

Karl-Otto Hartmann

Qualifications as an Audit Committee Financial Expert for Funds and Advisors

<u>Legal Requirement</u>	<u>Qualifications</u>
(1) an understanding of financial statements and generally accepted accounting principles	• Extensive experience with reviewing fund and advisor financial statements and preparing related SEC filings and shareholder reports • Deeply familiar with the AICPA Investment Companies Audit and Accounting Guides since the mid-1980's • MBA from UC Berkeley included advanced accounting and finance courses • Member, The Boston Security Analysts Society, the Boston arm of the CFA Institute
(2) an ability to assess the general application of such principles in connection with the accounting for estimates, accruals and reserves	• See above • Hands-on experience integrating a fund accounting system with a separate financial reporting system for JPMorgan in the early 2000s • Served on JPMorgan's committees to design appropriate valuation algorithms or other methods for valuing complex instruments under pertinent standards, GAAP and SEC • Supervised JPMorgan's fund treasury and expense services (which inherently entails accounting for estimates, accruals and reserves)
(3) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the registrant's financial statements, or experience actively supervising one or more persons engaged in such activities	Supervised the provision of administration services to J.P. Morgan's third-party investment advisor and mutual fund clients (Operations Manager, 1999 to 2001; SVP—oversight role 2001 through 2005) • Services included: compliance testing and consulting, treasury and expense functions, annual audit support, financial report preparation, tax accounting and tax filing preparation, and performance measurement • Principal clients included: AXA Equitable (EQ Advisors Trust), UBS/Brinson Partners, Morgan Stanley Asset Management, Miller Anderson & Sherrerd (MAS Funds), United Asset Management (UAM Funds), Lipper Funds, and U.S. Trust Company (Excelsior Funds) • Over 120 employees, many with JD's, MBA's, CPA's, CFA's and other graduate education or professional designations; \$12 million budget
(4) an understanding of internal controls and procedures for financial reporting	• See above • Implemented SOX compliance programs for JPMorgan as related to investment advisor and investment company clients
(5) an understanding of audit committee functions	• See above • Extensive Board and Board Committee experience as Fund secretary for numerous funds • Attended/participated in over 400 Board meetings to date, including a variety of committee meetings • Prepared Audit Committee charters for several fund groups