC.

Compliance Meetings

All BAMCO employees shall attend an annual and, if necessary, periodic compliance meetings, to be led by the CCO. The compliance meetings shall cover at a minimum:

- A review of BAMCO's business and product mix and the methods of operation for each person with an emphasis on compliance issues relating thereto;

- A question and answer period providing BAMCO employees an opportunity to ask questions and receive authoritative guidance on compliance issues;

- Insider trading training; and

- A review of relevant guidelines and recent regulatory developments.

The CCO will maintain a signed attendance sheet of all employees present at each meeting in addition to a copy of the training presentation.

OPERATING PROCEDURES AND COMPLIANCE REVIEW

The CCO will complete no less than an annual review of BAMCO's business operations to ensure that all required registrations have been filed and continue to be appropriate and up to date. The CCO will also complete no less than an annual review of the Manual to ensure that it remains consistent and up to date with BAMCO's business operations and relevant regulatory developments. The CCO shall amend BAMCO's Manual within a reasonable time after changes occur in BAMCO's business or in securities laws and regulations.

SECTION 1 – INVESTMENT ADVISER REGISTRATION

INVESTMENT ADVISER DEFINITION

An "**Investment Adviser**" is defined in Section 202(a) (11) of the Advisers Act as any person who, for compensation, as part of regular business engages in:

- Advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or

- Issuing or promulgating analyses or reports concerning securities (subject to certain exceptions: lawyers, accountants, teachers, broker or dealer, US government).

Investment advisers subject to registration with the SEC are required to, among other things:

- File a Form ADV Part 1 and Part 2A through the Investment Adviser Registration Depository ("**IARD**") system in accordance with Rule 203 of the Advisers Act, as well as maintain a current Form ADV Part 2B in accordance with Rule 204 of the Advisers Act;

- Appoint a CCO and develop comprehensive compliance policies and procedures;

- Create an ongoing employee compliance training program;

- Comply with the record keeping requirements of Rule 204-2 of the Advisers Act;

- Periodically test the compliance program for effectiveness; and

- Submit to on-site inspections from the SEC and be prepared to supply the examiners with information relating to the investment adviser's activities as well as the affiliated individuals.

INVESTMENT ADVISER REGISTRATION PROCESS

BAMCO is registered with the SEC as an investment adviser.

FORM ADV PART I: SEC registered investment advisers are required to file Form ADV Part 1 electronically through the IARD system. The SEC maintains the information submitted on the Form ADV Part I and it is publicly available. By accepting the Form ADV Part I, however, the SEC does not make a finding as to the accuracy of the information.

An annual amendment to the Form ADV Part 1 is required to be filed by every registered investment adviser no later than 90 days after the end of the adviser's fiscal year. Any other than annual amendment must also be filed promptly during the year to reflect material changes (e.g. hiring a new CCO, new disciplinary events, change of Firm address).

Item 11 of the Form ADV Part I is titled *Disclosure Information*. This item requires the investment adviser and/or any of its advisory affiliates to disclose information about its disciplinary history.

FORM ADV PART 2A and Part 2B: The Form ADV Part 2A must be filed electronically, in a searchable PDF format, and will be publicly available on the IARD system. Annual updating amendments to the ADV Part 2A is due 90 days after an investment adviser's fiscal year end. The Form ADV Part 2B (the "**Brochure Supplement**") is not required to be filed with the SEC, but must be prepared, maintained and updated by the Adviser.

BAMCO must deliver both the Form ADV Part 2A and Part 2B to each Client (i) not less than forty-eight hours prior to entering into any written or oral investment advisory contract; or (ii) at the time of entering into such advisory contract with BAMCO, if the client has the right to terminate the contract without penalty within five (5) business days after entering into the contract. In addition, a registered investment adviser must annually provide to each Client either: (i) a copy of their current (updated) Form ADV Part 2 that includes or is accompanied by a summary of material changes; or (ii) a summary of material changes that includes an offer to provide a copy of the current Form ADV Part 2 within 120 days of year end.

The content of the Form ADV Part 2A must include information regarding:

- Material changes since last update;
- Description of advisory business;
- Fees and compensation to the adviser;
- Description of performance based fees;
- Types of clients;
- Disciplinary information;
- Other financial industry affiliations;
- Brokerage practices;
- Review of accounts;
- Client referral and other compensation;
- Custody;
- Investment discretion;
- Voting client securities;
- Description of Code of Ethics and employee personal trading; and
- Financial information.

Form ADV and Record Keeping Requirements Under Rule 204-2(a)(14)

In accordance with Rule 204-2(a)(14) of the Advisers Act, BAMCO must maintain copies of any Form ADV Part 2 (original or revised) that is sent to a Client for a period of not less than 5 years. (See also, Section 6 – Books and Records).

State Registration

As provided by the Coordination Act, states may not register, license or impose qualification requirements on investment advisers registered with the SEC. The states may, however, continue to investigate and bring enforcement actions with respect to fraud or deceit alleged against a federally registered investment adviser. States are also authorized to require federally registered investment advisers to make notice filings that include copies of any documents that the investment adviser files with the SEC along with a consent to service of process. The states may also require federally registered investment advisers to pay a fee in connection with the notice filings.

Under the current regulatory scheme, a state is also empowered to require the registration or licensing of each "investment adviser representative" of federally registered investment advisers; provided such person has a place of business in the state.

Generally, the Firm must be notice filed in any state in which it maintains a place of business. In addition, since the Firm has clients that reside in a number of different states, the Firm must review the applicable investment adviser notice filing regulations for each state in which a client resides, and determine whether a notice filing is necessary. The CCO will review its notice filings at least annually to ensure that all proper renewals are filed in a timely manner. In addition, before entering into an advisory relationship with a new client, the CCO will review its notice filing status in the state of residence of the new client and promptly make any necessary notice filing.

States may require the Firm to register any "investment adviser representative" that maintains a place of business within the state. A Firm representative will be deemed to be an "investment adviser representative" under Rule 203A-3 promulgated under the Advisers Act if: (i) the representative has more than five (5) clients that are natural persons; and (ii) more than ten percent (10%) of the representative's clients are natural persons, other than "excepted persons."

In order to trigger state investment adviser representative registration, the representative must also have a place of business in the state. Generally, a place of business is deemed to include an office or any other location that is held out to the public as a location where the investment adviser representative engages in business.

The CCO will review the applicable registration regulations in each state where an investment adviser representative maintains a place of business, and effectuate the appropriate registration when necessary.

OPERATING PROCEDURES AND COMPLIANCE REVIEW

- The CCO will ensure that BAMCO's Form ADV1, ADV 2A and ADV 2B are kept current and that events affecting disclosures in BAMCO's Form ADV1, ADV 2A or ADV 2B are reflected therein on a timely basis.

- The CCO is also responsible for ensuring that the Form ADV amendments are filed through the IARD system.

- The CCO is responsible for ensuring that the Form ADV Part 2A and ADV 2B is provided to prospective clients prior to signing an investment advisory agreement with BAMCO.

- The CCO is responsible for ensuring that, on an annual basis, BAMCO offers to deliver or actually delivers a copy of the Form ADV Part 2A to existing Clients, as well as any Part 2B(s), if required.

- The CCO is responsible for reviewing applicable registration regulations in each state where an investment adviser representative maintains a place of business, and effectuate the appropriate registration when necessary.

SECTION 2 – FIDUCIARY OBLIGATIONS

INTRODUCTION

The Investment Advisers Act of 1940 (the "**Advisers Act**") was enacted, in part, to strengthen the fiduciary relationship between investment advisers and their clients. The SEC has made clear that investment advisers owe their clients several specific duties as fiduciaries, mainly:

- Advice that is suitable for the particular client;
- Avoidance of any scheme to defraud a client or prospective client;
- Full and fair disclosure of all material facts and potential conflicts of interest;
- Utmost and exclusive loyalty and good faith to the client;
- Best execution of client transactions; and
- The exercise of reasonable care to avoid misleading clients.

BACKGROUND

Definition of a "Fiduciary" – Any person who exercises discretionary authority or control involving management or disposition of a client's assets, renders investment advice for a fee, or has any discretionary authority or responsibility for the administration of a client's assets.

General Fiduciary Principles – The following represent some of the general fiduciary principles applicable to BAMCO:

- **Disinterested Advice** – BAMCO must provide advice that is both suitable and in the best interest of the Client.

- **Disclosure of Conflicts of Interest** – In its ADV Part 2A BAMCO shall detail, in writing, all material facts regarding its advisory services along with any actual or potential conflicts of interest that may arise from providing such services.

- **Confidentiality** – A Client's records and financial information must be treated with strict confidentiality. Under no circumstances should this information be disclosed to a third-party that has not been granted the legal right from the client to receive such information (See also, Section 13 – Privacy Policy).

- **Fraud** – BAMCO shall not employ any device, scheme, or artifice to defraud a Client or prospective client; nor shall BAMCO engage in any transaction, practice, or course of business which defrauds a Client or prospective client.

OPERATING PROCEDURES AND COMPLIANCE REVIEW

The CCO has a continuing duty, along with all employees of BAMCO, to protect the interests of each client and place the client's interest first in every situation where a conflict of interest may exist. During the annual review and/or periodic compliance meetings, the CCO will determine

whether BAMCO is actually satisfying its fiduciary obligations and not putting its personal interests before those of the clients.
The CCO will analyze particular activities in its review, such as:

- Employee personal trading activities
- Statements in marketing and advertising materials
- Fees charged to clients

SECTION 3 – CONFLICTS OF INTEREST

INTRODUCTION

A conflict of interest occurs in any situation in which someone in a position of trust has a competing professional or personal interest. A conflict of interest can prejudice an individual's ability to carry out his/her duties and responsibilities objectively. BAMCO should seek to avoid conflicts of interest, if at all possible.

However, despite all possible precautions, there may be situations where a conflict of interest becomes inevitable. In a situation where the interests of BAMCO's Clients are at stake, the Client should always be treated fairly and have priority over the economic interests of BAMCO employees.

Any existing interest or activity that might constitute a conflict of interest under this Manual must be fully disclosed to the CCO so that BAMCO may determine whether such interest or activity should be disposed of, discontinued or limited. Disclosure will allow assessment of potential conflicts of interest and how they should be addressed. Interests that are reported in accordance with personal investment of employees need not be reported but, for example, conducting business with a service provider that is related should be disclosed.

While it is not possible to list all situations that might involve conflicts of interest, the following are some examples of interests and activities that might result in conflicts. If you have any doubts or questions about the appropriateness of any interests or activities, you should contact the CCO.

POTENTIAL CONFLICTS OF INTEREST

In addressing potential conflicts of interest, BAMCO will consider, and will disclose to Clients, the following issues, among others, and will also explain how it addresses each potential conflict of interest.

Personal/Proprietary Trading

BAMCO has a fiduciary obligation to ensure that it puts the interests of BAMCO's Clients before its own personal interests and does not, among other things, "front-run" trades for Clients or otherwise favor the individuals' or entities' own accounts. BAMCO's policies and procedures regarding personal securities transactions are included in Employee Investment Policy contained within the Code of Ethics and are disclosed in its Form ADV Part 2A.

Corporate Opportunities

Employees of BAMCO, through their position with BAMCO, may be in a position to take investment opportunities for themselves, before such opportunities are executed on behalf of clients. These individuals owe a duty to BAMCO and its clients and, as such, client interests must always be placed before that of their own. BAMCO has adopted a Code of Ethics which contains its code of business conduct.

Outside Business Activities

Generally, upon pre-clearance from the CCO, BAMCO may permit employees to engage in outside business activities. Therefore, there is the potential that such activities will conflict with the employee's duties to BAMCO and its Clients. BAMCO's policies and procedures regarding outside business activities of its employees are included in its Code of Ethics.

Business Gifts and Entertainment; Political Contributions

Employees may periodically give to or receive gifts from clients and vendors (seeking to do business with BAMCO) or attend business entertainment events. Gifts and entertainment may also be considered efforts to gain unfair advantage or may impair BAMCO's ability to act in the best interests of its clients.

BAMCO, its employees, senior management or other individuals with a similar status or function may make political contributions to officials of government entities who are in a position to influence the award of advisory business or to candidates for such office. Such political contributions may improperly influence a government entity's decision to invest its assets with BAMCO.

BAMCO's policies and procedures regarding the receipt of gifts, attendance at business entertainment events by its employees and political contributions to officials of government entities who are in a position to influence the award of advisory business and to candidates for such office are included in BAMCO's Code of Ethics.

Reporting Illegal or Unethical Behavior

Unethical or illegal conduct on the part of employees can damage BAMCO's reputation and impair its ability to meet its fiduciary duties to Clients.

Insider Trading

The portfolio managers and other employees of BAMCO, through their position with BAMCO, may learn material non-public information ("**MNPI**"). BAMCO maintains policies and procedures to mitigate the risk of receiving inside information. BAMCO's policies and procedures relating to insider trading are included in this Manual. BAMCO will also train employees on insider trading during the annual compliance training meeting.

Valuation of Client Accounts

Inaccurate valuations of Client assets could result in higher fees payable by Clients to BAMCO or in inaccurate performance information.

Proxy Voting

BAMCO may be in a position where its interests conflict with the best interests of the Client when determining how to vote proxies. BAMCO's policies and procedures relating to proxy voting are disclosed in this Manual and in its Form ADV Part 2A.

OPERATING PROCEDURES AND COMPLIANCE REVIEW

All conflicts of interest should be brought to the attention of the CCO who will attempt to resolve conflicts by putting the Clients' interests first. Conflicts and their subsequent resolutions will generally be documented by the CCO if the CCO deems it material and/or necessary. Additionally, any conflicts that cannot be mitigated will be disclosed to Clients.

SECTION 4 – SUITABILITY

INTRODUCTION

BAMCO should seek Clients that it has a reasonable basis for believing BAMCO can provide suitable investment advice to. Such a determination should be made on a case-by-case basis for each Client depending on the client's particular situation, investment objectives, risk tolerance and financial circumstances. Some of the factors that may be utilized in determining suitability include:

- relative financial position;
- current income and occupation;
- ability to understand the complexity and risks of an investment;
- current portfolio and familiarity with alternative investments; and
- ability and intent to hold illiquid and long term investments in their portfolio.

BAMCO shall not provide investment advice to potential or current Clients unless BAMCO determines that the Client is suitable to become a managed account Client or make or maintain an investment in a particular Fund or product as advised by BAMCO.

As a general rule, the Firm has a fiduciary duty to reasonably determine that the investment advice and/or services that it provides to its Clients is suitable. This duty requires employees to (i) be knowledgeable about the investment objectives, guidelines and restrictions, if any, of a particular client and (ii) make investments that comply with such objectives, guidelines and restrictions.

It is the Firm's policy to obtain (and maintain) sufficient information regarding the client's circumstances so as to enable the Firm to determine whether particular advice and/or services are suitable. Portfolio Managers review Client portfolios periodically and communicate portfolio results to clients, especially if the Portfolio Managers identify any material portfolio recommendations to clientsPortfolio Managers will document client communications.

It is the responsibility of the CCO to ensure that BAMCO has obtained sufficient information from a prospective client (on such form(s) as may be prescribed by the Firm) to enable the Firm to provide services and/or manage the client's assets in accordance with the client's designated investment objective(s) and risk parameters. In addition, the CCO will verify that BAMCO has reached out to Clients on at least an annual basis to update the Client's information.

GENERAL SOLICITATION AND GENERAL ADVERTISING

Rule 506(b) of Regulation D prohibits general solicitation and general advertising through various means including: any advertisement, article, notice or other communication published in any newspaper, magazine, or similar media, broadcast over the television or radio, or available on a publicly accessible internet site. This prohibition also applies to any seminar or meeting whose attendees have been invited by any general solicitation or general advertising.

BAD ACTOR DISQUALIFICATION RULE

On July 10, 2013, the SEC adopted new rules disqualifying issuers from relying on the safe harbor exemption for private securities offerings under Rule 506 of Regulation D of the Securities Act, if such issuers are affiliated with specified "felons" and other "bad actors". This disqualification applies to all offerings under Rule 506, regardless of whether general solicitation is used.

The "**Covered Persons**" whose actions could give rise to such disqualification for an issuer, including a pooled investment vehicle, include:

- The issuer and any predecessor or affiliated issuer(s);
- Directors, executive officers, other participating officers and general partners or managing members of the issuer;
- Investment advisers to the issuer and any director, executive officer, participating officer, general partner or managing member of any such investment adviser, as well as any director, executive officer, or participating officer of any such general partner or managing member;
- Beneficial owners of the issuer owning voting securities equaling 20 percent or more;
- Promoters connected with the issuer in any capacity at the time of the sale; and
- Persons compensated for soliciting investors and any director, executive officer, participating officer, general partner or managing member of any such solicitor.

An issuer may not rely on the Rule 506 exemption from registration if the issuer, or an affiliated Covered Person, is subject to a "**Disqualifying Event**" occurring after September 23, 2013. The SEC has set out eight different categories of Disqualifying Events, which generally include actions taken by U.S. courts and/or regulators, including criminal convictions and certain SEC disciplinary orders. For existing offerings, if BAMCO or a Covered Person has been subject to a Disqualifying Event, BAMCO may continue to rely on the safe harbor, but is now required to disclose details of any Event that occurred prior to September 23, 2013 to new prospective investors, prior to their investment. For new offerings, the same disclosure obligation to prospective investors of Disqualifying Events prior to September 23, 2013 would apply.

Employees should contact the CCO if they have any questions as to what qualifies as a Disqualifying Event or whether they are deemed a Covered Person. The CCO is responsible for obtaining signed attestations from all Covered Persons of BAMCO and disclosing any Disqualifying Events to prospective clients.

SECTION 5 – CLIENT ADVISORY AGREEMENTS

INTRODUCTION

This section (pursuant to Section 205 of the Adviser's Act) sets forth BAMCO's procedures for preparing investment advisory agreements, limited partnership agreements and maintaining and delivering the required disclosure documents (collectively, "**Advisory Agreements**").

ADVISORY AGREEMENTS

The following provisions should be included in advisory agreements:

- The agreement may not be assigned without the prior notification to the Client, providing the opportunity for negative consent;

- The agreement must be in writing and signed by both the Client and an authorized representative of BAMCO;

- No provision may be used to waive BAMCO's compliance with the Advisers Act or other applicable regulations.

- The Fees due to BAMCO, including:

    - The level of fees and how they are calculated;
    - When the fees will be paid;
    - How the fees will be calculated for partial periods;
    - Whether the client will be invoiced for fees or whether the fees will be deducted directly from the account

- BAMCO's procedures for protecting the confidentiality of Client information;

- The assets to be managed by BAMCO, specifically describing the services that will be provided to the Client;

- A description of the type and frequency of reports to be provided to Clients;

- The address (electronic or physical) for sending notifications;

- Whether correspondences are permitted to be sent to the Client electronically;

- The procedures and time requirements to terminate the investment advisory agreement;

- The procedures for fee settlement in the event of the termination of the investment advisory agreement; and

- The term of the investment advisory agreement and any renewal requirements (if applicable).

FINANCIAL CONDITION

Rule 206(4)-4 under the Advisers Act requires the Firm to disclose to any client or prospective client any financial condition of the Firm that is reasonably likely to impair the ability of the Firm to meet its contractual commitments to its clients. In addition, the Firm is required to disclose any legal or disciplinary event that is material to an evaluation of the Firm's integrity or ability to meet contractual commitments to clients. The disclosures required by Rule 206(4)-4 must be made to current clients "promptly" and must be made to prospective clients not less than forty-eight (48) hours prior to entering into an investment advisory contract, or no later than the time of entering into the contract if the client can terminate the contract without penalty within five (5) days after entering into the contract. The Firm's CCO will determine whether any disclosures are required in accordance with the rule.

NON-DISCRETIONARY ACCOUNTS OR RECOMMENDATIONS OF OUTSIDE MANAGERS

Berkshire and its Portfolio Managers must have a reasonable basis for recommending an investment transaction or outside manager or sub-adviser. Before making a recommendation, each Portfolio Manager must:

- Review and understand the client's financial situation, objectives and risk tolerance;
- Follow an investment strategy with respect to that client, which is approved by the Berkshire Portfolio Manager and approved by the CCO, and is appropriate for the client in light of the information obtained;
- Communicate to the client the basis for the recommendation; and
- For "non-discretionary" accounts, obtain the client's instructions and document the conversation.

For "outside managers or sub-adviser" accounts, ensure the recommended manager is on BAMCO's list of approved managers maintained by the CCO. Berkshire maintains a list of approved sub-advisers upon which the Firm has had performed due diligence. Sub-advisers are selected for a small percentage of our clients. The selection of a sub-advisor is to achieve an optimal asset allocation within their risk return profile. Berkshire employs a rigorous multi-phase approach to researching and selecting managers suitable for certain clients. BAMCO's approved sub-managers are evaluated using data and information from several sources including manager and independent data bases and proprietary due diligence. Berkshire attempts to verify all information by comparing public and private sources. The initiating Porfolio Manager will prepare a due diligence memo outlining the procedures performed to review the the manager/sub-advisor including recommendations. Berkshire will review this list annually to ensure that a sub-adviser continues to meet all due diligence criteria.

Recommendations made by Berkshire will be periodically reviewed by the Portfolio Manager's supervisor to ensure that such recommendations are consistent with the best interests and/or instructions of the client. The CCO will review all due diligence information, review and approve the sub-advisor due diligence memo, and maintain the list of approved sub-advisors.

OTHER DISCLOSURES

Where applicable, the following additional disclosures may be provided in investment advisory agreements or disclosed in ADV2A Brochure which is provided to all clients prior to service:

- BAMCO must notify Clients of any material changes in the members of the Adviser;
- BAMCO's use of an affiliated broker-dealer(s) and the inherent conflicts of interest;
- BAMCO's use of sub-advisers;
- How proxy voting responsibility is handled;
- How investment opportunities are allocated between Clients;
- Whether transactions will be aggregated for executions for the Client Accounts; and
- BAMCO's policies regarding the use of soft dollars.

OPERATING PROCEDURES AND COMPLIANCE REVIEW

It is BAMCO's policy to require a signed advisory agreement for its managed account Client Accounts. The CCO will review all new client advisory agreements. The ADV2A Brochure, ADV 2B and Privacy Policy are also distributed to all Clients prior to commencement of services.

The CCO will review all sub-advisor due diligence and maintain an approved list of sub-advisors that will be reviewed on an as-needed basis or at least annually.

SECTION 6 – BOOKS AND RECORDS

INTRODUCTION

Every investment adviser registered or required to be registered under Section 203 of the Advisers Act shall make and keep true, accurate, and current the books and records relating to its investment advisory business.

BAMCO will maintain books and records in accordance with the required retention periods, which generally fall into the following categories:
The business records will include, but not be limited to:

- General and auxiliary ledgers;
- A journal including cash receipts and disbursement records;
- Bank statements, checkbooks, cancelled checks,, etc.;
- All correspondence received and copies of all correspondence sent relating to: (i) recommendations or advice given or proposed; (ii) any receipt, delivery or disbursement of funds or securities; or (iii) the placing or execution of any order to purchase or sell any security;
- All trial balances, financial statements and internal audit working papers relating to the advisory business; and
- A copy of the policies and procedures formulated pursuant to Rule 206(4)-7 of the Advisers Act.

The Client records will include, but not be limited to:

- All written agreements between BAMCO and any Client;
- A record of all accounts in which the Firm is vested with discretionary power;
- Powers of attorney or other evidence of the granting of discretionary authority by BAMCO's clients;
- Copies of all of the Firm's ADV 2A and ADV 2B "Brochures" and a record of the dates that each Brochure and each amendment thereof was given or offered to each client;
- Copies of all disclosure documents provided in compliance with Rule 206(4)3 (client solicitation rule) and copies of all acknowledgments from clients regarding the receipt of such disclosure documents;
- Written communications received and sent by BAMCO; and
- Sales/Marketing literature.

The custody records will include, but not be limited to:

- A journal or other record showing all purchases, sales, receipts and deliveries of long/short equity and fixed income investing principally in securities and all other debits and credits to Client Accounts;
- Separate ledger account for each Client showing all purchases, sales, receipts and deliveries of securities, the date and price of each such purchase and sale, and all debits and credits;
- Copies of confirmations of all transaction effected by or for the Client Accounts.

The code of ethics records will include, but not be limited to:

- A copy of the Firm's Code of Ethics adopted and implemented pursuant to Rule 204A-1 that is in effect, or at any time within the past five years was in effect;
- A record of any violation of the Code of Ethics, and of any action taken as a result of the violation;
- A record of all written acknowledgments as required by Rule 204A-1(a)(5) for each person who is currently, or within the past five years was, a supervised person of the Firm;
- A record of each report made by an access person as required by Rule 204A-1(b), including any information provided under paragraph (b)(3)(iii) of that section in lieu of such reports;
- A record of the names of persons who are currently, or within the past five years were, access persons of the Firm; and
- A record of any decision, and the reasons supporting the decision, to approve the acquisition of securities by access persons under Rule 204A-1(c) for at least five years after the end of the fiscal year in which the approval is granted

The advertising records will include, but not be limited to:

- A copy of each notice, circular, advertisement, newspaper article, investment letter, bulletin, or other communications that the Firm circulates or distributes to ten (10) or more persons; and

- If the notice, circular, advertisement, etc includes performance information, BAMCO must maintain working papers and other records necessary to demonstrate the calculation of the performance.

The Compliance Program records will include, but not be limited to:

- A copy of the Firm's compliance program policies and procedures that were in effect at any time during the last five (5) years; and
- Any records documenting BAMCO's annual review of its compliance program policies and procedures.

The proxy voting records will include, but not be limited to:

- A copy of the Firm's proxy voting policies and procedures;
- A copy of each proxy statement received regarding client securities;
- A record of each vote cast on behalf of a client;
- A copy of any document created by an employee of the Firm that was material to making a decision how to vote proxies or that memorializes the basis for that decision;

- A copy of each written client request for information on how the Firm voted proxies; and
- A copy of any written response by the Firm to any client request for information on how the Firm voted proxies.

Other Record Keeping Requirements

BAMCO will maintain records for the Berkshire Growth Fund, and Berkshire Partnership, which will include, but not be limited to:

- Private Placement Memorandums and/or all executed Offering Documents

- Written withdrawal requests by Limited Partner to General Partner for processing;
- Partnership Authorization Disbursement Form completed and signed by General Partner; and
- Requests for payment of management fees to the General Partner and requests for full or partial redemption of the General Partner's capital investment approved by the Independent Representative.

RETENTION PERIOD

All books and records must be kept for a period of not less than five (5) years from the end of the applicable fiscal year. The books and records must be retained in an appropriate office of the investment adviser during the first two (2) years and must be readily accessible for the remaining three (3) years.

A full list of all required books and records can be found under Rule 204-2 of the Advisers Act.

OPERATING PROCEDURES AND COMPLIANCE REVIEW

Periodically, the CCO will conduct and document reviews ensuring that all necessary books and records are being maintained.

SECTION 7 - E-MAIL RETENTION POLICY

INTRODUCTION

Rule 204-2 of the Advisers Act requires investment advisers to keep specific books and records and it specifies the records and information that must be maintained. The SEC construes the general authority of Section 204-2 to entitle it to review any record or information maintained by the adviser. Electronic communications, including e-mail and instant messages, will be subject to the same record retention and review policies as paper-based communications.

The Advisers Act states that advisers must maintain all written communications received and copies of all written communications sent by the adviser relating to:

- Any recommendation made, or proposed to be made, and any advice given or proposed to be given;
- Any receipt, disbursement or delivery of client accounts or securities; and
- The placing or execution of any order to purchase or sell any security.

E-MAIL RETENTION POLICY

- BAMCO has implemented an e-mail retention policy whereby BAMCO will retain all e-mails through the use of Global Relay, the Firm's third-party e-mail hosting and archiving provider.
- The CCO is responsible for supervision of the policy.
- BAMCO employees must refrain from conducting business through any communications network not maintained by BAMCO (e.g. outside e-mail or, instant messaging, text messaging not provided by BAMCO to the employee) and which cannot be captured under the e-mail retention policy (other than Bloomberg).
- Electronic communications that fall within the applicable record keeping requirements are identified and preserved in the appropriate manner.
- Educate and train employees on the policy.
- The CCO or her designee is responsible for conducting periodic reviews of the policy.

OPERATING PROCEDURES FOR E-MAIL RETENTION AND REVIEW

Through the use of Global Relay, BAMCO archives and maintains email for at least five (5) years. The CCO or a designee will periodically conduct e-mail retention reviews. Employees are not permitted to use personal e-mail accounts to communicate business matters. During the annual compliance training, the CCO will also remind employees on the prohibition of conducting

business on any e-mail or communication system that cannot be captured by the e-mail retention system.

Employees are advised that they should have no expectation of privacy in any communication that enters, leaves, is accessed through or is stored in BAMCO's communications systems, including the e-mail system or instant messaging or any other system accessed through BAMCO's communications system. BAMCO expressly reserves the right to monitor its communications systems in its sole discretion. Employees are also reminded that all electronic communications, including personal communications, are subject to examination by the SEC.

The CCO or a designee will periodically test the email retention system to verify it is functioning properly and to confirm that the Firm is able to produce emails in a timely manner and according to the Books and Records Rule.

SECTION 8 – COMMUNICATIONS WITH THE PUBLIC

GENERAL

It is the policy of BAMCO that all communications with the public, Clients and potential clients be based on the principles of fair dealing and good faith and provides a sound basis for evaluating the merits of any Client account or Fund vehicle advised by BAMCO or any other services offered by BAMCO. No material fact or qualification may be omitted if the omission, in light of the context in which the material is presented, would cause the advertising or marketing materials to be misleading. Exaggerated, unwarranted or misleading statements or claims shall not be used in any form of communication made by BAMCO. Furthermore, BAMCO shall not, directly or indirectly, publish, circulate or distribute any communication or material that BAMCO knows or has reason to know contain any untrue statements of material fact or is otherwise false or misleading.

MEDIA

Portfolio managers are permitted to speak to the press only with the pre-approval of the CCO and CEO. However, in the event the CCO was unavailable, pre-approval could be requested from the CEO and the portfolio managers must notify the CCO upon completion of the call with details surrounding the discussion, including who the portfolio manager spoke with. Anyone speaking to the press should disclose whether BAMCO maintains a position in any securities discussed, and should endeavour to discuss broad market topics. If portfolio managers plan on discussing security positions, they should inquire whether the Firm or any of the Client Accounts owns that security. The CEO can speak to the press without the pre-approval of the CCO, however pre-approval is recommended. A follow-up discussion with the CCO is required by the CEO. All interactions with the press will be documented by the CCO accordingly.

SPEAKING ENGAGEMENTS AT CONFERENCES

When speaking at a conference the BAMCO employee is required to seek CCO review of the materials and content of the presentation and receive approval by the CCO prior to the presentation. Disclosure of certain information about BAMCO can create the potential for a general solicitation or advertisement by the speaker.

OPERATING PROCEDURES AND COMPLIANCE REVIEW

Disclosure of certain information about BAMCO can create the potential for a general solicitation or advertisement by the speaker. Therefore, prior to an employee of BAMCO speaking at a conference where the attendees were invited by general solicitation or general notice, the employee must have the materials and content of the presentation approved by the CCO. Any calls to speak with members of the media must be pre-approved by the CCO.

SECTION 9 – SOCIAL MEDIA POLICY

INTRODUCTION

Rule 206(4)-1 of the Advisers Act regulates BAMCO's advertising practices and sets forth a general prohibition from directly or indirectly publishing, circulating, or distributing any advertisement that contains any untrue statement of a material fact or that is otherwise false or misleading. Additionally, the Advisers Act contains prohibitions against the use of "testimonials" in marketing material.

Social media may be considered advertising and thus is subject to the provisions of the Advisers Act. To assist employees in making responsible decisions about their use of social media, BAMCO has established these guidelines. This policy applies to all employees and principals of BAMCO.

GENERAL GUIDELINES APPLICABLE TO ALL SOCIAL MEDIA USE

Employees are solely responsible for what they post online. Before creating online content, consider some of the risks and rewards that are involved. Keep in mind that any employee conduct that adversely affects job performance, the performance of fellow employees or otherwise adversely affects clients, members, customers, suppliers, people who work on behalf of BAMCO or BAMCO's business interests may result in disciplinary action up to and including termination.

Be Honest and Accurate

Employees must make sure they are always honest and accurate when posting information or news, and corrective action should be taken upon the discovery of any mistakes. Employees must be open about any previous posts that have been altered. It is important to remember that the internet archives almost everything; therefore, even deleted postings can be searched. Employees should never post any information or rumors that they know or believe to be false about BAMCO, fellow employees, clients, customers, suppliers, people working on behalf of BAMCO, or competitors.

Endorsements and Recommendations on Social Media

The Firm should avoid sharing any social media posts from a client who is providing a testimonial about the Firm's business, performance or a product or service of the Firm. Employees should be aware that a "like" or "favorite" on a social media account may be considered an endorsement or testimonial by the SEC.

Sharing of Public Commentary

According to SEC guidance, the sharing of reviews or commentary of the Firm's business on third-party social media sites is prohibited unless they meet all of the following criteria:

- The Firm has no ability to affect public commentary that is included or what is presented on the third-party site.

- There is no material connection between the Firm and the third-party social media site that would call into question the independence of the commentary.

- The link provides access to all unedited comments appearing on the third-party social media site, both negative and positive.

Employees should contact the CCO if they are unsure whether their post may be construed as a testimonial.

Post Only Appropriate Content

While posting on social media it is imperative that employees take into account the following:

- Maintain the confidentiality of BAMCO or BAMCO's clients' non-public information.

- Do not post internal reports, policies, procedures or other internal business-related confidential communications.

- Respect financial disclosure laws. It is illegal to communicate or give a "tip" on inside information to others so that they may buy or sell stocks or securities. Such online conduct may also violate the Firm's insider trading policies ("Section 11 - Policies on Insider Trading").

- Do not create a link from your blog, website or other social networking site to a BAMCO website without identifying yourself as a BAMCO employee.

- Refrain from using defamatory language, issuing threats, infringing of intellectual property, producing spam, or producing any other types of general profanity on any social media pages.

- You may only express your own personal opinions.

- Never represent yourself as a spokesperson for BAMCO.

- If BAMCO is a subject of the content you are creating, be clear and open about the fact that you are a BAMCO employee and make it clear that your views do not represent those of BAMCO, fellow employees, clients, suppliers or people working on behalf of BAMCO.

- If you do publish a blog or post online related to the work you do or subjects associated with BAMCO, make it clear that you are not speaking on behalf of BAMCO and include the following disclaimer:

  "The postings on this site are my own and do not necessarily reflect the views of BAMCO."

Employees should contact the CCO if they are unsure whether their post may be construed as an "advertisement."

Media Contacts

Employees should not speak to the media on BAMCO's behalf without contacting the CCO and obtaining pre-approval. All media inquiries should be directed to the CCO.

Sanctions for Employee Retaliation

BAMCO prohibits taking negative action against any employee for reporting a possible deviation from this policy or for cooperating in an investigation. Any employee who retaliates against another employee for reporting a possible deviation from this policy or for cooperating in an investigation will be subject to disciplinary action, up to and including termination.

SECTION 10 – ADVERTISING AND MARKETING

INTRODUCTION

This section of the Manual contains an overview of U.S. regulations as they relate to advertising and marketing. All BAMCO employees or outside service providers and consultants should refrain from advertising on behalf of BAMCO, unless they have been expressly authorized to do so by BAMCO management.

It is important to note that the SEC exercises a vigorous enforcement program with respect to investment advisers and advertising and regularly imposes significant sanctions and/or enforcement actions when it finds what it believes are misleading or inappropriate advertising practices.

ADVERTISEMENT

The Advisers Act regulates BAMCO's advertising practices and sets forth a general prohibition preventing BAMCO from, directly or indirectly, publishing, circulating, or distributing any advertisement that contains any untrue statement of a material fact or that is otherwise false or misleading (Rule 206(4)-1). In addition, marketing materials and performance information provided to investors or prospective investors in private investment funds are subject to the Anti-Fraud provision of the Advisers Act (Rule 206(4)-8).

The SEC has defined "advertisements" to include any circular, notice, letter or other written communication directed to more than one person; any circular, notice or other announcement in any publication or by radio or television which offers analysis; any report or publication concerning securities or used to determine when to buy or sell securities or which securities to buy or sell; any graph, chart, formula or other device used to determine when to buy or sell any securities or which securities to buy; or any other investment advisory service. This definition includes ***all marketing booklet presentations, tearsheets, any due diligence questionnaires and any monthly, weekly, quarterly or annual reports, blogs or newsletters that are sent to any clients or potential clients***. Additionally, certain social media can be considered an advertisment, as previously discussed in "Section 9 – Social Media."

USE OF PERFORMANCE DATA IN ADVERTISING

The use of performance data in advertising and marketing materials is a highly complex area and carefully scrutinized by the SEC. Although the SEC has not established any fixed formula for the calculation of investment adviser performance, in recent years they have given guidance as to what cannot be included in performance data used in advertisements.

In a no-action letter, *Clover Capital Management, Inc*., the SEC's Division of Investment Management listed numerous practices which it deemed to be inappropriate under the advertising rule of the Advisers Act. The SEC stressed that this list was not exhaustive and that it does not create a safe harbor for practices not included in the list.

Clover stated that the anti-fraud provisions of Rule 206(4)-1 prohibit an advertisement that:

- Fails to disclose the effect of material market or economic conditions on results portrayed;

- Includes model or actual results that do not reflect the deduction of advisory fees, brokerage or other commissions and any other expenses that a client would have paid or actually paid;

- Fails to disclose whether and to what extent the results portrayed reflect the reinvestment of dividends and other earnings;

- Suggests or makes claims about the potential for profit without also disclosing the possibility of loss;

- Compares the model or actual results to an index without disclosing all material facts relevant to the comparison;

- Fails to disclose any material conditions, objectives, or investment strategies used to obtain the results portrayed;

- Fails to disclose prominently the limitations inherent in model results, particularly the fact that the results do not represent actual trading;

- Fails to disclose, if applicable, that the conditions, objectives or investment strategies of the model portfolio changed materially during the time period portrayed in the advertisement and the effect of the change on the results portrayed;

- Fails to disclose, if applicable, that any of the securities contained in or the investment strategies followed with respect to the model portfolio do not relate or partially relate to the type of advisory services currently offered by the investment adviser;

- Fails to disclose, if applicable, that the investment adviser's clients had investment results materially different from the results portrayed in the model; or

- Fails to disclose, if applicable, that the results portrayed relate only to a select group of the investment adviser's clients, the basis of which the selection was made, and the effect of this practice on the results portrayed, if material.

USE OF PAST PERFORMANCE

When utilizing past performance in advertising and marketing materials, investment advisers must be careful to disclose all material facts to prevent unwarranted references. Investment advisers may distribute to prospective investors either actual performance results or model performance results.

The Firm will comply with the following guidelines when distributing advertising materials that include past performance results:

- Disclose the relevant effects of any material market or economic conditions on the performance advertised;

- Deduct advisory fees, brokerage commissions or other expenses that the potential investor would have paid;

- Indicate whether and to what extent the results reflect the reinvestment of dividends, gains or other earnings;

- Disclose the possibility of loss where the potential for profit is also discussed;

- Disclose material differences relevant to the comparison when comparing results to an index or peer group; and

- Disclose any material conditions, objectives or investment strategies used to obtain the results portrayed.

MODEL/HYPOTHETICAL RESULTS ONLY

In connection with the use of model performance results, the SEC believes that the following omissions or practices would be misleading:

- Failing to disclose, prominently, the limitations inherent in model results and that the results do not represent actual trading;

- Failing to disclose, if applicable, material changes in the conditions, objectives, or investment strategies of the model portfolio during the period portrayed and, if so, the effect thereof;

- Failing to disclose, if applicable, that some of the securities or strategies reflected in the model portfolio do not relate, or relate only partially, to the services currently offered by the investment adviser; and

- Failing to disclose, if applicable, that the adviser's clients actually had investment results that were materially different from those portrayed in the model.

In a number of cases, the SEC and other regulatory bodies have sanctioned investment advisers who advertise misleading model performance results. The SEC takes the position that an investment adviser violates Rule 206(4) and Rule 206(4)-1 by failing to include disclosures in the advertisement about the lack of actual trading, the fact that the advertised performance was developed by retroactive application of a model, the deduction of various fees that would have been incurred, the potential for losses, or material economic and market factors that might have had an impact on actually managing client accounts.

PORTABILITY OF PERFORMANCE RESULTS

Investment advisers frequently recruit portfolio managers and advisers from other firms and seek to advertise the performance they achieved at their former firms (known as "**Portability**"). The legal issue this raises is whether these actions are consistent with the antifraud provisions of the Advisers Act.

An investment adviser must closely consider a number of factors in determining whether the performance of a portfolio manager(s) at a prior firm may be utilized by the new firm (i.e. the "portability" of a manager's performance results from one firm to another). The SEC has stated in the *Horizon Asset Management LLC* No-Action Letter (September 1996), that an advertisement that includes prior performance would not in and of itself be misleading under Rule 206(4)-1(a)(5) if the following conditions are satisfied:

- The person or persons who manage accounts at the successor adviser were also primarily responsible for achieving the prior performance results;

- The accounts managed at the predecessor are so similar to the account currently under management such that the performance results would provide relevant information to prospective clients of the successor adviser;

- All accounts that were managed in a substantially similar manner are advertised unless the exclusion of any such account would not result in materially higher performance;

- The advertisement is consistent with staff interpretations with respect to the advertisement of performance results, in that:

    - The previous fund's performance is presented separately from the current fund's performance, with no greater prominence than the current fund's performance; and
    - There is clear disclosure that the current fund and the previous fund are separate client accounts and the past performance of the previous fund is not indicative of the past or future performance of the current fund.

- The advertisement includes all relevant disclosures, including the fact that the performance results were from accounts managed at another entity.

Advisers must also have possession of the necessary records from the prior firm to support the prior performance information.

ISSUES RELATING TO PORTABILITY

Issues often spotted by the SEC with respect to Portability may occur when:

- The person or person(s) for whom an advertisement is reflecting past performance is not necessarily the only person or person(s) responsible for the performance results achieved at the predecessor firm.

- Proper documentation is not maintained to substantiate the performance results from the predecessor firm.

REVIEW AND APPROVAL OF ADVERTISING AND MARKETING MATERIALS

The CCO shall review and approve all marketing materials. A copy of all approved marketing and advertising materials will be kept on file or scanned onto an electronic drive for five (5) years following the last use of such material. An employee that wishes to use new marketing materials must make a best effort to provide the CCO with a copy of such material at least three (3) days prior to the intended first use.

BAMCO's marketing materials may consist of:

- website;
- quarterly market commentary;
- email updates to clients;
- 401K Presentations;
- Periodic client letters;
- Periodic newsletters.

INTERNET WEBSITES

Information provided on an investment adviser's internet website is considered advertising and therefore subject to the advertising rules of the Advisers Act, and to the same policies and procedures for the review, approval and retention of advertising and marketing materials.

PROHIBITED REFERENCES

It is unlawful for BAMCO to represent or imply that it has been sponsored, recommended or approved, or that its abilities or qualifications have been passed upon, by any federal or state government agency.

- The term "Investment Counsel" may not be used; and

- BAMCO's employees may not use the designation "RIA", as it may be deemed to imply a professional designation or government approval.

USE OF CLIENT NAMES

In order to preserve the confidential nature of the Firm's investment advisory relationship with each client, the Firm will obtain a client's written permission prior to using the client's name in any client reference.

USE OF SOLICITORS

Registered investment advisers are subject to a variety of restrictions if they make cash payments to individuals and clients (hereinafter, "Solicitors") in return for client referrals. Before BAMCO enters into any arrangement where it will directly or indirectly pay a cash fee to a solicitor or marketing agent for referring new clients to BAMCO, the CCO must review the arrangement and ensure that it complies with the rule 206(4)-3 of the Adviser's Act (the "Cash Solicitation Rule".)

The CCO must exercise due diligence in determining that the solicitor is acting in conformity with the written agreement with BAMCO, including any specific instructions BAMCO issues. The CCO or his designee, will take such steps to ensure that the solicitor is not subject to a statutory disqualification under the provisions of the Advisers Act, including obtaining representations from the solicitor, and perform ongoing due independent due diligence. In addition, BAMCO will:

a) Enter into a written agreement with the solicitor. BAMCO will maintain a copy of the agreement. The agreement will:

   (1) describe the solicitation activities and compensation;

   (2) obligate the solicitor to comply with BAMCO's instructions with respect to the use and distribution of related marketing materials;

   (3) Require the solicitor to comply with relevant Advisers Act marketing requirements with respect to its efforts pertaining to BAMCO's advisory services;

   (4) Require the solicitor to provide the client with Part 2A Brochure and ADV 2B of BAMCO's Form ADV and a separate disclosure statement. The disclosure statement will disclose the following:

      - Solicitor's name;
      - Adviser's name;
      - Nature of the relationship between solicitor and adviser;
      - Statement that the solicitor is to be compensated by the adviser;
      - Terms and description of the compensation; and
      - The amount, if any, that will be charged to the client in addition to the advisory fee.

   (5) Require the solicitor to provide to BAMCO, for each client, a signed and dated acknowledgement from the client evidencing receipt of BAMCO's Form ADV Parts 2A and 2B and the solicitor's disclosure document.

OPERATING PROCEDURES AND COMPLIANCE REVIEW

The CCO will review and approve all marketing materials to determine compliance with pertinent laws, rules and regulations and maintain the final version in an approved marketing file. In particular, the CCO will always seek to ensure that any promotional materials do not mislead or deceive the potential Client, do not constitute a general solicitation and contain all appropriate disclaimers. If a particular marketing piece or advertisement has not been approved by the CCO it should not be distributed to anyone outside of BAMCO.

SECTION 11 – POLICIES ON INSIDER TRADING

INTRODUCTION

Every employee of BAMCO must read and comply with these policies designed to address possible insider trading (the "**Insider Trading Policy**"). Any questions regarding this Insider Trading Policy should be referred to the CCO.

The Advisers Act requires investment advisers to establish, maintain and enforce written policies and procedures designed to prevent the misuse of material non-public ("inside") information ("**MNPI**") by its directors, officers and employees.

The CCO shall be responsible for implementing, monitoring and enforcing BAMCO's policies and procedures against insider trading.

BACKGROUND

Policy Statement on Insider Trading

BAMCO's Insider Trading Policy applies to every officer and employee of the Firm, and extends to activities both within and outside the scope of their duties at BAMCO. BAMCO forbids any employee from engaging in any activity that would be considered "insider trading."

BAMCO views seriously any violations of the Insider Trading Policy. The elements of insider trading and the penalties for such unlawful conduct are discussed below.

What is Insider Trading?

Federal and state securities laws make it **unlawful for any person to trade or recommend trading in securities while in possession of MNPI**. BAMCO's Insider Trading Policy aims to ensure that all employees and associated persons are made aware of their duty to prevent the misuse of MNPI.

In trading for any personal or related account employees of BAMCO are forbidden to use any information or knowledge they obtain in the course of their employment. Employees are prohibited from communicating information about transactions or trading strategies of the Client Accounts or the Funds to anyone unless such communication is necessary to execute a trade. **Employees are required to disclose the existence and location of all Personal Accounts and to arrange for copies of all statements to be sent from the outside financial institution to BAMCO's CCO.**

All statements will be reviewed by the CCO or a delegate.

"**Inside Information**" is MNPI.

Insider trading is prohibited by SEC Rule 10b-5. In 2000, the SEC promulgated Rule 10b5-1, which defines trading "on the basis of" inside information as any time a person trades while aware of MNPI, such that it is no defense for one to say that she would have made the trade anyway.

Definitions

Pursuant to U.S. case law and SEC interpretive guidance in defining the scope of Rule 10b-5 insider trading prohibitions, the following definitions have been adopted as industry standard:

Insider Trading

- The term "**Insider Trading**" is not defined in U.S. federal securities laws; however, it is very broadly defined by the courts and regulatory authorities to generally prohibit the following activities:

    - Trading, by an insider, while in possession of MNPI;

    - Trading by a non-insider, while in possession of MNPI, where the information either was disclosed to the non-insider in violation of an insider's duty to keep it confidential or was misappropriated;

    - Recommending the purchase or sale of securities while in possession of MNPI; or

    - Communicating MNPI to others (e.g., "tipping").

Insider

- The concept of "**insider**" is broad and it includes trustees, directors, officers, partners, members, and employees of a company. In addition, a person can become a "temporary insider" if that person is given material inside information about a company or the market for the company's securities on the reasonable expectation that the recipient would maintain the information in confidence and would not trade on such information. A "**temporary insider**" can include, among others, a company's attorney, accountant, consultants, bank lending officers and employees of such organizations.

Material Information

- Trading, tipping, or recommending securities investments while in possession of inside information is not an accountable activity *unless* the information is "material." Generally, information is considered **material** if there is a substantial likelihood that a reasonable investor would consider it important in making his or her investment decisions.

- In addition, information that, when disclosed, is likely to have a direct effect on a security's price should be treated as material. Information is material if it has "market significance" in that the dissemination of such information is likely to affect the market price of the security (e.g., imminent block trade or revised research recommendation).

- A pragmatic test is whether the information is reasonably certain to have a substantial effect on the price of a company's securities.

- Information that should be considered material includes, but is not limited to:

- dividend changes;
- earnings estimates;
- changes in previously released earnings estimates;
- a joint venture;
- the borrowing of significant client accounts;
- a major labor dispute, merger or acquisition proposals or agreements, major litigation, liquidation problems, and extraordinary developments; or
- change in auditors or auditor notification that the issuer may no longer rely on an auditor's audit report.

- For information to be considered material it need not be so important that it would have changed an investor's decision to purchase or sell particular securities; rather it is enough that it is the type of information on which reasonable investors rely in making purchase or sale decisions.

- Material information does not have to relate directly to a company's operations. For example, the Supreme Court considered as material, certain information about the contents of a forthcoming newspaper column that was expected to affect the market price of a security. In that case, a *Wall Street Journal* reporter was found criminally liable for disclosing to others the dates that reports on various companies would appear in the Journal and whether those reports would be favorable or not.

Non-Public Information

- Information is "**non-public**" when it has not been disseminated in a manner making it available to investors generally. Information is public once it has been publicly disseminated, such as when it is reported on the Dow Jones or other widely available news services or appears in widely disseminated publications, and investors have had a reasonable time to react to the information. Once the information has become public, it may be traded on freely. One must be able to point to some fact to show that the information is generally public.

There are two types of non-public information:

- Corporate information or information about the issuer (e.g., future earnings, the existence of merger negotiations, the expansion or curtailment of operations, major litigation, issuer tender offers, recapitalization, etc.); and

- Market information or information about the demand for and availability of securities (e.g. information about pending orders or about positions taken or to be taken in a security).

BAMCO'S POLICY STATEMENT ON INSIDER TRADING

- BAMCO forbids any employee from engaging in any activity that would be considered to be "insider trading."

- Every officer, and employee of BAMCO must read and comply with these policies designed to address possible insider trading.

- Any questions regarding this Insider Trading Policy should be referred to the CCO.

- In the event that an employee is in possession of inside information, the employee must discuss the matter with the CCO only, and not with any other employee or member of BAMCO.

- One purpose of the Insider Trading Policy is to establish workable procedures that offer protection to the public, BAMCO, its employees, and BAMCO affiliates, while providing flexibility to carry on BAMCO's investment management activities on behalf of its clients.

- BAMCO views seriously any violations of the Insider Trading Policy.

- To facilitate the Insider Trading Policy, Employees are required to disclose the existence and location of all personal Covered Accounts (as defined in the Employee Investment Policy within the Code of Ethics) and to arrange for copies of all statements to be sent from the outside financial institution to BAMCO's CCO.

- Statements and/or transactions will be reviewed by the CCO.

- Any issues or suspicions of insider trading will be reviewed, document and resolved by the CCO and senior management.

ESTABLISHING INSIDER TRADING LIABILITY

There are two main theories with respect to establishing insider trading liability.

Fiduciary Duty Theory

Insider trading liability is established when trading while in possession of MNPI about a public issuer of securities that was obtained in breach of a fiduciary duty or other relationship of trust and confidence. There are alternate theories under which non-insiders can acquire the fiduciary duties of insiders: they can enter into a confidential relationship with the company through which they gain information (e.g. attorneys, accountants), or they can acquire a fiduciary duty to the company's shareholders as "tippees" if they are aware or should have been aware that they have been given confidential information by an insider who has violated his fiduciary duty to the company's shareholders.

Misappropriation Theory

Insider trading liability is also established when trading occurs on MNPI that was stolen or misappropriated from any other person in breach of a duty owed to the source of the information. For example, the Supreme Court found that an attorney misappropriated information from his law firm and its client when he traded on knowledge of an imminent tender offer while representing the company planning to make the offer. Rather than premising liability on a direct fiduciary relationship between the company insider and the attorney, the Court based misappropriation liability on the attorney's deception of those who entrusted him with access to confidential information. The misappropriation theory can be used to reach a variety of individuals not previously thought to be encompassed under the fiduciary duty theory.

TENDER OFFERS

The SEC has adopted a rule which expressly forbids trading while in possession of MNPI regarding a tender offer received from the tender offeror, the target company or anyone acting on behalf of either until the information is publicly disclosed by press release or otherwise. There is no requirement to prove that there has been a breach of fiduciary duty when establishing insider trading liability in the context of tender offers. As a result, Supervised Persons should exercise particular caution any time they become aware of nonpublic information relating to a tender offer.

Inside Information Policy Restrictions

The following restrictions are established for every employee that may have or were in possession of any MNPI:

- You may not buy or sell any security (or related security) for your own or any related account or any account in which you may have any direct or indirect interest, any BAMCO Client Account, or otherwise act upon any MNPI in your possession obtained from any source.

- You may not buy or sell any security or related security for any account or otherwise act upon any material proprietary information you may have or obtain from any source.

- You may not recommend the purchase or sale of any security to any person based upon inside information.

PENALTIES FOR INSIDER TRADING

Penalties for trading on or communicating material non-public information can be severe. For instance, Section 21A the 1934 Act's general antifraud provision has been used many times to impose civil penalties for insider trading. In addition, the Insider Trading Sanctions Act of 1984 provides for penalties for illegal insider trading to be as high as three times the profit gained or the loss avoided from the illegal trading.

The Insider Trading and Securities Fraud Enforcement Act of 1988 expanded the scope of civil penalties to control persons who fail to take adequate steps to prevent insider trading; increased the maximum jail terms for criminal securities law violations from five to ten years, with maximum criminal fines for individuals to be increased from $100,000 to $1,000,000 and for non-natural persons from $500,000 to $2,500,000; initiated a bounty program giving the SEC discretion to reward informants who provide assistance to the agency; and required broker-dealers and investment advisers to establish and enforce written policies reasonably designed to prevent the misuse of inside information.

Therefore, a person can be subject to some or all of the penalties listed below even if they did not personally benefit from the violation:

- Civil injunctions;
- Criminal penalties for individuals of up to $1,000,000 and for "non-natural persons" of up to $2.5 million plus, and for individuals, a maximum jail term of ten (10) years;
- Private rights of action for disgorgement of profits;
- Civil penalties for the person who committed the violation of up to three (3) times the profit gained or loss avoided, whether or not the person actually benefited;
- Civil penalties for the employer or other controlling person of up to the greater of $1,000,000 per violation or three (3) times the amount of the profit gained or loss avoided as a result of each violation; and
- A permanent bar, pursuant to the SEC's administrative jurisdiction, from association with any broker, dealer, investment company, investment adviser, or municipal securities dealer.

In addition, any violation of this Insider Trading Policy can be expected to result in serious sanctions by BAMCO, including <u>dismissal from employment</u> for the person(s) involved.

<u>Personal Securities Trading</u>

All employees and certain other "covered persons" must adhere to the BAMCO Employee Investment Policy within the Code of Ethics with respect to securities transactions made for their own account and accounts over which they have a direct or indirect beneficial interest. ***Please refer to the BAMCO Employee Investment Policy within the Code of Ethics***.

The CCO must be alert for any indication of front running when conducting regular periodic reviews for order and transaction activity, as well as when performing other supervisory functions. The CCO must be alert for indications of front running when they:

- Review transaction activity in relation to employee personal trading;
- Review e-mail communications sent or received by employees; and

- Pre-clear employee trades for all covered accounts.

MARKET RUMORS

In recent SEC interpretative guidance, the SEC has focused its attention on market rumors and their source and dissemination. Accordingly, the SEC has issued several sweep subpoenas and conducted numerous examinations regarding market rumors.

Section 9 of the Securities Exchange Act of 1934, among other federal rules and regulations, strictly prohibits intentionally disseminating false or misleading information about the markets, other market participants, counterparties, companies, or government policy decision-making.

*(**Please refer to the BAMCO Code of Ethics**)*

OPERATING PROCEDURES AND COMPLIANCE REVIEW

BAMCO's CCO and senior management are critical to the implementation and maintenance of policies against insider trading. The CCO will ensure that reporting procedures specified in this Manual as well as the Code of Ethics are followed in order to prevent Insider Trading. The CCO will review BAMCO's insider trading policy during the Annual Compliance Training Meeting to ensure that all employees are properly trained.

Employees are trained to inform the CCO if they learn of any information that could be construed as MNPI. Employees should then refrain from (i) purchasing or selling the security (including derivatives, with the exception of option contracts, swaps or other types of financial instruments relating to the security) on behalf of itself or others, including Client Accounts and (ii) communicating the information inside or outside of BAMCO (including to existing or prospective clients), other than to the CCO. After the CCO has reviewed the issue and consulted with counsel (as appropriate), the employee will be instructed to continue the prohibitions against trading and communication, or will be allowed to trade and communicate the information. The CCO will add the security to the Restricted List until the material event has passed.

Record Keeping

BAMCO shall maintain records relating to this policy, including

- A written report detailing any matter reported to the CCO in accordance with this policy, and the resolution thereof;
- Attendance of and material related to any training sessions; and
- The Restricted List and amendments thereto.

SECTION 12 – TRADING AND BROKERAGE PROCEDURES

INTRODUCTION

Investment advisers registered with the SEC are required to have written policies and procedures regarding trading and trade allocation procedures. Trading practices must be fair to Client Accounts with a fair and reasonable allocation system. Trading encompasses fiduciary obligations, best execution, soft dollars and other issues. The policies and procedures regarding trading and trade allocation should address issues such as excessive commissions, churning, abuses regarding pricing of securities, commissions, mark-ups and mark-downs, executing broker or dealer used, or questionable allocations of trades amongst various accounts.

Investment Committee

The Investment Committee is responsible for fulfilling the duties set forth in the Berkshire Asset Management, LLC Investment Policies and Procedures (the "Policy Statement"). The Policy Statement is attached as Exhibit 2. The current members of the Investment Committee are:

- Kenneth J. Krogulski
- Gerard Mihalick
- Marilyn D. Millington
- Gregory C. Weaver
- Michael D. Weaver

PROHIBITED TRANSACTIONS

All persons associated with BAMCO are prohibited from:

- Employing any device, scheme, or artifice to defraud any Client or prospective client;

- Engaging in any practice that operates as a fraud or deceit upon any Client or prospective client;

- Engaging in any practice or activity in the course of business that is fraudulent, deceptive or manipulative;

- Directly or indirectly acquiring any beneficial interest in securities of an Initial Public Offering ("**IPO**"). Any exceptional circumstances must have CCO pre-approval and will be documented accordingly.

- Directly or indirectly acquiring securities in a private placement without express approval from BAMCO's President or CCO. The basis for granting approval or not, will take into account whether the investment opportunity should be reserved for Berkshire's clients, and whether the opportunity is being offered to the employee by virtue of his or her position with Berkshire. Employees who have been authorized to acquire securities in a private placement are required to disclose that investment when

they play a part in any subsequent consideration by Berkshire to invest on behalf of clients in the issue.

- Knowingly selling from its own account any security to a Client or buying for its own account any security from a Client without first disclosing in writing its capacity in the transaction and obtaining the Client's written consent to the transaction.

- For ERISA accounts, knowingly buy/sell any security from one Client's ERISA account to another Client's ERISA account (cross-trade).

Trading Errors

BAMCO defines "**trade error**" as:

- An error in the investment decision making process (e.g. a violation of a portfolio's investment guidelines, purchases made with unavailable cash, sales made with unavailable securities); and

- An administrative error made prior to or during the trade's execution (e.g. trader executes a wrong security, for an incorrect number of shares, buy instead of sale, executed in incorrect client account, etc.).

As fiduciaries, investment advisers are required to put their clients' interest ahead of their own. This duty is especially evident when it comes to correcting errors made in placing trades for client accounts.

BAMCO's policy is to assess each trading error on a case-by-case basis, and to record trade errors on the Trade Error Log. BAMCO will comply with the trade error policies of the custodian. The CCO must review and approve the resolution of all trade errors.

The following procedures should be followed to properly handle trading errors. Failure to follow these procedures may result in the compounding of the error and greater expense to BAMCO.

- All trade errors must be documented by the trader or person responsible for the error on the Trade Error Log, which will be maintained by the CCO. The CCO must review and approve the resolution of all trade errors, and will maintain copies of the completed trade error report for monitoring, reimbursement, and regulatory purposes.

- Determining Trade Error Amount and Correction Errors if any.

- In determining whether a Client has suffered a loss or missed an investment opportunity as a result of a trade error, the trader and/or management must determine the position the client would have been in but for the error.

- Since there may be times where it is necessary to reimburse a Client for transactional expenses, interest, and/or missed investment opportunities, the proper treatment of trade errors should be coordinated among the CCO, management and the trader involved in the matter.

- BAMCO's management, in consultation with the CCO, will determine an appropriate method to correct an error in light of the facts and circumstances. All Client losses as a result of a trade error are reimbursed by BAMCO. BAMCO will abide by broker-dealer's trade error policy if applicable.

- Prohibited Activity: Under no circumstances may a trade executed in error for a particular Client Account be reallocated to another Client's Account unless such other client's pre-existing order for the same security was not filled in its entirety. If such situation arises, the CCO must be notified, and trade must be logged in as a Trade Error.

- Reporting Trade Errors to the CCO

    - The individual who commits a trade error, which results in a Client or broker-dealer reimbursement, must notify the CCO of the circumstances and proposed resolution.

    - The CCO will keep a record of all trade errors that occur throughout the fiscal year and their resultant impact (gain/loss)

    - The trader will assess each trading error on a case-by-case basis and consult with management and/or the CCO to determine whether BAMCO will reimburse the losses, if any.

TRADE AGGREGATION AND ALLOCATION PROCEDURES

The Advisers Act imposes on investment advisers an affirmative duty to act in good faith for the benefit of their clients. An investment adviser may not allocate trades in such a way that the adviser's own (or affiliated) account(s) receives more favorable treatment than the adviser's client's account. An adviser may also not engage in the practice of generally favoring some clients over others (e.g. allocating IPO's to performance based fee clients over management based fee clients or allocating profitable trades at the end of each day so as to disproportionately favor certain clients without appropriate disclosure).

Introduction

As a matter of fiduciary duty, advisers must ensure that, when aggregating and allocating securities transactions, clients are treated in a fair and equitable manner, as is generally required under the Advisers Act.

BAMCO manages numerous managed account Clients. Therefore, BAMCO must utilize an established methodology for allocating securities. Because investment decisions frequently affect more than one account and sometimes more than one type of account (e.g. a particular stock may be considered a good investment for several client accounts), it is inevitable that at times it will be desirable to acquire or dispose of the same security for more than one client account at the same time. BAMCO's policy is to equitably allocate buy and sell executions among Clients when feasible and appropriate over time.

To the extent that a Portfolio Management team seeks to acquire the same security at the same time for more than one Client Account, it may not be possible to acquire or sell a sufficiently large quantity of the security, or the price at which the security is obtained for Clients Accounts may vary. BAMCO will document any such instances of non-equitable allocations and attempt to allocate client transactions equitably.

Trading Policies

Portfolio Managers, or designee, will create the buy/sell order on MOXY (Order Entry System) for all clients participating in the trade. The Portfolio Managers will review all client accounts and identify participating clients to confirm appropriate suitability. The trader will then contact the appropriate broker, via phone, fax or other electronic means, and execute the trade. After executing the trade, the trader will then enter the fill price and allocate the trade on MOXY based upon the original order allocation.

Equities

Equities will be executed through approved brokers or dealers who have demonstrated the ability to provide the best qualitative execution for client transactions. At the time of placing the trade, the designated trader will specify to the broker the total quantity, desired price, security, commission rate, and the different custodians that will be involved. In the event only part of the order is filled, shares will be allocated according to Berkshire's Allocation Policy.

Fixed Income

Trading strategies created and devised by Berkshire should be completed through a competitive bid/offer process through approved dealers or trading wire to ensure the best execution. Traders may also allocate to an approved broker for other such reasons such as liquidity, anonymity, trade research, and other relevant factors, as long as the reasons fall within the Firm's best execution standards and the situations documented accordingly.

Trade Rotation Policies and Procedures

To assure that clients are treated fair and equitably, Berkshire utilizes a rotation process, as necessary, when placing trades for clients. There are many factors used to determine when trade rotation is necessary. Among them, but not limited to, is order size, identical trades through a number of different brokers, liquidity and price sensitivity.

Generally, clients participate in aggregated trades. The starting group may be selected at random, but more frequently the starting point moves down one group on the list at the start of each new trading program. For portfolio managers that execute orders for all their clients through the same execution system, average pricing takes the place of trade rotation. A log of aggregated trade rotation is maintained.

Aggregation of Orders

Aggregated or "batched" trades may be used to facilitate best execution, including negotiating more favorable prices, obtaining more timely or equitable execution or reducing overall commission charges. The SEC indicated that aggregation of client orders would not violate the anti-fraud provisions of Section 206 of the Advisers Act if the practice of allocating orders is fully disclosed in the adviser's Form ADV and separately disclosed to existing clients and no advisory account is favored over any other account. All Clients participating in the aggregated order shall receive an average share price with all other transaction costs shared on a pro-rata basis.

If the batched order is partially filled, each client participating in the transaction will receive a pro-rata portion of the securities based upon the client's level of participation in the bunched order.

Modification of Allocation Methods

Allocation methods may be modified when common sense dictates that strict adherence to the usual allocation is impractical or leads to inefficient or undesirable results.

OPERATING PROCEDURES AND COMPLIANCE REVIEW FOR TRADE AGGREGATION AND ALLOCATION

- Each Portfolio Management team is primarily responsible for making trade aggregation and allocation decisions in accordance with BAMCO's aggregation and allocation policies.

- Prior to including an account in a batch trade, a Portfolio Management team is required to determine that the trade is appropriate and permitted for each Client Account that will participate in that transaction, that each Client Account included in an aggregated trade will be treated fairly and that BAMCO will receive no additional compensation or remuneration as a result. The Portfolio Management team should also verify that all Clients who should participate in a trade, do, by closely reviewing Client list.

- BAMCO's Portfolio Management teams, or designee, will communicate accurate trade information to the trader or electronic platform that is responsible for executing the order.

- BAMCO Portfolio Manager will review and approve trade blotter.

- BAMCO's Aggregation and Allocation policies must be fully disclosed to Clients in BAMCO's advisory agreements.

- BAMCO will maintain precise books and records for each trade aggregation and allocation.

The Firm's overall objective is to treat all Clients in a fair and equitable manner. In no event shall the allocation of orders be based on relative fees or performance or considerations other than the interests of the Firm's Clients.

TRADE ORDER ENTRY

Introduction

It is BAMCO's policy that transactions for Client accounts be conducted in the most efficient manner consistent with client guidelines and applicable laws. In accordance with Rule 204-2 of the Advisers Act, BAMCO is required to retain certain records relating to the placement and execution of transactions for client accounts.

Trade Order Requirements

To satisfy the regulatory requirements, every trade order must provide the following information:

- The name or designated identification number of the trader placing and/or executing the order;
- The date;
- Whether the trade was pursuant to BAMCO's discretion;
- The broker used;
- Whether the trade is a purchase or sale;
- The name of ***every*** Client Account intended to be included in the order;
- The name of the security to be purchased or sold;
- The number of shares, percentage weighting, or $ amount to be purchased or sold for each Client Account included in the order;
- Any premiums, transaction fees and brokerage commissions incurred; and
- The terms or special instructions of the order (e.g. price limit, designated broker, good until cancel), if any.

Short Sales

Should BAMCO engage in a short sale, the portfolio manager(s) must receive written approval from the CCO before placing an order in connection with any public offering of equity securities.

Accounts Held in Custody at Charles Schwab & Co.

In accordance with the negotiated agreement with Schwab, a trade away fee waiver exists for all accounts holding $125,000 or more in assets. All accounts held in custody at Charles Schwab & Co. will be reviewed monthly to ensure the accounts eligible for the fee waiver do not fall below the $125,000 threshold. If the accounts fall below this threshold, the account will be coded to ensure compliance with the negotiated agreement. The portfolio managers notify the operations assistant of changes and accounts are reviewed quarterly to see if they drop below the minimum.

Wrap Fee Accounts

To assure that clients are not charged a commission if they are participants in a sponsor wrap fee program, Berkshire reviews these accounts, as necessary, when placing trades for such clients. Trade tickets are produced for each executed trade and compared to the interested party confirms. No account that is part of a wrap fee program should be charged a commission. If a commission is incorrectly charged, the operations assistant will notify the CCO immediately and the client will be reimbursed. The CCO will document and log the instance accordingly.

DETERMINATION OF BEST EXECUTION

BAMCO, as a fiduciary, has an obligation to seek best execution of Clients' transactions under the circumstances of the particular transaction. To fulfill this duty, BAMCO must execute

securities transactions for Clients in such a manner that the Client's total cost or proceeds in each transaction is the most favorable under the circumstances.

To the extent that BAMCO provides investment management services to its clients, the Firm will determine the ability of a broker-dealer to provide best execution based on a number of factors (to the extent applicable to the Firm's investment management activities), which may include the following:

- Ability to trade efficiently and at minimal costs.
- High level of trading expertise.
- Sufficient technological and administrative support, including the ability to maintain appropriate communication in difficult/high volume markets and the quality of disaster recovery/redundancy of facilities.
- Availability of research (in-house and third party sources) and other investment information.
- Accommodation of the Firm's special needs: "step-out" trades (i.e., the process of having an executing broker remove itself from a portion of a trade in favor of another broker who is not executing the trade), prime brokerage services, custody services, etc.
- Financial soundness.
- History of fair dealing (existence of disciplinary problems).
- Willingness to provide feedback concerning and to carry out improvements to the quality of trade execution.
- Ability to execute unique trading strategies, execute and settle difficult trades.
- Ability/willingness to handle client-directed brokerage arrangements.
- Ability/willingness to implement instructions given by the Firm to have another broker-dealer clear all or a portion of a trade.
- Ability to execute and account for soft-dollar arrangements and commission recapture programs.
- Sponsorship of Wrap Programs.
- Participation in underwriting syndicates.
- Ability to obtain initial public offering ("IPO") shares; and
- Review of broker-dealers internal best execution analysis if available.

The Firm shall maintain a list of approved broker-dealers (the "Approved List"). The Approved List may be limited to one approved broker-dealer provided that the Firm has made a reasonable determination that the broker-dealer selected enables it to correspondingly discharge its best execution obligation. In addition, the maintaining of an Approved List does not preclude the use of a broker-dealer not currently on the Approved List (an "off-list" broker-dealer).

To the extent that an investment adviser's management services involve the purchase and sale of mutual funds trading at net asset value, the vast majority of which do not have transaction fees, the best execution determination is generally limited to ensuring that the transactions are effectively completed (and reported) for the client's account in accordance with the adviser's instructions. The same is true in the event that certain mutual funds are assessed transaction fees, provided that the adviser has made a reasonable determination that the transaction fee fund was superior to similar fund(s) without transaction fees, and the amount of the transaction fee was comparable (i.e., need not be the lowest) to the fees charged by other similar broker-dealers. In the event that the transaction fees are used by the adviser to obtain certain "soft-dollar" products

and/or services, the adviser must make a more comprehensive best execution determination (see soft-dollar discussion below).

Notwithstanding its obligations, BAMCO is not a broker-dealer and relies primarily on the broker-dealer that serves as custodian for a Client's accounts to execute trades on behalf of those Clients pursuant to its best execution obligations.

On an ongoing basis, Berkshire will gather and maintain information necessary to evaluate the executions provided by brokers executing large orders or orders in securities of limited liquidity. On a quarterly basis, the Investment Committee will evaluate the brokers' ability to provide best qualitative execution, and will amend the approved broker list as deemed necessary. The Investment Committee shall maintain appropriate notes, if any, for each quarterly review.

RULE 105 and REGULATION M

Rule 105 of Regulation M under the Exchange Act (the "anti-manipulation rule") provides that in connection with a public offering of equity securities for cash pursuant to a registration statement or a notification on Form 1-A or Form 1-E filed under the Securities Act of 1933, BAMCO may not sell short a security that is the subject of the offering during a defined "restricted period" and then purchase the same security from an underwriter or broker-dealer participating in the offering ("**deal stock**"). This prohibition applies regardless of whether BAMCO is aware of the pending offering or whether the purchase is intended to cover the short sale. BAMCO generally does not participate in secondary offerrings.

The "restricted period" is the shorter of:

- The period beginning five business days before the pricing of the offered securities and ending with such pricing; or

- The period beginning with the initial filing of such registration statement or notification on Form 1-A or Form 1-E and ending with the pricing.

There are several exceptions to the Rule 105 prohibition, the most relevant of which is the "Bona Fide Purchase Exception." BAMCO's general policy is that if any applicable investment professional engages in any short sale during a restricted period, BAMCO may not purchase any deal stock from the underwriter or any other dealer participating in the offering, unless it qualifies for the Bona Fide Purchase Exception. This exception allows a restricted period short seller to purchase the deal stock without violating Rule 105 if it makes a bona fide purchase of the same security in an open market transaction prior to pricing. To take advantage of this exception, BAMCO must comply with the following four requirements:

- BAMCO must purchase the security in the open market in an amount at least equal to the number of shares sold short during the restricted period prior to pricing (i.e. partial purchases are insufficient);

- The purchase must occur during regular trading hours and be reported;

- The purchase must be made after the last restricted period short sale, and no later than the business day prior to the day the offering is priced; and

- BAMCO must not effect a short sale within the 30 minutes prior to the close of the regular trading hours on the business day prior to the day the offering is priced.

If the offering involves a commitment, including a shelf offering, BAMCO must comply with Rule 105 and the applicable investment professional must notify the CCO in advance of participating in any such deal. The portfolio manager(s), in consultation with the CCO, will determine whether there are any restricted short trades with respect to the applicable issuer.

In determining whether there are any restricted short trades, BAMCO will apply the restrictions of Rule 105 to the portfolios of all Funds collectively. If the portfolio manager(s) and CCO determine that BAMCO has engaged in a restricted period short sale, then the CCO shall notify the applicable investment professional that he or she may not purchase the deal stock, unless the Bona Fide Purchase Exception applies. The portfolio manager(s) then may discuss with the CCO as to whether or how to structure open market purchase(s) prior to the deal pricing in order to qualify for the Bona Fide Purchase Exception.

Rule 105 does not apply to offerings of debt securities or to offerings that are not conducted on a commitment basis, or a "best efforts" basis. In the case of a registered convertible securities offering, the provisions of the rule apply to selling short the offered convertible security, not the underlying common stock, during the relevant time period.

SOFT DOLLARS

Description of Soft Dollars

The term "soft dollars" is generally used to describe an arrangement or agreement that involves a transaction between an investment adviser with discretion over clients' accounts and a broker-dealer, whereby a broker-dealer provides the discretionary investment adviser with research or other services or products in return for commission dollars paid for executing transactions for discretionary client accounts. In providing research services, the broker-dealer may produce these "in-house" or obtain them externally from third parties.

Whatever the nature of the specific arrangement, the broker-dealer usually provides the investment adviser with research or brokerage services with an expectation, but not necessarily an explicit agreement or contract, that the investment adviser will use the broker-dealer to execute client transactions in the future. In these situations, the investment adviser may cause its client account to pay the broker-dealer a commission that is higher than the lowest commission rate available from other broker-dealers for providing only basic execution services.

Conflict of Interest

The relationship with brokerage firms and broker-dealers that provide soft dollar services to an investment adviser influences the investment adviser's judgment in allocating brokerage business and creates a conflict of interest in using the services of those brokerage firms or broker-dealers to execute brokerage transactions. It is anticipated that brokerage commissions paid to those

firms, however, should not differ significantly from and are not significantly higher than the commissions that are paid to other firms for comparable services.

SECTION Section 28(e) Safe Harbor Provisions

Section 28(e) of the Exchange Act provides a safe harbor for persons who exercise investment discretion over accounts to pay for "*eligible*" research (under Section 28(e)(3)(A) or (B)) and "*eligible*" brokerage services (under Section 28 (e)(3)(C)) with commission dollars generated by account transactions. Accordingly, the controlling principle to be used to determine whether something is **research** is *whether it provides lawful and appropriate assistance to the money manager in the performance of his or her investment decision making responsibilities ; and "advice," "analyses," or "reports" and that its subject falls within the categories specified in Section 28(e)(3)(A) and (B)*.

Section 28(e) requires an investment adviser to make a good faith determination that the value of research and brokerage services is reasonable in relation to the amount of commissions paid. Where a product or service has a "mixed use" (research and non-research), an investment adviser should make a reasonable allocation of the cost of the product according to its use. The portion that provides assistance to the investment adviser in the investment decision making process may be paid for by commission dollars, while those services that provide administrative or other non-research assistance to the money manager (such as computer hardware, management systems that integrate trading, execution, accounting, recordkeeping and other administrative matters, such as performance measurements) are outside the safe harbor of Section 28(e) (*e.g.* research and/or brokerage) and must be paid for by the investment adviser using its own funds. The investment adviser must keep adequate books and records concerning allocations so as to be able to make the required good faith determination.

An investment adviser shall not be deemed to have acted unlawfully, or to have breached a fiduciary duty by reason of causing an account to pay more than the lowest available commission, if the investment adviser determines in good faith that the amount of the commission is reasonable in relation to the value of the brokerage and research services provided.

OPERATING PROCEDURES AND COMPLIANCE REVIEW

The Compliance Committee reviews and approves all soft dollar arrangements on a monthly basis. For each invoice, a compliance form is submitted to the soft dollar provider. This form allocates the percentage of the product that is eligible for purchase using soft dollars. Mixed- use percentages are determined by the Compliance Committee.

Directed Brokerage

Clients may, from time to time, request that the Firm direct the client's brokerage to a particular broker. This type of arrangement is known as "directed brokerage" and clients typically make these types of instructions in situations where the broker uses the brokerage commissions attributable to the client's account to purchase a product or service which is delivered directly to the client. This type of arrangement does not fall within the soft dollar safe harbor of Section 28(e); however, it may be permissible if the following conditions are met:

- The Firm must disclose to the client that the Firm's ability to obtain best execution for the client may be hindered by the directed brokerage relationship.
- The Firm must disclose that the client may forego any benefit from savings on execution costs that the Firm could obtain for its other clients through negotiating for volume discounts with brokers.
- If the client is a Retirement Account, the Firm must assure itself that the directed brokerage arrangement will exclusively benefit the account and any participants or beneficiaries.

A letter is signed by the client upon selection of a Directed Broker. The Firm keeps an original copy of this letter on file for the duration of the arrangement. Generally, trades for clients directing their transactions to a particular broker, may be executed after trades in which the Firm has discretion over the broker to be used.

PRINCIPAL TRANSACTIONS AND AGENCY CROSS TRANSACTIONS

Principal and Cross Transactions

Generally, the Adviser does not effect Principal or Agency Cross transactions. However, if a Client must sell a security to raise capital, and another Client has excess capital to deploy and would benefit from owning the said security, the Advisor may consider executing a Non-Agency Cross Trade (section D below). If it changes its policy regarding Principal and Agency Cross transactions, the Adviser will adopt appropriate policies and procedures and will revise this Manual accordingly.

A. Section 206(3) of the Advisers Act makes it unlawful for the Adviser (or any Affiliate of the Adviser):

(i) Acting as principal for its own account, to sell any security to or purchase any security from a Client, without disclosing to the Client in writing before the completion of the transaction the capacity in which the Adviser, or the Affiliate, will act and obtaining the Client's consent to the transaction; and

(ii) Acting as a broker for a person other than a particular Client, such as another Client, to effect any sale or purchase of any security for the account of the Client, without disclosing to the Client in writing before the completion of the transaction the capacity in which Adviser, or the Affiliate, will act and obtaining the Client's consent to the transaction.

B. "Principal" trades are trades in which a Client buys securities for its own account from, or sells securities for its own account to, the Adviser or any affiliate of Adviser, acting for its own account.

C. "Agency cross" trades are trades ordered by the Adviser in which the Adviser:

(i) acts as agent for both the purchaser and seller of the securities, and either the purchaser or seller, or both, are Clients; and

(ii) the Adviser receives compensation for acting as agent in connection with the trade and beyond the investment management fees that it stands to receive in the ordinary course of managing the assets of the Client or Clients.

In light of the complicated legal considerations and material anti-fraud liabilities surrounding "principal" and "agency cross" trades, Adviser portfolio managers may not, without the prior authorization of the Chief Compliance Officer or his designee, cause any Client to engage in a "principal" or "agency cross" trade. The SEC staff may deem any transaction in which a Client purchases portfolio securities from or sells portfolio securities to an entity to be a "principal" trade, on the theory that if the Adviser has a substantial equity or equity-like stake in the entity (e.g., greater than a 25% equity interest in the entity) that is purchasing or selling the portfolio securities. Accordingly, no such trades shall be conducted without the prior authorization of the Chief Compliance Officer or his designee.

As one would expect with an anti-fraud statute, Section 206(3) has a broad reach. Its restrictions on "principal" and "agency cross" trades cannot be circumvented by financial structuring that transfers the economics of a certain position even if a purchase or sale did not occur.

D. "Non-agency cross" trades are trades ordered by the Adviser in which the Adviser acts as agent for both the purchaser and seller of the securities, and either the purchaser or seller, or both, are Clients, but the Adviser does not receive compensation beyond the investment management fee charged in the ordinary course of managing the assets of the Client or Clients for acting as agent in connection with the trade. While non-agency cross trades are not subject to Section 206(3) of the Advisers Act, they may also raise compliance issues. Therefore, a Preclearance Form (a form of which may be obtained from the Chief Compliance Officer or his designee- See EXHIBIT III) shall be submitted to the Chief Compliance Officer and must be countersigned by the Adviser's CCO, CFO, and the portfolio manager supervising the relevant strategy (or their respective designees) prior to execution of a non-agency cross trade. The Adviser shall consider the following factors when determining whether a cross trade is appropriate for execution: (1) the proposed transaction must achieve "best execution" for the Clients involved; (2) the proposed transaction does not violate the Adviser's fiduciary duty to any Client and that no Client is disadvantaged by the non-agency cross trade; (3) the proposed transaction occurs at fair value (supported by independent pricing mechanisms to the extent practical) consistent with the Adviser's valuation policies and procedures; and (4) whenever practical and appropriate, an independent broker shall be used to effect the transaction to ensure objectivity. In addition, such trades will not be conducted with an ERISA account (including a private investment vehicle that has substantial benefit plan investors and is subject to ERISA).

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PRINCIPAL TRANSACTIONS AND AGENCY CROSS TRANSACTIONS POLICY

If a client account is an individual retirement account subject to the Internal Revenue Code of 1986, as amended, or an account subject to the Employee Retirement Income Security Act of

1974, as amended (collectively, "Retirement Accounts"), neither the Firm nor any of its affiliates may execute a principal transaction for such account regardless of whether there has been disclosure and consent or cross transaction.

Berkshire has adopted a Cross-Trading policy to address any potential conflicts which might arise from effecting trades between client accounts. This policy prohibits Berkshire from purchasing or selling investments from or to clients for its own account and prohibits Berkshire from effecting a trade between clients if one of the clients is an ERISA client.

The policy permits Berkshire to effect trades between non-ERISA client accounts subject to certain restrictions, including the requirements that (i) each trade is executed at the independently determined current market price of the investments, (ii) Berkshire receives no compensation for effecting the trade and (iii) the trade is disclosed to the clients.

Cross trades are executed for clients via the following procedures:

1. A single broker is contacted to put a bond out for bid to a number of brokers via a platform that supports such a process;
2. The sale is executed using the highest bid price;
3. If Berkshire believes that it would be beneficial to buy back the bond for another client, the bond is crossed into that account at the bid price plus a commission. Cross trades are executed for buyers in an objective order of priority based upon when clients have available cash and whether the firm believes an asset is appropriate for the buyer(s) in order of priority;
4. If a trade is crossed, the seller and buyer will be notified of the cross; Berkshire will send notification to the clients via email or letter. The purpose of the notification will be to inform the client that a cross-trade has been effected in their account, and will further detail the terms of the trade;
5. A log of cross trades is maintained by Berkshire; and
6. Each proposed cross trade is reviewed and approved (prior to execution) by Berkshire's Chief Compliance Officer.

Berkshire believes that this process is fair to the buyer and seller. Cross trades are only executed when a client needs to sell a bond for cash and a buyer has cash to invest. It is possible that market savings may be generated for the buyer rather than executing trades on the open market. However, the bids are accurate in the market for that day but the market offers for that day may not be widely known.

SECTION 13 – COMPLAINTS

INTRODUCTION

The CCO shall be responsible for ensuring that all written, verbal and/or electronically transmitted Client complaints are handled in accordance with the provisions of this Section, as well as all applicable laws, rules and regulations.

BACKGROUND

Definitions

The term "**complaint**" is generally defined as, "any statement of a client or any person acting on behalf of a client alleging a grievance involving the activities of those persons under the control of the employees and/or firm in connection with the solicitation or execution of any transaction or the disposition of securities or funds of that client."

Handling of Client Complaints

Employees

Employees must notify the CCO immediately upon learning of the existence of a Client complaint and provide all information and documentation in their possession relating to such complaint. Employees are expected to cooperate fully with BAMCO and all regulatory authorities in the investigation of the complaint.

Review

The CCO in conjunction with any portfolio manager named in a particular complaint shall promptly initiate a review of the factual circumstances surrounding any complaint that has been received and recommend appropriate action, if any, to the proper officers of BAMCO in response.

Record Keeping Requirements

BAMCO shall maintain a separate file for all Client complaints in its main office. It should include the following information:

- Identification of each complaint;
- The date each complaint was received;
- Identification of each BAMCO employee servicing the account or client;
- A general description of the complaint;The written report of the action taken with respect to the complaint.

OPERATING PROCEDURES AND COMPLIANCE REVIEW

The CCO shall promptly review and respond to any Client complaints and shall maintain a file of all complaints received and how each was managed.

SECTION 14 – PRIVACY POLICY

INTRODUCTION

This section of the Manual explains how BAMCO collects, utilizes and maintains non-public personal information about its Clients, as required under federal legislation. This privacy policy only applies to non-public information of Clients who are individuals.

The Gramm-Leach-Bliley Act (the "**GLB Act**"), passed in November 1999 provides certain privacy requirements, such as the protecting of personal information of consumers. In response to privacy requirements of the GLB Act, the SEC issued Regulation S-P in June of 2000, effective in November of 2000, and required mandatory compliance by July 2001.

Regulation S-P imposes complex and affirmative obligations on SEC registered investment advisers, broker-dealers and investment companies, among others. Regulation S-P prohibits the sharing of non-public personal information with any non-affiliated third parties unless the firm has provided notices of its privacy policies and an opt-out notice for consumers or customers to opt-out of the disclosure of such information.

The Fixing America's Surface Transportation Act (the "FAST Act") enacted in December 2015 updated an investment adviser's Privacy Policy notice requirements and clarifies investment advisers' obligations with regards to the Privacy Rules. Under the FAST Act, investment advisers are not required to send annual Privacy Notices to "consumers" if the adviser (i) only shares nonpublic personal information with nonaffiliated third-parties in a manner that does not require an opt-out right be provided to customers; and (ii) has not changed its policies and procedures with regards to disclosing nonpublic personal information since it last provided a Privacy Notice to customers.

STATEMENT OF POLICY

BAMCO is required to develop, implement and maintain a comprehensive information security program to provide administrative, technical and physical safeguards and respond to unauthorized access or use of customer information. In adopting this program for the protection of customer information (the "**Program**"), BAMCO seeks to (i) promote the security and confidentiality of Client information, (ii) protect against any anticipated threats or hazards to the security or integrity of Client information; and (iii) protect against unauthorized access to or use of Client information that could result in substantial harm or inconvenience to any Client, employee, Fund investor or security holder who is a natural person.

In general, the privacy rules require that firms provide a "clear and conspicuous" notice that reflects its privacy policies and procedures to a Client at the time of establishing a Client relationship and as best practice, will be provided annually thereafter as long as the relationship exists. A Client is one who has established a continuing relationship with BAMCO.

Identity Theft Protections

Prevention of identity theft is an integral aspect of the BAMCO's privacy program. Advisory employees should evaluate the extent to which the Firm's information safeguards and protection

systems are adequate in preventing unauthorized access to client-sensitive nonpublic personal information. Identity thieves using client nonpublic personal information may be able to gain access to Clients' custodial account(s) for purposes of (1) liquidating the accounts and rerouting the proceeds to third-party account(s), (2) laundering money, and (3) engaging in fraudulent pump and dump schemes. Often the evidence will reflect that the account holder was engaged in the unlawful activity, and not the true perpetrator. The end result for the Firm is that if this information was accessed as a result of an advisory client having a relationship with the Firm then it will negatively impact that adviser-client relationship.

Using the federal securities laws and Regulation S-P as support, the SEC has commenced actions against identity thieves. Capitalizing on the momentum gained through the discovery of evidence during these actions, as well as the general heightened media attention given to the subject, the SEC has increased its focus on this area. The Commission will inquire into the Firm's safeguards pertaining to protection of client nonpublic personal information and the Firm should be in a position to show that its then current privacy initiatives were sufficient given its level of technological complexity.

Among the proactive measures that the Firm shall consider are the following:

- Conducting an annual meeting between the CCO and employees, which acts as a forum to discuss the threat of identity theft and the Firm's procedures to safeguard client information.

- Involving the Firm's information technology department in the development of procedures to protect electronic information.

- Requiring all employees, third-party service providers, and independent contractors to enter into a confidentiality and restrictive covenant agreement.

- Alerting clients to the dangers of identity theft as well as the need for them to protect their confidential information.

- Establishing internal controls with respect to the flow of Client information.

- Limiting access to client nonpublic personal information to only those parties who need that information for the Firm to service Client accounts.

Any questions pertaining to the BAMCO's identity theft prevention initiatives should be addressed with the CCO.

MONITORING REG. S-ID COVERED ACCOUNTS

Identification of Red Flags

A "covered account" is defined in line with Regulation S-ID, which states that the definition includes "(i) an account that a financial institution or creditor offers or maintains, primarily for personal, family, or household purposes, that involves or is designed to permit multiple payments or transactions; and (ii) any other account that the financial institution or creditor offers or maintains for which there is a reasonably foreseeable risk to customers or to the safety and soundness of the financial institution or creditor from identity theft, including financial, operational, compliance, reputation, or litigation risks."[1]

The Firm will maintain a Red Flag Watch List detailing all clients who will be subjected to more stringent security precautions. The CCO will oversee the ongoing adequacy of related policies as well as the implementation of this program.

The following trigger placement on the Red Flag Watch List:

- Alerts, notifications, or other warnings from consumer reporting agencies or fraud detection service providers;

- Presentation of suspicious documents, appearing to have been altered or forged, or that contains Nonpublic Personal Information inconsistent with other information in application;

- Presentation of suspicious Nonpublic Personal Information. This includes, *inter alia*, Nonpublic Personal Information inconsistent with Firm records, Nonpublic Personal Information associated with known fraudulent activity, or inability to supply complete Nonpublic Personal Information;

- Unusual use of, or other suspicious activity, related to a covered account, including notification of unauthorized withdrawals or a request for withdrawal from the account that does not conform to the established pattern of activity and the request comes via email/mail or some other channel where the identity of the client remains unauthenticated;

- Address Change Requests automatically result in the Client being placed on the Red Flag Watch List for one month;

- Notification by Client that the security of Nonpublic Personal Information may have been compromised, or that the security of their email/mail has been compromised. This includes notice from customers, victims of identity theft, law enforcement authorities, or other persons regarding possible identity theft in connection with covered accounts.

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[1] Identity Theft Red Flags Rules, Release Nos. 34-69359, IA-3582, IC-30456, Securities and Exchange Comm'n, 23 (2013) *available at* http://www.sec.gov/rules/final/2013/34-69359.pdf

The Red Flag Watch List will also include a list of all Nonpublic Personal Information that has been associated with known fraudulent activity.

If a Client is placed on the Red Flag Watch List, then the Firm will monitor all activity related to the covered account for evidence of identity theft, and interactions with the covered account will require verbal confirmation from the client either via phone or personal interaction. Clients will remain on the Red Flag Watch List for a minimum of 6 months.

Interactions with Covered Accounts

Whenever the Firm receives a request to open a covered account, the following information must be obtained or updated from the Client as necessary in order to confirm identification:

- Personal information, including name, address, date of birth, social security number, and signature

- Account information for the funding source

This information must be compared to existing records, as well as the Red Flag Watch List maintained by the Firm. If the Client appears on the Red Flag Watch List, the Client must be contacted either in person or via phone for a verbal confirmation by a staff member familiar with the client's voice. If any of the information supplied is inconsistent with existing Firm records, the client must be contacted either in person or via phone for a verbal confirmation. If the Nonpublic Personal Information supplied matches Nonpublic Personal Information associated with known fraudulent activity, as recorded on the Red Flag Watch List, then the Client must likewise be notified and a verbal confirmation received. Absent the requisite verbal confirmation, no covered accounts may be created.

Whenever the Firm receives a request to transfer funds from, or modify the information associated with, a covered account (including change of address), the Firm will confirm the following:

- If a change of address is requested, the address will be compared to Firm records to ensure that the address is one previously supplied by the Client as a valid address. If the address is not one currently on file with the Firm as the preferred address, the Client must be contacted either in person or via phone for a verbal confirmation of address validity. In the event of an address change, the account will be frozen for 15 days limiting transfers.

- If a fund transfer is requested, the destination account will be checked against existing Firm records to determine whether prior transfers have occurred to or from the destination account. If the destination account is not one previously associated with the covered account, the Client must be contacted either in person or via phone for a verbal confirmation. A Client must provide authorization and wiring instructions to the qualified custodian prior to BAMCO wiring any client funds.

- If any interaction occurs with a covered account where the client has been placed on the Red Flag Watch List, the client must be contacted either in person or via phone for a verbal confirmation by a staff member familiar with the Client's voice.

Ongoing Review of Regulation S-ID Policies and Procedures

The CCO will review, at minimum annually, the policies and procedures relating to Regulation S-ID. In conducting the review, the CCO will assess the following non-exhaustive factors: (a) the Firm's experiences over the prior calendar year with identity theft; (b) the changes, if any, in methods of identity theft; (c) whether any changes in methods of detecting, preventing or mitigating identity theft are called for; (d) changes in the business arrangements of the Firm, including the types of accounts that the Firm interacts with.

The annual review must also include: details of the nature of all identity theft incidents over the past year, an evaluation of the effectiveness of existing policies and procedures, an analysis of service provider arrangements, and recommendations for material changes to existing policies and procedures.

Collection of Information

BAMCO collects personal information about its Clients through the following sources:

- Subscription documents, custodian account applications, Advisory Agreements, IPS's, and other information provided by the client in writing, in person, by telephone, electronically or by any other means.

- This information can include:

    - Name;
    - Address;
    - Nationality;
    - Birthdate;
    - the name address and nationality of the investors as well as the Tax Identification Number; and
    - Transactions with BAMCO either through a pooled investment vehicle or a separately managed account.

Disclosure of Non-Public Personal Information

BAMCO does not sell or rent Client information. BAMCO does not disclose non-public personal information about its Clients or Fund investors to non-affiliated third parties or to affiliated entities, except as permitted by law. For example, BAMCO may share non-public personal information in the following situations:

- To service providers in connection with the administration and servicing of the Client Accounts, which may include attorneys, accountants, auditors and other professionals. BAMCO may also share information in connection with the servicing or processing of Client transactions.

- To affiliated companies in order to provide the Client with ongoing personal advice and assistance with respect to products and services purchased through BAMCO and to introduce the Clients to other products or services that may be of value to the Client.

- To respond to a subpoena or court order, judicial process or regulatory authorities;

- To protect against fraud, unauthorized transactions (such as money laundering), claims of other liabilities; and

- Upon the consent of a Client to release such information, including authorization to disclose such information to persons acting in a fiduciary or representative capacity on behalf of the Client.

Massachussets Information Security Regulations

The Massachusetts Standards for the Protection of Personal Information (201 CMR 17.00) (the "**Standards**") applies to all firms that maintain personal information about a Massachusetts resident regardless of the location of BAMCO. As such, financial services firms such as investment advisers with access to "personal information" (as defined below) about a Massachusetts resident generally must meet the Standards.

Under the law, "personal information" to be protected includes a Massachusetts resident's name (either first and last name or first initial and last name) combined with a complete social security number, driver's license, or other state-issued number, a financial account number or a complete credit card or bank account number.

BAMCO has established the following procedures in relation to protecting Client data:

- Assess information security risks on an ongoing basis;
- Terminate access to information by former Employees;
- Oversee service providers;
- Place reasonable restrictions on physical records;
- Implement secure user authentication and access controls for electronic systems;
- Encrypt, where feasible, all electronically transmitted records;
- Maintain up-to-date virus definitions, firewall protections, and operating system security patches;
- Provide initial and ongoing training to Employees; and
- Document the responses to information security breaches and records of corrective actions taken as a result of the breach.

It is essential that BAMCO dispose of such non-public personal information in a secure fashion when it is no longer required for record keeping requirements. In general, BAMCO will have methods to shred physical documents as well as the erasure and over-writing of electronic media.

OPERATING PROCEDURES AND COMPLIANCE REVIEW

It is BAMCO's policy to require that all employees, financial professionals and companies that provide services on behalf of BAMCO, keep Client information confidential.

BAMCO maintains safeguards that comply with federal standards to protect Client information. BAMCO restricts access to personal and account information of Clients to those employees who need to know that information in the course of their job responsibilities. Third parties with whom BAMCO shares Client information must agree to follow appropriate standards of security and confidentiality. BAMCO's privacy policy applies to both current and former clients. BAMCO delivers a Privacy Policy to all clients annually as best practice.

SECTION 15 – PROXY VOTING AND CORPORATE ACTIONS POLICY

Rule 206(4)-6 of the Advisers Act (the "**Proxy Rule**") requires a registered investment adviser that exercises voting authority with respect to client securities to: (i) adopt written policies reasonably designed to ensure that the investment adviser votes in the best interest of its clients and addresses how the investment adviser will deal with material conflicts of interest that may arise between the investment adviser and its clients; (ii) disclose to its clients information about such policies and procedures; and (iii) upon request, provide information on how proxies were voted.

Corporate Action and Proxy Voting Policy Background

As outlined in the Investment Management Agreement, BAMCO may assume responsibility for voting proxies for securities held in client accounts unless such responsibility and authority have been expressly retained by the client.

Berkshire has adopted and implemented policies and procedures that we believe are reasonably designed to ensure that proxies are voted in the best interest of the clients, in accordance with our fiduciary duties under applicable laws, rules and regulations. If authority to vote proxies is established by the client in the Investment Management Agreement, our proxy voting guidelines have been tailored to reflect this specific contractual obligation. In addition to requirements under the securities laws governing advisers, our proxy voting policies reflect the long-standing fiduciary standards and responsibilities for ERISA accounts. Unless a manager of ERISA assets has been expressly precluded from voting proxies, the Department of Labor has determined that the responsibility for these votes lies with the investment manager.

In exercising its voting authority, BAMCO will not consult or enter into agreements with anyone regarding the voting of any securities owned by its clients.

Policy

BAMCO's proxy voting procedures are designed and implemented in a way that is reasonably expected to ensure that proxy matters are handled in the best interest of clients for whom we have voting authority. While the guidelines included in the procedures are intended to provide a benchmark for voting standards, each vote is ultimately cast on a case-by-case basis, taking into consideration BAMCO's contractual obligations to our clients and all other relevant facts and circumstances at the time of the vote (such that these guidelines may be overridden to the extent Berkshire deems appropriate).

Procedures

Responsibility and Oversight

BAMCO investment committee (the "Investment Committee") is responsible for administering and overseeing the proxy voting process. BAMCO's proxy coordinator (the "Proxy Coordinator") coordinates the gathering of proxies. The chairman of the Proxy Committee is responsible for determining appropriate voting positions on each proxy utilizing any applicable guidelines contained in these procedures. To facilitate the proxy voting process, BAMCO

generally utilizes Broadridge's ProxyEdge system to assist in the process of meeting notifications, voting, tracking, and mailing, reporting and record maintenance necessary for the appropriate management of client accounts. ProxyEdge provides proxy information based on share positions provided directly to Broadridge by the custodian and facilitates BAMCO's proxy votes through an automated electronic interface. There may be instances whereby certain prime brokers utilize other third-party proxy administrators that BAMCO may rely upon if necessary.

Client Authority

Each client's investment management agreement is reviewed at account startup or upon amendment to determine proxy-voting responsibility. If the investment management agreement so provides or if the account represents assets of an ERISA plan and BAMCO has not received written instruction from the client that precludes the firm from voting proxies, BAMCO will assume responsibility for proxy voting. The Portfolio Accounting Administrator maintains a matrix of proxy voting authority and will regularly provide the Proxy Coordinator with the most current information.

Proxy Gathering

Registered owners of record, client custodians, client banks and trustees ("Proxy Recipients") that receive proxy materials on behalf of clients should forward them to the Proxy Coordinator. Proxy Recipients for new clients (or, if BAMCO becomes aware that the applicable Proxy Recipient for an existing client has changed) are notified at start-up of appropriate routing to the Proxy Coordinator of proxy materials received and also reminded of their responsibility to forward all proxy materials on a timely basis. If BAMCO personnel other than the Proxy Coordinator receive proxy materials, they should promptly forward the materials to the Proxy Coordinator.

Proxy Voting

Once proxy materials are received, the Proxy Coordinator will initiate the following actions:

- Proxies are reviewed to determine accounts impacted.
- Impacted accounts are checked to confirm Berkshire's voting authority.
- The Chairman of the Proxy Committee reviews proxy issues to determine any material conflicts of interest.
- If a material conflict of interest exists (i) to the extent reasonably practicable and permitted by applicable law, the client is promptly notified, the conflict is disclosed and BAMCO obtains the client's proxy voting instructions, and (ii) to the extent to which it is not reasonably practicable and permitted by applicable law to notify the client and obtain such instructions (e.g., the client is a mutual fund or other commingled vehicle or is an ERISA plan client), BAMCO generally seeks voting instructions from an independent third party research firm such as Glass Lewis & Co.
- The Chairman of the Proxy Committee determines votes on a case-by-case basis taking into account the voting guidelines contained in these procedures. Subject to the best interest of each individual client, BAMCO votes proxies in the same way for similarly situated clients. The Chairman of the Proxy Committee's basis for decision is documented and maintained by the Proxy Coordinator.

- Proxies may also be voted against Board recommendation if the Proxy Committee believes voting against Board recommendation is in the best interest of the client.
- The Proxy Coordinator votes the proxy pursuant to the instructions received in bullets # 4 or 5 above and returns the voted proxy as indicated in the proxy materials.

Timing

BAMCO personnel act in such a manner to ensure that, absent special circumstances, the proxy gathering and proxy voting steps noted above can be completed before the applicable deadline for returning proxy votes.

Record Keeping

BAMCO maintains records of proxies voted pursuant to applicable securities laws, rules and regulations and ERISA DOL Bulletin 94-2. These records include:

- A copy of BAMCO's policies and procedures.
- Copies of proxy statements received regarding client securities.
- A copy of any document created by BAMCO that was material to making a decision how to vote proxies.
- Each written client request for proxy voting records and BAMCO's written response to both verbal and written client requests. A proxy log including:
- Issuer Name;
- Exchange ticker symbol of the issuer's shares to be voted;
- Council on Uniform Securities Identification Procedures ("CUSIP") number for the shares to be voted;
- A brief identification of the matter voted on;
- Whether the matter was proposed by the issuer or by a shareholder of the issuer;
- Whether a vote was cast on the matter;
- A record of how the vote was cast; and
- Whether the vote was cast for or against the recommendation of the issuer's management team.

Records are maintained in an easily accessible place for five years, the first two in BAMCO's offices.

Disclosure

New clients will be provided a copy of these policies and procedures upon account inception. In addition, upon request, clients may receive reports on how their proxies have been voted by contacting BAMCO.

Conflicts of Interest

- All proxies are reviewed for potential material conflicts of interest by the Chairman of the Proxy Committee. Issues to be reviewed include, but are not limited to:

- Whether BAMCO manages assets for the issuer, a shareholder proponent or an employee group of the issuer or otherwise has a current or potential business relationship with the issuer;

- Whether BAMCO, an officer or director of the adviser or the applicable portfolio manager, analyst or other person(s) responsible for recommending the proxy vote (together, "Voting Persons") is a close relative of or has any personal or business relationship with the issuer (excluding normal commercial transactions and investment relationships where there is not special treatment), with an officer, director or other executive person at the issuer, with a candidate for election to the board of the issuer or with a shareholder proponent;

- Whether there is any other material business or personal relationship as a result of which a Voting Person has an interest in the outcome of the matter before shareholders; or

- Whether an affiliate of BAMCO has a conflict as described in bullets #1-3 above and such conflict is known to the adviser's Voting Persons.

All of the conflicts noted above should be deemed material. If the conflict resides with an individual Voting Person, that person will exclude himself or herself from the vote determination process in order to shield the adviser and the other Voting Persons from the conflict, provided that the other Voting Persons can determine a vote without undue influence from the conflicted Voting Person. If the conflict cannot be walled off, the vote will be passed on to a neutral party such as a third-party service provider or to the client directly. Any time a material conflict is encountered, BAMCO will keep records on the nature of the conflict, the actual vote and the basis for the vote determination.

Voting Guidelines

BAMCO's substantive voting decisions turn on the particular facts and circumstances of each proxy vote and are evaluated by the Chairman of the Proxy Committee. The examples outlined below are meant as guidelines to aid in the decision making process.
Guidelines are grouped according to the types of proposals generally presented to shareholders. Part I deals with proposals which have been approved and are recommended by a company's board of directors; Part II deals with proposals submitted by shareholders for inclusion in proxy statements; Part III addresses issues relating to voting shares of investment companies; Part IV addresses unique considerations pertaining to foreign issuers.

Board Approves Proposals

The vast majority of matters presented to shareholders for a vote involve proposals made by a company itself that have been approved and recommended by its board of directors. In view of the enhanced corporate governance practices currently being implemented in public companies, BAMCO generally votes in support of decisions reached by independent boards of directors. More specific guidelines related to board-approved proposals are as follows:

Matters Relating to the Board of Directors

BAMCO votes proxies for the election of a company's nominees for directors and for board-approved proposals on matters relating to the board of directors with the following exceptions:

- Votes are withheld for the entire board of directors if the board does not have a majority of independent directors or the board does not have nominating, audit and compensation committees composed solely of independent directors.
- Votes are withheld for any nominee director who is considered an independent director by the company and who has received compensation from the company other than for service as a director.
- Votes are withheld for any nominee for director who attends less than 75% of board and committee meetings without valid reasons for absences.
- Votes are cast on a case-by-case basis in contested elections of directors.

Matters Relating to Executive Compensation

BAMCO generally favors compensation programs that relate executive compensation to a company's long-term performance. Votes are cast on a case-by-case basis on board-approved proposals relating to executive compensation except as follows:

- Except where the firm is otherwise withholding votes for the entire board of directors, BAMCO votes for stock option plans that will result in a minimal annual dilution.
- BAMCO votes against stock option plans or proposals that permit replacing or repricing of underwater options.
- BAMCO usually votes against stock option plans that permit issuance of options with an exercise price below the stock's current market price.
- Except where the firm is otherwise withholding votes for the entire board of directors, BAMCO votes for employee stock purchase plans that limit the discount for shares purchased under the plan to no more than 15% of their market value, have an offering period of 27 months or less and result in dilution of 10% or less.

Matters Relating to Capitalization

The management of a company's capital structure involves a number of important issues, including cash flows, financing needs and market conditions that are unique to the circumstances of each company. As a result, BAMCO votes on a case-by-case basis on board-approved proposals involving changes to a company's capitalization except where BAMCO is otherwise withholding votes for the entire board of directors.

- BAMCO votes for proposals relating to the authorization of additional common stock.
- BAMCO votes for proposals to effect stock splits (excluding reverse stock splits).
- BAMCO votes for proposals authorizing share repurchase programs.

Matters Relating to Acquisitions, Mergers, Reorganizations and Other Transactions

- BAMCO votes these issues on a case-by-case basis on board-approved transactions.

Matters Relating to Anti-Takeover Measures

BAMCO votes against board-approved proposals to adopt anti-takeover measures except as follows:

- BAMCO votes on a case-by-case basis on proposals to ratify or approve shareholder rights plans.
- BAMCO votes on a case-by-case basis on proposals to adopt fair price provisions.
- Other Business Matters
- BAMCO votes for board-approved proposals approving such routine business matters such as changing the company's name, ratifying the appointment of auditors and procedural matters relating to the shareholder meeting.
- BAMCO votes on a case-by-case basis on proposals to amend a company's charter or bylaws.
- BAMCO votes against authorization to transact other unidentified, substantive business at the meeting.
- Shareholder Proposals

SEC regulations permit shareholders to submit proposals for inclusion in a company's proxy statement. These proposals generally seek to change some aspect of a company's corporate governance structure or to change some aspect of its business operations. BAMCO votes in accordance with the recommendation of the company's board of directors on all shareholder proposals, except as follows:

- BAMCO votes for shareholder proposals to require shareholder approval of shareholder rights plans.
- BAMCO votes for shareholder proposals that are consistent with Berkshire's proxy voting guidelines for board-approved proposals.
- BAMCO votes on a case-by-case basis on other shareholder proposals where the firm is otherwise withholding votes for the entire board of directors.

Voting Shares of Investment Companies

BAMCO may utilize shares of open or closed-end investment companies to implement its investment strategies. Shareholder votes for investment companies that fall within the categories listed in Parts I and II above are voted in accordance with those guidelines.

- BAMCO votes on a case-by-case basis on proposals relating to changes in the investment objectives of an investment company taking into account the original intent of the fund and the role the fund plays in the clients' portfolios.
- BAMCO votes on a case-by-case basis all proposals that would result in increases in expenses (e.g., proposals to adopt 12b-1 plans, alter investment advisory arrangements or approve fund mergers) taking into account comparable expenses for similar funds and the services to be provided.

Voting Shares of Foreign Issuers

In the event BAMCO is required to vote on securities held in foreign issuers – i.e. issuers that are incorporated under the laws of a foreign jurisdiction and that are not listed on a U.S. securities exchange or the NASDAQ stock market, the following guidelines are used, which are premised on the existence of a sound corporate governance and disclosure framework. These guidelines, however, may not be appropriate under some circumstances for foreign issuers and therefore apply only where applicable.

- BAMCO votes for shareholder proposals calling for a majority of the directors to be independent of management.
- BAMCO votes for shareholder proposals seeking to increase the independence of board nominating, audit and compensation committees.
- BAMCO votes for shareholder proposals that implement corporate governance standards similar to those established under U.S. federal law and the listing requirements of U.S. stock exchanges and that do not otherwise violate the laws of the jurisdiction under which the company is incorporated.
- BAMCO votes on a case-by-case basis on proposals relating to (1) the issuance of common stock in excess of 20% of a company's outstanding common stock where shareholders do not have preemptive rights, or (2) the issuance of common stock in excess of 100% of a company's outstanding common stock where shareholders have preemptive rights.

Voting Procedures when BAMCO Utilizes a Third Party Proxy Service

If BAMCO is utilizing a third party proxy service in connection with certain client accounts, the Proxy Coordinator will ensure that the proxy service receives updated holdings for the affected accounts. The Proxy Coordinator will also ensure that the proxy service delivers its recommendations on a timely basis and that such information is provided to the Proxy Voting Chairman. After the Proxy Voting Chairman authorizes the proxy service to vote, the Proxy Coordinator will maintain records of the proxy service recommendations and voting reports.

Corporate Actions

All corporate action related material will be delivered to BAMCO's corporate action coordinator (the "Corporate Action Coordinator"), who will pay strict attention to any pending corporate actions that may be undertaken by, or with respect to, the issuers of securities held in client accounts. When the Corporate Action Coordinator receives notice of a pending corporate action, that party will be responsible for coordinating with the Proxy Voting Chairman to determine the firm's desired course of action and communicating the firm's instructions to the custodian in a timely manner.

The Corporate Action Coordinator will also keep accurate records of each corporate action and the steps that were taken by the firm in a corporate actions log.

SECTION 16 – BUSINESS CONTINUITY AND DISASTER RECOVERY

The SEC has stated that an investment adviser has a fiduciary obligation to protect Client assets from risks resulting from the investment adviser being unable to provide advisory services in the ordinary course. Thus, an investment adviser must create and maintain a business continuity and disaster recovery plan which is reasonably designed to enable the investment adviser to meet client obligations in the event of a natural disaster, emergency or significant business disruption. Having a business continuity and disaster recovery plan in place allows an investment adviser to continue to meet its regulatory responsibilities in the event of a disaster (e.g., bombing, fire, flood, earthquake, power failure) or any other event that may disrupt the Firm's normal operations.

BAMCO has developed and implemented a business continuity and disaster recovery plan to be followed in the event of a disaster or event that does not allow access to BAMCO's offices in Wilkes-Barre, Pennsylvania

Each employee of BAMCO has a copy of the business continuity plan that includes each employee's contact information, along with relevant contact information for BAMCO's Clients and the necessary service providers. BAMCO employees are trained on how to react in the case of a disaster and how to contact each employee and Client in the case of a disaster.

BAMCO performs periodic tests to ensure that the business continuity plan works effectively and efficiently. BAMCO maintains written confirmation that the necessary computers, printers, facsimiles, telephones, and programs operate effectively and efficiently.

As BAMCO's business lines evolve and/or change the CCO will properly adapt and update the overall business continuity plan for BAMCO accordingly.

Cybersecurity

BAMCO recognizes that cyber threats or cyberattacks could potentially pose a significant risk to its business. Although the SEC has not issued specific rules with regards to cybersecurity, the SEC released a risk alerts and Guidance since 2014 addressing cybersecurity preparedness and encouraging registered investment advisers to take the appropriate steps to protect their businesses from cyber threats and cyberattacks.

Cybersecurity is a priority for BAMCO and the Firm, along with the third-party IT provider periodically assess BAMCO's overall cybersecurity risks. For the protection of its Clients Accounts, BAMCO monitors and assesses its usage of technological systems, networks, vendors and third parties and makes changes when necessary to improve their effectiveness in protecting the Firm. BAMCO's Employees are trained to look for cybersecurity red flags of any type and to report them immediately to the CCO.

Training

Each Employee has been provided with a copy of the Business Continuity Plan which includes Employee contact information along with relevant contact information for the Firm's Client Accounts and service providers. In addition, employees receive cybersecurity training as part of annual compliance training and are also reminded of the Firm's Business Continuity prodecures.

OPERATING PROCEDURES AND COMPLIANCE REVIEW

The CCO with the assistance of the Firm's Operations department and the Firm's IT Vendors will, at least annually, test BAMCO's Business Continuity Plan and document each test. The CCO with the assistance of the Firm's IT consultant will also assess BAMCO's cybersecurity environment and employ necessary updates. The CCO will also periodically review and update, as necessary, the Plan to ensure that it is accurate and up to date. All employees will receive cybersecurity training on an annual basis as part of the annual compliance meeting.

SECTION 17 – NEW ISSUES

INTRODUCTION

In an initial public offering ("New Issue" or "IPO"), the price of the security often increases from the offering price during the first day of trading, particularly when demand is strong and trading is expected to occur at a significant premium in the immediate aftermarket. Therefore, New Issues often represent a valuable investment opportunity. BAMCO may, from time to time, purchase securities that are part of a public distribution . It is BAMCO's policy that certain persons engaged in securities, banking or financial services industries (and members of their family) (collectively "**Restricted Persons**") and certain persons who are affiliated with certain companies that are current, former or prospective investment banking clients of the broker (collectively "**Covered Investors**") are restricted from participating in IPOs or equity securities ("**New Issues**"). Additional information on Restricted Persons is outlined in the Definition of Terms within the IPO Eligibilty Certification Form.

The SEC pays significant attention to the allocation of New Issues when conducting compliance examinations of registered investment advisers and has brought enforcement actions against numerous investment advisers for favoring certain clients or proprietary accounts in allocating New Issues without adequately disclosing this practice to all clients. In accordance with our fiduciary duties to allocate New Issues in a fair and equitable manner, BAMCO will follow the SEC guidance in restricting the following activities in connection with IPO allocations:

- Inducements to purchase in the form of tie-in agreements or other solicitations of aftermarket bids or purchases prior to the completion of the distribution;
- Soliciting customers prior to the completion of the distribution regarding the price and
- quantity they intend to place immediate aftermarket orders for IPO stock;
- Proposing aftermarket prices to customers or encouraging customers to increase the price they are willing to place on orders in the immediate aftermarket;
- Accepting or seeking expressions of interest from customers that they intend to purchase an amount of shares in the aftermarket pegged to the allocation amount without any reference to a fixed total position size;
- Soliciting aftermarket orders from customers before all IPO shares are distributed or rewarding customers for aftermarket orders by allocating additional IPO shares; and
- Communicating to customers in connection with one offering that expressing an interest in the aftermarket or buying in the aftermarket would help them obtain allocations of other IPOs.

OPERATING PROCEDURES AND COMPLIANCE REVIEW

In order to determine whether a Client is eligible to participate in New Issues, each client is required to complete a new issue certification questionnaire (included in the Subscription Document if an investment in a FUND) indicating the client's eligibility to participate in New Issues. The CCO will work with BAMCO's independent accountants, internal accountants, custodian and Fund administrator (if any) to ensure that New Issue accounts are established and maintained.

SECTION 18 – CUSTODY OF CLIENT ASSETS

INTRODUCTION

Rule 206(4)-2 of the Advisers Act sets forth extensive requirements regarding possession or custody of Client Accounts or securities. The Rule requires advisers that have custody of Client securities or Client Accounts to implement a set of controls designed to protect those Client assets from being lost, misused, misappropriated or subject to the advisers' financial reverses.

An investment adviser is deemed to have custody or possession of Client funds or securities if the adviser directly or indirectly holds Client funds or securities or has any authority to obtain possession of them, regardless of whether the exercise of that authority or ability would be lawful. For example, if an investment adviser is able to charge its fees to the actual custodian of the Client's assets and to cause the custodian to pay those fees when due, the investment adviser will be deemed to have custody or possession of the Client's funds. An adviser has custody if it acts in any capacity that gives the adviser legal ownership of, or access to, the Client funds or securities.

Under Rule 206(4)-2 Berkshire has custody of client funds;

- When the Firm is authorized to instruct a client's custodian to deduct the Firm's management fees directly from a client's custodial account;

- When the Firm, or a subsidiary of the Firm, acts as both investment adviser and general partner to a limited partnership;

- When the Firm, or a covered person of the Firm acts as both adviser and co-trustee on a client account , the Firm or covered person is not considered an adviser to have custody in such circumstances, provided that (i) the trust has a co-trustee thatis a bank or a trust company that meets the definition of a qualified custodian under rule 206(4)-2(d)(6) and is not a related person of the adviser, (ii) the qualified custodian delivers account statements directly to each co-trustee that is not itself the custodian, and (iii) under the trust instrument or by law the withdrawal of any assets of the trust by the adviser requires the prior written consent of all of its co-trustee(s).

Generally, advisers with "**custody**" of Client Accounts and securities must maintain them with "**Qualified Custodians**": (i) in a separate account for each Client under the Client's name; or (ii) in accounts that contain only BAMCO's Clients' funds and securities, under BAMCO's name as agent or trustee for its Clients.

Qualified Custodians, under the amended rule, include banks and savings associations and registered broker-dealers. Upon opening an account with a Qualified Custodian on a Client's behalf, an adviser that is not subject to the exemption below must promptly notify the Client in writing of the name and address of the Qualified Custodian and the manner in which the funds or securities are maintained. BAMCO will verify that the Qualified Custodian sends quarterly account statements to the Client.

Division of Investment Management 2017 Guidance

In addition, pursuant to the Division of Investment Management's Letter to the Investment Adviser Association dated February 21, 2017 (the "**IAA Letter**"), guidance was provided regarding inadvertent custody resulting from registered investment advisors limited authority to transfer client funds by instructing the qualified custodian to execute client account transfers pursuant to standing letters of authorization ("**SLOA**"). SLOA's constitute custody under the Rule 206(4)-2 of Advisers Act, custody should be disclosed in Item 9 of ADV1 and Item 15 of ADV 2A, however a surprise audit would not be required for such custody. BAMCO has procedures in place that SLOA's are obtained prior to initiating client fund transfers according to the IAA Letter. guidance.

As further outlined in the IAA Letter, it is common for a client to grant its registered investment adviser the limited power in a SLOA to disburse funds to one or more third parties as specifically designated by the client. After granting the investment adviser this limited authorization, the client then instructs the qualified custodian for the client's account to accept the investment adviser's direction on the client's behalf to move money to the third party designated by the client on the SLOA. The qualified custodian takes that instruction in writing directly from the account holder (the investment adviser's client), and the investment adviser's authority is limited by the terms of that instruction. The investment adviser is authorized to act merely as an agent for the client. The client retains full power to change or revoke the arrangement.

Under the Custody Rule, an investment adviser has "custody" of client funds or securities where it or its related person "holds, directly or indirectly, client funds or securities, or has any authority to obtain possession of them, in connection with advisory services [it] provide[s] to clients. Moreover, "custody" includes "[a]ny arrangement . . . under which [an investment adviser is] authorized or permitted to withdraw client funds or securities maintained with a custodian upon [its] instruction to the custodian. An investment adviser with power to dispose of client funds or securities for any purpose other than authorized trading has access to the client's assets. The SEC believes that a letter of instruction or other similar asset transfer authorization arrangement established by a client with a qualified custodian would constitute an arrangement under which an investment adviser is authorized to withdraw client funds or securities maintained with a qualified custodian upon its instruction to the qualified custodian.

An investment adviser that enters into such an arrangement with its Client would therefore have custody of Client assets and would be required to comply with the Custody Rule. Notwithstanding this view, staff of the Division of Investment Management would not recommend enforcement action to the Commission under Section 206(4) of, and Rule 206(4)-2 under, the Advisers Act against an investment adviser if that adviser does not obtain a surprise examination where it acts pursuant to such an arrangement under the following circumstances:

- The Client provides an instruction to the qualified custodian, in writing, that includes the Client's signature, the third party's name, and either the third party's address or the third party's account number at a custodian to which the transfer should be directed.
- The Client authorizes the investment adviser, in writing, either on the qualified custodian's form or separately, to direct transfers to the third party either on a specified schedule or from time to time.

- The Client's qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the client's authorization, and provides a transfer of funds notice to the client promptly after each transfer.
- The client has the ability to terminate or change the instruction to the client's qualified custodian.
- The investment adviser has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the Client's instruction.
- The investment adviser maintains records showing that the third party is not a related party of the investment adviser or located at the same address as the investment adviser.
- The Client's qualified custodian sends the Client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

Therefore, under the circumstances above, BAMCO does have custody of certain client accounts, and will conduct Surprise Exam of such identified client accounts. BAMCO will monitor conditions of custody as set forth above, and verify the qualified custodian is providing clients an annual notice of standing letters of instruction on file.

Limited partnerships in which the Firm, or a subsidiary of the Firm, serves as general partner and investment adviser, are audited annually and the audited financial statements, prepared in accordance with generally accepted accounting principles, are sent to all limited partners within 120 days of the end of its fiscal year.

Inadvertant Receipt of Client Assets

BAMCO does not, nor does it intend to, maintain physical custody of Client funds or securities. In order to avoid triggering the custody rule 206(4)-2 for client accounts and to provide safekeeping of Client assets, in the unlikely event that a Client or Third Party inadvertently delivers cash, check, wire or securities made payable to BAMCO (other than for the payment of an advisory fee) instead of a Client, it must be reported to the CCO and the assets must be returned directly to the client, qualified custodian or Third Party within three (3) business days of receipt. Any inadvertent reciept of Client securities (stock certificates) must be sent back to Client promptly but within three (3) days..

BAMCO has implemented the following procedures if Client cash, checks, wire or securities are inadvertently delivered and/or made payable to BAMCO instead of client:

- Promptly identification of Client assets that it inadvertently receives;
- Promptly identifies the Client (or former Client) to whom such Client assets are attributable and notifies client immediately via telephone and/or email;
- Promptly forwards Client assets to its Client (or former Client) or a qualified custodian, but in no event later than three (3) business days following the adviser's receipt of such assets;
- Promptly returns to the appropriate Third Party any inadvertently received Client assets that the adviser does not forward to its Client (or former Client) or a qualified custodian, but in no event later than three (3) business days following the adviser's receipt of such assets; and

- Promptly returns but in no event later than three (3) business days the inadvertent receipt of Client stock certificates back to Client; (6) maintains and preserves appropriate records of all Client assets inadvertently received by it, including a written explanation of whether (and, if so, when) the Client assets were forwarded to its Client (or former Client) or a qualified custodian, or returned to Third Party.

This does not apply to:

- Tax refunds from tax authorities; and
- Settlement proceeds from administrators in connection with class action lawsuits and other legal actions, or stock certificates, dividends or evidence of new debt from issuers in connection with class action lawsuits involving bankruptcy or business reorganization.

If such funds named above are received, BAMCO must follow the procedures above, however has three (3) business days to return the assets to the Client, qualified custodian or Third Party.

OPERATING PROCEDURES AND COMPLIANCE REVIEW

The CCO or designee shall use best efforts to confirm that Clients receive or have secure access to their account statements from the Qualified Custodian. The CCO will monitor custody of all Client accounts and follow all procedures identified. BAMCO receives an audit of it's Private Fund clients and distributes audited financials to all investors within 120 days of year end. BAMCO reviews all separately managed account clients to determine if a Surprise Exam is necessary. All inadvertent receipt of Client assets will be added to appropriate compliance log.

SECTION 19 – VALUATION

As a fiduciary, an investment adviser has an obligation to value its client assets accurately. This process is critical for determining, among other things account value for calculating the investment adviser's fee. In terms of valuing positions in any portfolio, BAMCO will do so in accordance with the relevant disclosure documents and the relevant investment management agreements of each Fund that it manages.

BAMCO has adopted ASC 820 ("**Fair Value Measurements and Disclosure**," formerly Statement of Financial Accounting Standards (SFAS) No, 157) and valuations are recorded and reported accordingly. Fair Value Measurements and Disclosure establishes three levels of valuations:

- *Level 1* – Valuations are based on unadjusted quoted prices in active markets for identical assets or liabilities. An active market for the asset or liability is a market in which transactions for the asset or liability occur with significant frequency and volume to provide pricing information on an ongoing basis.

- *Level 2* – Valuations are based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical assets or liabilities that trade in non-active markets (i.e., dealer or broker markets); and inputs other than quoted prices that are observable or inputs derived from or corroborated by market data.

- *Level 3* – Valuations are based on inputs that are unobservable and significant to the overall Fair Value Measurement and Disclosure. This level requires the greatest degree of judgment.

It is the Firm's "Valuation Policy" to value the securities in any client portfolio in accordance with the relevant disclosure documents and the relevant investment management agreements. All securities listed on a national exchange are valued at their last sales price on the applicable date or, if no sales occurred on such date, at the "bid" price for a long position and the "ask" price for a short position. Securities that have no public market are held at such value as the Firm may reasonably determine in good faith.

With respect to the managed accounts advised by the Firm, the Firm and its managed account clients primarily rely on the custodian of record. The Firm has automatic procedures in place for the daily calculation of each client portfolio value through its investment software. The market values of all securities are downloaded each night through IDC (Interactive Data Corporation) to the price file for that specific date. All prices are then compared manually with Bloomberg by the Portfolio Managers.

The Firm does not independently value any private securities held in client accounts. The quarterly financial information provided by the private funds themselves will be used as the basis for Client reporting and fee billing (where a client/hedge fund pays an asset-based fee). Charles Schwab

separately makes available to its Clients (which include managed account clients of the Firm) information with respect to its valuation of assets held by Schwab (including its valuation procedures related to liquid and illiquid positions), as do the other qualified custodians the Firm utilizes for certain Client accounts if the client owns limited partnership and/or private investments.

OPERATING PROCEDURES AND COMPLIANCE REVIEW

The CCO or designee will perform a periodic review to ensure that the Client Accounts are valued in accordance with their valuation policy and investment management agreements.

SECTION 20 – OPERATIONAL DUE DILIGENCE

In compliance with the requirements of Rule 206(4)-7 of the Advisers Act, the Firm has established the following written policies and procedures relating to the due diligence performed in selecting third-party managers and/or hedge funds in which it may invests client assets. These practices seek to ensure that due diligence performed meets with the fiduciary standards required of an investment adviser and comports to the disclosures provided to clients.

Specifically, the CCO, and/or other research analysts on the Firm's staff, will review each third party manager that manages a privately placed pooled investment vehicle through one or more of the following methods of due diligence: meetings/ongoing conference calls with such persons and his or her staff; verification of references; background reviews with respect to regulatory matters, education and/or professional history; reviews of audited financial statements; and verification of performance claims.

Specifically, in its due diligence process with respect to third party managers of privately placed pooled investment vehicles, the Firm will seek to review, at a minimum, if available, the following items: (i) audited financial statements; (ii) offering materials; (iii) most recent investor communications; (iv) Form ADV; and (v) due diligence questionnaires.

Electronic files will be created to store and maintain all materials reviewed. With respect to third party managers of publicly traded vehicles such as mutual funds and exchange traded funds, the Firm reviews publicly available information. Given the breadth of third party managers, investment vehicles and the material differences between and among similarly classified pooled investment vehicles that utilize third party managers (including, without limitation, mutual funds, exchange traded funds, hedge funds and private equity funds), the Firm believes that it is impossible to capture in a single list what the Firm may determine to be an appropriate level of due diligence for any given manager or vehicle.

SECTION 21 – ANTI-MONEY LAUNDERING

POLICY STATEMENT

It is BAMCO's policy to endeavor to prevent, detect, and report the possible use of Client Accounts for the purpose of money laundering. "**Money Laundering**" is understood to be the process by which individuals or entities attempt to conceal the true origin and ownership of the proceeds of internationally recognized criminal activity, such as organized crime, drug trafficking, or terrorism. Money Laundering, as generally understood, involves use of the financial system to disguise the origin of assets, for example, by creating complex layers of financial transactions and by integration of the laundered proceeds into the economy as clean money.

BAMCO's anti-money laundering ("**AML**") program represents BAMCO's effort to detect and prevent money launderers from using Client Accounts as a means for carrying out their illicit practices.

INTRODUCTION

U.S. law obligates employees to watch for evidence of possible Money Laundering and to report suspicious activity to the authorities. Failure to comply can subject BAMCO and the employee to criminal penalties, including severe fines or imprisonment. Employees should immediately report any suspicious activity to the CCO. Employees of BAMCO will be trained annually on AML at the Annual Compliance Training Meeting.

It is a crime for BAMCO to knowingly engage in a financial transaction with the proceeds from any of a long list of crimes or "specified unlawful activity," such as money laundering. The standard of knowledge required from BAMCO is "actual knowledge," which includes "willful blindness." Thus, BAMCO could be deemed to have knowledge that proceeds were derived from illegal activity, such as money laundering, if BAMCO ignores "red flags" that indicate illegality.

The U.S. Department of the Treasury has stated that:

> "Unregistered investment companies with offshore operations in or with investors from jurisdictions on lists maintained by the Office of Foreign Asset Control ("**OFAC**") (sanctioned countries), FinCEN (country advisers), or Financial Action Task Force or Money Laundering (non-cooperative countries and territories) should be particularly sensitive to these requirements."

Lists of sanctions and programs maintained by OFAC, FinCEN, or the FATF are available at:

OFAC:	http://www.finra.org/ofac/
FinCEN:	http://www.fincen.gov/pub_main.html
FATF:	http://www.fatf-gafi.org

U.S. FOREIGN CORRUPT PRACTICES ACT ("FCPA")

BAMCO seeks to ensure full compliance with all anti-corruption and anti-bribery laws and regulations, including the FCPA, by all members, officers, employees and agents. Generally, anti-corruption and anti-bribery laws prohibit making, promising or offering payments or gifts to government officials to obtain or retain business, or to secure any improper business advantage.

It is BAMCO's policy that no employee or agent of BAMCO may offer payments (or anything else of value) to a government official to take an official act in a manner that will assist BAMCO in obtaining or retaining business or securing any improper business advantage, including making, promising or offering bribes to maintain existing business relationships or operations.

BAMCO takes corruption and bribery seriously, and anyone at BAMCO found to be violating this policy will be subject to disciplinary action, which may include termination.

BAMCO requires all employees to report any suspicious activity that may violate this policy.

An employee's failure to report known or suspected violations may itself lead to disciplinary action.

The following general guidelines apply to each employee:

- No payment or gift of any kind may be made, promised or offered to a government official, or employee or agent of a government-owned or controlled entity without the prior written approval of the CCO.

- Paying excessive travel and entertainment expenses on behalf of a government official to obtain or maintain business can be considered a bribe. All travel and entertainment expenses on behalf of government officials must have prior written approval of the CCO.

- Payments or gifts, including charitable or political contributions and sponsorships, made at the request of a government official to obtain or maintain business are forbidden. For example, if a government official indicates that he or she will introduce you to a potential business partner if you contribute to the government official's favorite charity, contribution to the charity would be considered a bribe to the government official and is forbidden.

- Payments made to a government official indirectly, through an intermediary or consultant, can constitute bribery when they are intended to influence a government official to obtain or retain business. If an intermediary promises to provide special connections and requires an unusually high fee for his or her services, and then bribes a government official to secure business for you, that bribe can be imputed to you. Prior written approval from the CCO is required for the retention of, and any payments to, any intermediaries and consultants that conduct business or provide services on the firm's behalf in connection with obtaining or retaining government business. Payments to an intermediary or consultant may never be made in cash and must be accounted for in the firm's books and records accurately.

- Although the FCPA has a narrow exception for "facilitation payments" – payments to ministerial government officials to perform routine government actions that ordinarily and commonly are performed and where there is no discretion on the part of the government official – many other jurisdictions do not allow such payments. It is BAMCO's policy to prohibit facilitation payments unless necessary to avert an imminent threat to the life or health of an employee or agent, their family or a member of the public. Under those limited circumstances, the prior approval of the CCO is required.

- Accurate books and records must be kept by BAMCO. Falsifying records to conceal a bribe is not allowed. For example, if a cash payment was made to a government official to refrain from taking an enforcement action that the official is otherwise obligated to pursue, and false invoices were created to make the payment appear as if it was for an intermediary or agent for some other purpose, this conduct would violate BAMCO's recordkeeping requirements, whether or not it also involved an improper attempt to obtain or maintain business.

Any transaction, regardless of the dollar amount, may give rise to a violation of anti-corruption and anti-bribery laws and regulations, including the FCPA. A suspected violation of the law or BAMCO's anti-corruption policy should be reported to the CCO.

OPERATING PROCEDURES AND COMPLIANCE REVIEW

For the Client Accounts, BAMCO relies on the qualified custodians to conduct AML reviews of the Clients during the onboarding process. In addition, before the Firm begins managing a new client account, the CCO or an authorized designee will review the Department of Treasury Office of Foreign Assets Control's list of Specially Designated Nationals and Blocked Persons to ensure that the client is not included on the list.

In addition, BAMCO endeavors to monitor Client activities listed below:

- The Client exhibits unusual concern regarding BAMCO's compliance with government reporting requirements and AML policies, or furnishes suspect identification documents.
- The Client engages in transactions that lack business sense or are inconsistent with a stated strategy.
- Information provided by the Client to identify a source of funds is false or misleading.
- The Client refuses to identify any legitimate source of funds.
- The Client appears to be acting as an agent for an undisclosed principal, but declines to provide information.
- The Client has difficulty describing the nature of his business.
- Transactions appear structured to avoid government reporting requirements.
- The Client has multiple accounts under a single, or multiple names, with a large number of inter-account or third party transfers.
- The Client is from, or has accounts in, a country identified by the Treasury as a non-cooperative.

- A Client has unexplained or sudden extensive wire activity – especially transfers to third parties or countries identified as a money-laundering risk.
- A Client shows numerous currency or cashier's check transactions that add up to significant sums.
- Large or frequent wire transfers are immediately withdrawn by check or debit card.
- The Client makes a deposit, followed by an immediate transfer request.
- The Client purchases a long-term investment and promptly liquidates it.
- The Client engages in excessive journal entries between unrelated accounts.
- The Client requests that a transaction be processed in a manner that would avoid documentation requirements.

SECTION 22 - REGULATORY FILINGS

INTRODUCTION

The Firm recognizes that it may need to make certain filings with the SEC under the Exchange Act. The following describes the various filings, and the Firm's procedures for ensuring the timely submission of these filings, when required.

SCHEDULES 13D and 13G

Section 13(d) of the Exchange Act requires any beneficial owner of more than 5% of a class of publicly traded equity securities to file a "**Schedule 13D**" via the SEC Edgar system. A Schedule 13D must be filed within 10 days of exceeding the 5% threshold. Any material changes to the information provided on a Schedule 13D must be filed by the next business day. The Firm may be viewed as having beneficial ownership of securities held because the Firm has the power to vote and to dispose of the securities.

Section 13(g) of the Exchange Act, however, permits "qualified institutional investors," including registered investment advisers and passive investors, to file an abbreviated "**Schedule 13G**," provided that the equity securities are acquired in the ordinary course of business and not for the purpose of changing or influencing control of the issuer. A Schedule 13G must be filed within 45 days after the end of the calendar year in which the investor's beneficial ownership exceeded 5%. In addition, a Schedule 13G must be filed within 10 days after the end of the first month in which the beneficial ownership exceeds 10% of a class of equity securities. After having filed a Schedule 13G, a further statement is required to be filed within 10 days after the end of any month in which the aggregate beneficial ownership of securities of such class increases or decreases by more than 5% of the amount of the issuer's outstanding shares.

BAMCO's investment team must notify the CCO whenever the Firm holds, in the aggregate, nearly 5% of any class of publicly traded equity securities. The CCO and BAMCO's investment team will monitor any additional acquisitions to determine whether and when the Firm is required to file a Schedule 13D or is eligible to file a Schedule 13G. The CCO, in consultation with outside counsel, will be responsible for ensuring that the Firm files any required Schedules 13D or 13G in a timely manner.

FORM 13F

Section 13(f)(1) of the Exchange Act requires any "**Institutional Investment Manager**" that exercises investment discretion with respect to accounts holding at least $100 million in "Section 13(f) securities"[2] to file a "**Form 13F**" with the SEC. A manager must submit an initial Form 13F within 45 days after the last day of the calendar year in which the $100 million threshold was met. Thereafter, a manager must submit Form 13F within 45 days after the last day of each calendar quarter until its discretionary accounts fall below the $100 million threshold for at least three consecutive quarters.

[2] "Section 13(f) securities" means generally any equity securities traded on a U.S. exchange, NASDAQ-quoted stocks, equity options and warrants, shares of closed-end investment companies, and certain convertible debt securities.

The Firm typically falls within the definition of an Institutional Investment Manager and will monitor its 13F holdings to determine if it exercises investment discretion over more than $100 million in "Section 13(f) securities." If deemed necessary, the CCO will coordinate with external assistance to ensure that all Form 13F filings are timely and accurately submitted to the SEC on a quarterly basis.

FORM 13H

Form 13H is a reporting form required by Rule 13h-1 under the Exchange Act and is designed to allow the SEC to identify large market participants and analyze their trading activity. Under Rule 13h-1, a "**Large Trader**" reporting form required by Rule 13h-1 under the Exchange Act and is designed to allow the SEC to identify large market participants and analyze their trading activity. Under Rule 13h-1, a "is required to submit to the Rule 13h-1 has two primary components: (i) Large Traders must file Form 13H with the SEC, and (ii) there are recordkeeping, reporting, and limited monitoring requirements on certain registered broker-dealers through whom Large Traders execute their transactions. Thereafter, a manager must submit Form 13H within 45 days after the year end, until the above levels are no longer met.

Large Traders will receive an SEC-issued Large Trader Identification Number ("**LTID"**) (ping, reporting, and limited monitoring requirements on broker-dealers are then required to maintain certain records relating to executions on behalf of the Large Trader.

OPERATING PROCEDURES AND COMPLIANCE REVIEW

The CCO or designee monitors the Firm's trading activity levels to confirm that the Firm remains compliant with all of the Exchange Act reporting requirements and that all required regulatory filings are made in a timely manner.

SECTION 23 - WHISTLEBLOWER POLICY

BAMCO requires all employees to observe the highest standard of business and personal ethics in the conduct of their duties and responsibilities. As representatives of the Firm, employees must practice honesty and integrity.

NO RETALIATION

No employee who in good faith reports a violation shall suffer harassment or retaliation, nor will he or she suffer an adverse employment consequence. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment. This whistleblower policy is intended to encourage and enable employees and others to raise serious concerns within the organization prior to seeking resolution outside of BAMCO.

REPORTING VIOLATIONS

BAMCO suggests that employees share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, an employee's supervisor is in the best position to address an area of concern. However, if an employee is not comfortable speaking with his or her supervisor, or is not satisfied with the supervisor's response, the employee is encouraged to speak with anyone in management that he or she is comfortable in approaching, including the CCO. Supervisors and managers are required to report suspected violations to the organization's CCO. The CCO has specific and exclusive responsibility to investigate all reported violations. For suspected fraud, or if an employee is either not satisfied or uncomfortable even after following the organization's open door policy, the employee should contact BAMCO's CCO directly.

RUMOR POLICY

BAMCO prohibits all Supervised Persons from circulating any rumors that are reasonably believed to be false and/or reasonably likely to improperly influence the price of a security. All Supervised Persons are expressly prohibited from knowingly spreading any false rumors concerning any company or any purported market development, that is designed to impact trading in or the price of that company's or any other company's securities, including any associated derivative instruments.

Supervised Persons are also prohibited from engaging in any other type of activity that constitutes illegal market manipulation. This prohibition includes knowingly spreading false rumors and/or engaging in any other form of illegal market manipulation, via any media (including, but not limited to email, instant messages, text messages, blogs, or chat rooms).

Furthermore, the SEC has recently increased their focus on rumors, Rule 10b-5[1] prohibits any person from directly or indirectly:

- employing any device, scheme, or artifice to defraud;
- making any untrue statement of a material fact or omitting a material fact necessary

in order to make the statements made not misleading under the circumstances; or

- engaging in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person, in connection with the purchase or sale of any security.

All BAMCO associated persons, whether registered or not, shall report any potential violation of this rule to the CCO, or if the CCO may have engaged in such conduct, to a Senior Managing Director ("SMD"). The CCO or SMD shall investigate such allegations, consult with outside counsel, if appropriate, and take disciplinary action, if warranted. Records regarding violations and the resulting resolution of such inquiries and the resolution thereof shall be preserved for no less than 3 years in a separate file for this purpose.

During the annual examination, the file shall be reviewed for the appropriateness of response to any such allegations. Any Supervised Person who is found to have engaged in such conduct shall be subject to disciplinary action up to and including termination of employment.

HANDLING OF REPORTED VIOLATIONS

Anyone filing a complaint concerning a violation or suspected violation must be acting in good faith and have reasonable grounds for believing that the information disclosed indicates a violation of the Code. Any allegations that prove to be false or unsubstantiated and prove to have been made maliciously or knowingly, will be viewed as a serious offense requiring disciplinary action.

The CCO will notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted.

Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

SECTION 24 VENDOR DUE DILIGENCE

Prior to the formal engagement of certain critical third-party service providers, BAMCO will employ a due diligence process on such critical service providers (such as auditors, consultants, outside counsel, etc.). The CCO or a designee shall use a vendor due diligence questionnaire to collect from the potential service provider pertinent information critical to BAMCO's assessment of the relevant capabilities of such service provider. In certain instances where appropriate (as determined by the CCO), information collected from the potential service provider shall include, without limitation, items pertaining to general company information, references, policies, and cybersecurity procedures. The due diligence materials are collected and reviewed by the CCO. The CCO shall retain in BAMCO's compliance files all due diligence materials collected during the commencement and continuation of the engagement of any vendor.

On an annual basis, the CCO shall request the vendor complete a vendor due diligence annual certification form.

EXHIBIT I

Berkshire Asset Management, LLC

ACKNOWLEDGEMENT OF RECEIPT, UNDERSTANDING, AND COMPLIANCE OF THE WRITTEN POLICIES AND PROCEDURES ("COMPLIANCE MANUAL")

Berkshire Asset Management, LLC (the "Firm") relies upon its personnel to provide services to its Clients in a manner that is consistent with the Advisers Act, the Rules, and the Compliance Manual. To that end, all personnel are required to:

- Acknowledge receipt, understand the contents, and agree to abide by the contents of the Compliance Manual;
- Maintain the Compliance Manual in a place that allows for easy reference; and
- Contact the Chief Compliance Officer ("CCO") when they have questions about the contents of the Compliance Manual.

The Firm's Chief Compliance Officer is available to assist employees in interpreting the Compliance Manual. Employees should consult the Chief Compliance Officer with any questions about the Compliance Manual.

CERTIFICATION

I hereby acknowledge receipt of the Berskhire Asset Management, LLC Compliance Manual. I hereby represent and affirm that I have read the Compliance Manual in its entirety and fully understand its contents. I assume the responsibilities and obligations assigned to me by the relevant sections of the Compliance Manual. If I should have any questions concerning the Compliance Manual, regulations, or other information described therein, I will direct such questions to the Chief Compliance Officer.

I hereby represent that I will report any violations of the policies and procedures contained in the Compliance Manual that come to my attention.

I hereby certify that I am not aware of any facts that would constitute violations of the Compliance Manual which I have not previously disclosed to the Chief Compliance Officer in writing.

_____ _____

Signature Date

_____

Name

PLEASE SIGN, DATE, AND RETURN TO THE CHIEF COMPLIANCE OFFICER

Compliance Receipt:

Signature & Date _____

EXHIBIT II

Berkshire Asset Management, LLC

The Investment Committee
Membership

All portfolio managers and analysts. (Quorum – three members). Currently those members are Kenneth J. Krogulski, Marilyn Millington, Gerard Mihalick, and Gregory Weaver and Michael D. Weaver.

Duties

- Determine Berkshire Asset Management's investment approach and procedures as they relate to the management of equities, fixed income securities, and cash equivalents;
- Monitor the investment process to determine the investment approach is being implemented on a company wide basis;
- Establish and maintain the company's Stock Ownership List based upon discipline described under General Investment Policies;
- Approve the purchase of securities not listed on the Ownership List or in accordance with company policies. This includes private investments. Client funds may not be invested in any private investment;
- Monitor the company's overall investment performance;
- Vote proxies of companies held in portfolios;
- Review and monitor all aspects of the company's relationship with the brokerage community.
- Review and maintain trading policies and procedures;
- Review of all client portfolio individual holdings on a quarterly basis. The review is reasonably designed (a) to identify any securities that may be inconsistent with the Berkshire's normal investment process, style, or practice; and (b) to ensure that the methodologies by which any securities are valued are fair and reasonable;
- Annual review of all client accounts. The review will ensure that each client account is invested consistent with the client's investment objectives, as well as applicable guidelines and restrictions.
- Review equity selection process; and
- Review all other aspects of the company's investment operations.

General Investment Policies

FIXED INCOME SECURITIES

Objectives, Philosophy, and Individual Issue Selection

Both taxable and tax-exempt bonds are purchased primarily with the intention of realizing an attractive total return. The company follows a conservative, high-quality fixed income investment strategy. A portfolio is structured using U.S. Government and Government Agency Securities and, to a lesser extent, domestic corporate bonds with an A rating or better by S&P, Moody's . With municipal portfolios, our universe is limited to investment grade municipal general obligation

bonds and essential service revenue bonds. The maturity length of all bonds purchased is two to eighteen years. Therefore, credit risk is reduced and liquidity is always maintained.

The company has the general approach of a value bond buyer. The risk return trade off is analyzed for various parts of the yield curve for different possible interest rate scenarios. In this analysis, the expected price, yield, duration, and total return for an entire portfolio for each scenario is calculated. A portfolio's duration is then structured to match the most attractive risk adjusted point on the yield curve. Other important considerations are:

- Flexibility;
- The liquidity requirements of the portfolio;
- The spread relationship of Treasuries, Agencies, Corporates, and Municipals;
- The spread relationship of premium, discounts, and current coupon bonds;
- The client's time horizon;
- The client's tax bracket; and
- The unique needs, preferences, and constraints of the account

Bond Portfolio Process

- Manage interest rate risk. Minimize credit risk;
- Forecast various interest rate scenarios and calculate the risk return tradeoff for each possible duration;
- Attempt to maximize return for a given level of risk; and
- Structure a portfolio with various maturities in order to achieve the most attractive duration.

EQUITIES

Objectives, Philosophy, and Individual Issue Selection

Stocks are purchased for long-term total return. The company selects equities for the Focus List by following a quantified and disciplined equity selection process. The objective of this process is to identify stocks of businesses that generate a high and sustainable return on shareholder equity. A secondary objective is to identify a company's business in the early stages of profitability improvement. Once these good businesses are identified, the company will initiate a position in the equity at a significant discount to the company's intrinsic value. Intrinsic value is calculated by estimating the present value of future free cash flows. Free cash flow is defined as net income plus non-cash charges less capital expenditures. Berkshire Asset Management keeps a constant focus on the company's fundamentals, as market timing is not practiced. The goal is to purchase sound businesses at reasonable prices. Other desirable characteristics are:

- Simple businesses that are easy to understand;
- Low sales and earnings volatility;
- Low debt and adequate interest expense coverage / A self-funding balance sheet;
- Low cost of production relative to others in the industry;
- A strategic capital reinvestment program; and

- A strong management team which has demonstrated superior skills in operating the business and which has a significant personal investment in the equity of the company

The company will structure a portfolio of twenty-five to thirty-five companies across various economic sectors.

The company feels it is impossible to determine the direction of the overall equity market. Therefore, it is not the intent of the company to practice market timing. However, a stock will be removed from the company Focus List and, subsequently, sold for the following reasons:

- The company's return on equity is no longer sustainable; and
- The market price of the stock exceeds the calculated intrinsic value the company.

It is the objective and intent of the company to keep equity portfolio turnover low. This should result in lower portfolio costs to the client, and for taxable portfolios, a higher after-tax return.

The Equity Philosophy

A disciplined and quantified equity selection process is followed. The company seeks out and purchases equities of companies that have a high and sustainable return on equity. We buy these companies at significant discounts to their intrinsic value. We will construct a portfolio of twenty-five to thirty-five companies across various industries. We will sell an equity for one of two reasons:

- The company's return on equity is no longer sustainable.
- The market price of the stock exceeds the calculated intrinsic value of the company.

CASH BALANCES

It is the policy of the company to invest in only Prime 1 or AAA short-term securities or their equivalents. Bank money market funds can be used.

PRIVATE INVESTMENTS

It is the policy of the company to refrain from investing in any client assets in "private investments". A "Private Investment" is any security, property, or loan that is not (a) managed or sponsored by Berkshire; (b) registered under the Securities Act of 1933 (the "Act"); (c) listed on a national securities exchange or by a national securities association; (d) issued by the United States government or a state or local municipality; (e) sold pursuant to Rule 144A or Regulation S under the Act; or (f) commercial paper exempt from registration under Section 4(2) of the Act.

Proxy Procedures and Policies

Routine proxy matters are handled as a matter of course and voted in favor of management. Such matters are:

- Election of Directors

- Election of Auditors
- Authorization to issue stock for suitable and equitable corporate purposes
- Stock options and incentive plans

The Investment Committee makes decisions on non-routine matters such as stockholder proposals. The Committee will direct the proxy vote on the matter in such a way as to secure the most advantageous outcome for the stockholder. In those cases where the proxy matters present complex considerations that involve basic corporate structure or operation and that could be prejudicial to stockholder interest, the Investment Committee makes the final determination.

BROKER RELATIONS

The Investment Committee approves the brokers that are used by the Company on a regular basis. The primary consideration is the best interest of the individual accounts involved. In a negotiated rate environment, the total effect of each transaction must be reviewed. The best realized price is the most important factor. "Best realized price" includes a competitive brokerage fee, efficient settlement and efficient execution. The financial stability and general level of service of each firm is also considered.

Directed brokers may be used when requested. In such cases, customers are advised of problems regarding commissions, the purchase or sale price obtained on the security, and the ability of the firm to handle specific securities transactions. Where there are other interested parties in the account, it is the duty of the Investment Officer to ensure the use of the directed broker has no material adverse affect on the account. Any question on the part of the Investment Officer should be referred to the Investment Committee. A copy of Berkshire Asset Management's Directed Broker Disclosure Letter will be provided to all clients who request a directed broker.

TRADING POLICIES

Portfolio Managers, or a designee will create the buy / sell order on MOXY (Order Entry System). The trader will then call or email the appropriate broker, or enter direct trades and execute the trade. After executing the trade, the trader will then enter the fill price and allocate the trade on MOXY. A custodian notification will be printed and kept on file.

Equities

Equities will be executed through approved dealers who have demonstrated fast, accurate, and cost effective executions through established negotiated rates between Berkshire and the broker, or any other broker the Investment Policy Committee feels would provide the best execution of a particular trading situation.
At the time of placing the trade, the designated trader will specify to the dealer the total quantity, desired price, security, commission rate, and the different custodians that will be involved. The trader will also provide amounts custodian if time permits. In the event only part of the order is filled, shares will be allocated according to Berkshire's Allocation Policy.

Fixed Income

Trading strategies created and devised by Berkshire should be completed through a competitive bid / offer process through approved dealers or trading wire to ensure the best execution. Trading strategies proposed by the dealer community may skip the competitive process if the transaction shows particular creativity or adds significant value to portfolios, or if a transaction is dependent on a particular dealer's inventory.

Berkshire formally reviews and evaluates all broker executions on a quarterly basis.

EXHIBIT III

BERKSHIRE ASSET MANAGEMENT, LLC

NON-AGENCY TRADE PRECLEARANCE REQUEST FORM

Preclearance from the CCO is required for all Non-Agency Cross Transactions as set forth in Section 12 of the Firm's Compliance Manual. The CCO will check all required information as outlined below prior to granting approval. Please complete this form and return it to the CCO.

Client Name (SELLER): _____
Account Holder(s): _____
Reason for sale of security: _____
Type of Security: _____ ___
Issuer and Ticker: _____
Trade Date: _____
Account No.: _____
Broker: _____
Highest Bid Price Quoted: _____

Sell: _____ Quantity: _____

Proceeds: _____
Other Comments:_____

Client Name (BUYER): _____
Account Holder(s): _____
Reason for purchase of security: _____
Type of Security: _____ ___
Issuer and Ticker: _____
Trade Date: _____
Account No.: _____
Broker: _____
Highest Bid Price plus commission: _____

BUY: _____ Quantity: _____

Other
Comments:_____

I REPRESENT THAT:

(i) I am not in possession of material non-public information concerning or affecting the issuer(s);
(ii) I have determines best execution was achieved for both BUYER and SELLER;
(iii) The proposed transaction does not violate the Adviser's fiduciary duty to any Client and that no Client is disadvantaged by the non-agency cross trade;
(iv) The proposed transaction occurs at fair value (supported by independent pricing mechanisms to the extent practical) consistent with the Adviser's valuation policies and procedures;
(v) Whenever practical and appropriate, an independent broker shall be used to effect the transaction to ensure objectivity; and
(vi) Such trade will not be conducted with an ERISA account (including a private investment vehicle that has substantial benefit plan investors and is subject to ERISA).

Portfolio Manager Name: _____

Signature: _____

Date: _____

Disposition of Preclearance Request
☐ Request Approved ☐ Request Denied

_____
Chief Compliance Officer

Date:_____

Chief Financial Officer

Date:_____