

Hanseatic Management Services, Inc. (“HMSI”)

Error Correction Policy

HMSI’s Procedures on Discovering Errors

Hanseatic's performance reporting process is such that performance reporting mistakes and other types of errors are caught prior to public distribution. HMSI sends out estimated performance on the first business day of each month. Final performance is completed approximately 10 business days later and updated on Hanseatic's website. During both processes, there is a cross-check internally, reconciliation with the brokerage statements from custodians and a final cross-check from HMSI's internal NAV report to the respective custodians. If errors occur outside of these controls, they would be detected in the quarterly GIPS audit process and reconciled accordingly.

HMSI’s Definition of Materiality

HMSI would take no action if an error is determined to be immaterial and does not require a change to any data or disclosures in the presentation. One example of this might be a membership change that has no impact on any presented firm or composite statistic.

HMSI would determine an identified error to be immaterial and would correct all affected presentations with no disclosure of the change if the change only impacts data in the presentation, and if:

- The error impacts annual performance such that returns were understated in previous presentations. Correction of the error results in improved performance.
- Presented annual performance changes by +/- 49 or fewer basis points for equity composites. If the error occurred in a performance period more than five years in the past, the threshold for equity composites is +/- 74 or fewer basis points.
- Presented benchmark returns are misstated by less than 0.10%.
- Reported annual statistics such as firm assets, composite assets, and the number of accounts in the composite as of year-end changed by less than 2% from the incorrectly stated number.
- Annual dispersion results are misstated by less than 0.50%.
- Three year annualized ex-post standard deviation results are misstated by less than 0.50%.

HMSI would determine an identified error to be immaterial and would correct all affected presentations with disclosure of the change and no distribution of the corrected presentation if:

- Regardless of the number of basis points, the error had resulted in an overstatement of performance results previously. Therefore, correction of

the error causes a reduction from the performance results previously presented.

- The error was an incorrect or missing required GIPS disclosure that would be unlikely to impact any prospective client's decision to hire our services. The various risk aversions, tax limitations, international exchange issues, etc. of potential prospects should all be considered in determining the likelihood of impact. For example, a missing creation date may be considered unlikely to impact their decision.

HMSI would determine an identified error to be material and would correct all affected presentations with disclosure of the change and make every reasonable effort to provide a corrected presentation to all prospective clients, current clients and other parties that received the erroneous presentation if:

- Presented annual performance changes by +/- 50 or more basis points for equity composites. If the error occurred in a performance period more than five years in the past, the threshold for equity composites is +/- 75 or more basis points.
- Regardless of the number of basis points, presented annual performance changes such that the gross and/or net composite performance moves from being positive to negative.
- Regardless of the number of basis points, presented annual performance changes such that the gross and/or net composite performance moves from being greater than the performance of its benchmark index / indices, to being less than the performance of its benchmark index / indices.
- Presented benchmark returns are misstated by more than 0.10%.
- Reported annual statistics such as firm assets, composite assets, and the number of accounts in the composite as of year-end changed by more than 2% from the incorrectly stated number.
- Annual dispersion results are misstated by more than 0.50%.
- Three year annualized ex-post standard deviation results are misstated by more than 0.50%.
- Any incorrect or missing GIPS required disclosure that would be likely to impact any prospective client's decision to hire our services. For example, a missing disclosure of the use of leverage or derivatives would likely to impact the decision of prospects who do not allow the use leverage or derivatives in their account.
- For material errors, disclosure of the change will be for a minimum of 12 months.

HMSI's Error Correction Process

Steps for resolving errors involving incorrect statistics:

1. Recalculate the returns and quantify the error.
2. Determine if the error is material based on previously established error correction policies and procedures.
3. Decide which action is the most appropriate based on previously established error correction policies and procedures.

4. Obtain authorization of approval from the CCO for the action to be taken.
5. Document the original return, the corrected return, and the action taken.

Steps for resolving errors involving incorrect disclosure:

1. Compare the composite's existing disclosures with those required in the GIPS standards.
2. Determine if an error has been made and/or whether any disclosures are missing from the presentation.
3. Determine if the error is material based on previously established error correction policies and procedures.
4. Decide which action is the most appropriate based on previously established error correction policies and procedures.
5. Obtain authorization of approval from the CCO for the action to be taken.
6. Document the original information, the corrected information, and the action taken.

HMSI's Distribution Process for Corrected Presentation

If redistribution was required, HMSI would notify recipients that a corrected presentation has been uploaded to the Hanseatic website for download and note what the changes were in the notice. If presentations were given to other parties that were not on the distribution list, HMSI would make every reasonable effort to provide a corrected presentation to those parties that received the erroneous presentation.