



BEST EXECUTION POLICY

Revised on February 1, 2009

KBC Securities, Tokyo Branch

This Best Execution Policy sets forth the policy and methodology of KBC Securities Japan, established in accordance with the provision of Paragraph 1 Article 40-2 of the Financial Instruments and Exchange Act for execution of the orders of our customers at the best terms and conditions available for the customers. Upon acceptance of orders from our customers for transactions in securities listed on any domestic financial instruments exchange and in the absence of any instruction by the customers with regard to the execution of such orders, it is our policy to endeavor to execute such orders of our customers in accordance with the following policy:

1. Securities Subject to this Policy

The “listed share certificates, etc.” as defined in Article 16-6 of Cabinet Order for Enforcement of the Financial Instruments and Exchange Act such as share certificates, convertible bonds, etc. We in principle do not accept any order for transaction in “Securities Handled” as defined in Item 4 Paragraph 18 Article 67 of the Financial Instruments and Exchange Act such as “Green Sheet” and “Phoenix” issues and bonds with stock acquisition rights (convertible bonds) etc.

2. Method of the Best Execution

At the time an order is received from a client, when there is no specific instruction regarding the method of the execution from the client and if KBC Securities Japan (“the company”) believes it can trade to the advantage (or at parity) of the client in terms of price and execution speed and execution probability by acting as a counterpart to the client rather than using any selected financial instruments exchanges, “the company” will swiftly execute all or a part of the order in this manner as an Off-Exchange transaction or off-auction transaction in the exchange. Other than the above cases, it is our basic policy that as soon as practicable we place in the market of the domestic financial instruments exchanges any such order in listed share certificates as we may have accepted as an agency order from our customers. Any such agency orders of our customers as may be accepted by us during the non-trading hours of the

financial instruments exchanges will be placed as practicable in the market upon opening of the market.

In accordance with Paragraph 2, Article 37 of the Financial Instruments and Exchange Act, the company will notify the dealing method prior to the transaction to those clients who are not defined as Professional Investors.

The orders of our customers are placed in the market as follows;

A) If the securities ordered for transaction by our customers are listed on only one domestic financial instruments exchange, such order will be placed on such financial instruments exchange for execution.

B) If the securities ordered for transaction by our customers are listed on more than one domestic financial instruments exchange, such order will be placed, in principle, on such financial instruments exchange as may be indicated in our trading systems (which will be updated daily based on the primary market information from Bloomberg) as at the time of execution as the major financial instrument exchange for the securities in question. However, judging from the information gathered regarding the prevailing market conditions and the specific needs of our client at the time of such execution, and when the company reasonably determines that it will provide the client with the best execution at any other financial instrument exchange or PTS, it will so trade at any other financial instrument exchange or PTS.

C) In case we do not participate in or are not a member of such securities exchanges as are selected in A) and B) above, we place the orders of our customers in the market through the participants or members of such securities exchanges with which we have agreements for intermediation of placement of orders.

3. The Reasons for Selection of the Method of Best Execution

The reason why we select the method described above is that we believe it is the most reasonable way to provide better transaction execution for our customers by executing orders that take the needs of the customer into consideration and take price, liquidity and the possibility of execution into account as necessary factors to comply with the Best Execution Policy

4. Exceptions

(1) In the following cases, we execute the orders of our customers in such method as is set forth in each case below;

- i) In case that our customers give us any specific instruction on the method of execution of the orders of our customers (such as transaction with us for our proprietary account, placement of the order with specific securities exchange, trading within specific time zone, etc.),
- ii) In case that the orders of our customers are executed under discretionary investment management agreement with us, in which the method of execution is selected by us within the extent of authorization given us by the customer,
- iii) In case the orders of our customers are executed in accordance with any such specific method as may be agreed upon in transaction agreements, etc. entered into by and between our customers and us, and
- iv) In case of the orders of our customers for transactions in fractional shares or in number of shares less than the trading unit, which will be placed by us with the securities companies specializing in trading of fractional shares or in number of shares less than the trading unit.

(2) Sometimes, due to an exceptional circumstance such as disruption of the execution system we may be forced to employ method of execution other than the Method of the Best Execution described above. Even in such an exceptional circumstance, we will endeavor as best we can to execute the orders of our customers in such method as may be most advantageous available to our customers under the circumstance.

*** Our obligation to provide best execution for our customers is comprehensively evaluated based not only on the transaction prices but also on such other factors as costs, promptness and reliability by which the customer orders are executed. Even in case the transaction price has not been the best available, it may not necessarily constitute a violation of our obligation to make the best execution of orders for our customers.**