

Bell Rock Capital Management LLP (“Bell Rock”) is a U.K. based hedge fund manager specialising in equity market neutral and merger arbitrage strategies.

Bell Rock welcomes the publication by the Financial Reporting Council (“FRC”) of its UK Stewardship Code which sets out good practice for institutional investors in their dealings with companies in which they have invested. The FRC have noted that certain aspects of the Code are not directly relevant to all institutional investors

Please find below a summary of Bell Rock’s disclosures in relation to the seven main principles of the Stewardship Code.

Principle 1

Institutional investors should publicly disclose their policy on how they will discharge their stewardship responsibilities.

Bell Rock undertakes detailed research of companies prior to investment. Our over-riding principle is the protection of our clients’ capital and good corporate governance is one of the main criteria used to assess whether to invest in a company.

Bell Rock recognises the importance of voting rights in the protection of their clients’ interests and will always vote in accordance with what we judge to be our clients’ best economic interest.

Principle 2

Institutional investors should have a robust policy on managing conflicts of interest in relation to stewardship and this policy should be publicly disclosed.

All employees of Bell Rock are under a duty to report to compliance any potential conflicts of interest that they become aware of in respect of proxy voting. Bell Rock does not trade in financial markets, with the exception of foreign exchange transactions to hedge its non-sterling revenue, and does not have any proprietary holdings.

The compliance officer will review all potential conflicts of interest and if such a conflict exists will ensure that Bell Rock fiduciary responsibility to its clients takes precedence over all other considerations.

Principle 3

Institutional investors should monitor their investee companies

All companies that Bell Rock invests in are monitored on a regular basis by the relevant portfolio manager

Monitoring includes analysing the annual report and financial statements, using independent third party and broker research, meeting with senior management of the investee company, attending company meetings and road shows. The monitoring of the company is also likely to give consideration to the social, environmental and governance procedures that the company employs, and to ensure that these are also in accordance with those expected of the company.

Principle 4

Institutional investors should establish clear guidelines on when and how they will escalate their activities as a method of protecting and enhancing shareholder value

While Bell Rock will escalate its involvement with investee companies where necessary, the relatively small size of its clients' holdings severely limits its ability to influence company management. Our usual policy when we believe that company management is pursuing a course of action that is detrimental to shareholder value is to liquidate the position at the earliest opportunity.

Principle 5

Institutional investors should be willing to act collectively with other investors where appropriate.

Bell Rock is willing, where appropriate, to co-operate with other investors and will consider any specific course of action on its individual merits. As stated in Principle 4 our holdings are usually relatively small and we would take a cautious approach to collective action to ensure that it did not constrain us in any way from acting in our clients' best interests.

Principle 6

Institutional investors should have a clear policy on voting and disclosure of voting activity.

Bell Rock will exercise its proxy vote on resolutions for long term holdings where we believe this to be in our clients' interest. This may include voting against management where it disagrees with them on a particular matter. Bell Rock does not publicly disclose voting records as we believe that information to be confidential to our clients. Our voting record will be available to our clients on request.

However Bell Rock will not exercise its proxy vote where the particular investment strategy makes it inappropriate to do so.

Principle 7

Institutional investors should report periodically on their stewardship and voting activities.

Bell Rock will make voting activity reports available to any of its clients that request such reports.