



Soft Dollar Arrangements

The Securities Exchange Act of 1934 addresses the issue of paying “soft dollars” for products and services. This practice occurs when an advisor with discretionary authority causes its customers to pay more than the lowest available commission to a broker/dealer in return for products and services from that broker/dealer.

As a fiduciary, the Company is required to provide investments for the lowest cost and best execution available. Section 28(e) provides conditions as a “safe harbor” for advisors who use the commission fees of their advised accounts to obtain investment research and brokerage services. These conditions include:

1. The person seeking to take advantage of the safe harbor must be an investment manager that has “investment discretion” with respect to a customer account;
2. The manager must have caused the customer account to pay a commission;
3. The amount of commission must be paid to a broker/dealer for effecting a securities transaction for the customer account;
4. The services provided in exchange for the commission must be “brokerage and research services”;
5. The services must be “provided” by the broker that receives the commission; and
6. The investment manager must be able to determine in good faith that the commission paid is reasonable in relation to the value of the brokerage and research services received.

SAM will ensure that soft dollar arrangements are fully disclosed to the customer prior to engaging in these types of securities transactions. In addition, the CCO will periodically review transactions and soft dollar compensation arrangements to ensure fairness and reasonableness to customers.

Soft Dollar Policy

Consistent with the applicable provisions of the Securities Exchange Act of 1934, SAM has established a program for utilizing commission dollars to assist it in obtaining research products and services to assist it in the management of mutual funds, commingled trusts, and separate accounts (collectively “Accounts”) for which SAM acts as an investment advisor.

Eligible Research, Goods & Services

Research eligible to be acquired includes all products and services that will assist in its exercise of investment discretion, and its discharge of its investment management responsibilities as advisor to the Accounts. Examples of permissible research include, but are not limited to investment advisory databases, performance attribution software, industry and company financial data, and business and financial news services.

Responsibilities

The CCO will approve the eligibility of products and services for payment through soft dollar brokerage and will evaluate the administration of the Program. In evaluating and determining eligibility, the CCO will focus on whether the product or service provides appropriate assistance to the investment decision-making process. The CCO will also be responsible to make reasonable allocations of the cost of a good or service if it provides research and non-research assistance.

SAM and the sub-advisors will be responsible for reporting transactions for the accounts of mutual funds as required by Rule 17e-1 under the Investment Company Act of 1940 and the procedures adopted under the Rule by the mutual funds.