

Hanseatic Management Services, Inc.

Policies Related to Employee Security Related Recommendations and Trading

Purpose: The purpose of this policy is to protect the interests of the above named companies and of clients of the above named companies from any conflicts of interest or financial disadvantage caused by the recommendation of, owning or trading of securities by employees of any of the above named companies. Also, this policy is intended to provide the above listed company with a mechanism to monitor employee securities trading so as to enforce this policy.

Who is Covered?: This policy covers all employees making recommendations on investments in equities, options on equities or options on any other publicly traded commodity or security, commodity futures contracts, derivative contracts, fixed income securities, or mutual funds. The policy also applies to all employees who individually own or whose immediate family owns, or engages in the purchase or sale of equities, options on equities or debt, place holder securities, fixed income securities, or equity or debt mutual funds.

What investments are permitted under this policy?: Investment types specifically permitted under this policy are: equities, options on equities or options on any other publicly traded commodity or security, commodity futures contracts, derivative contracts, fixed income securities, mutual funds, and Hanseatic Fund LLC.

Condition of employment: Employees of the above named corporation must adhere to this policy. Such adherence is a condition of employment.

If an employee is found to be in breach of these policies then the Chief Compliance Officer, Corporate Officers, or Board of Directors of the corporation may take action ranging from verbal warning to dismissal.

If there is a breach of this policy, any action taken against the employee shall be determined on a case by case basis and no precedents with respect to other employee breaches shall be considered. Only the circumstances of the case in hand shall be considered.

Furthermore, if this policy is breached, the employee may be subject to civil action to seek restitution or criminal action to enforce Federal or State securities law.

General obligation of employee: When distributing investment recommendations, disseminating material changes in prior investment recommendations, and taking investment action; employees shall deal fairly and objectively with the above named company and all clients and prospects of the above named company.

Specific obligation of employee: Security transactions for clients of the company and the company listed above shall at all times have priority over transactions of the accounts of employees and their immediate families. Employee transactions should never disadvantage clients of the firm listed above or the firm listed above.

If any employee makes a recommendation to buy or sell any security, intends to buy or sell a security for his own or his immediate family's account, the employee shall give clients of the company listed above and/or the company listed above adequate opportunity to first act on their own behalf or on behalf of their clients.

Obligation to submit to monitoring: On a monthly basis, all employees shall report or cause to be reported all account information relevant to any trading activity engaged in by the employee to the Chief Compliance Officer of the company listed above.