Policy of Allocation of Orders of Asset Trading of Alaska Investimentos LTDA

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ΔLASKA
ASSET MANAGEMENT

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INTRODUCTION

This Policy of Allocation of Orders of Asset Trading ("Policy of Allocation of Orders") is intended to outline the division of transactions and orders relating to all financial assets traded for investment funds ("Funds") that Alaska Investimentos LTDA ("Alaska") manages when sending to the broker the same purchase and sale order of an asset that will be divided among the various Funds, in order to ensure fair division, and that there are no preferred investment funds to the detriment of others.

The Resources Management Officer is responsible for complying with the Policy of Allocation of Orders of all Funds under their management, and must ensure that, in such allocation, there are no investment vehicles that are privileged to the detriment of others.

It is the responsibility of the Compliance Officer, under their competence, to supervise compliance with this policy and the procedures described herein.

Changes to this policy must be approved in advance by the Executive Committee, with advice from the Legal & Compliance Officer. The operations whose orders are not given in a grouped manner are not covered by this Policy.

GENERAL PRINCIPLES

The principle of this policy is to defend the best interests of the quotaholders of all investment vehicles operated by Alaska in a fair, equitable manner, in accordance with the applicable regulations in force.

Within the trading of assets, Alaska will comply with (i) Article 82 of Instruction CVM No. 555 and its subsequent updates; and (ii) Anbima's Code of Regulation and Best Practices for the Management of Third-Party Resources with respect to the purchase and sale of assets for the Funds and the possible bundling of orders.

Alaska will send orders of asset trading to brokers for the funds it manages primarily through the precise identification of the funds on behalf of which they are to be executed.

RULES FOR ALLOCATION

The rules of allocation are defined by the Executive Committee, followed by suggestions made jointly by the Risk Officer and the Management Officer, and registered in this Policy.

Whenever, for market or strategic reasons, trading through the precise identification of the Fund is not possible or would cause potential losses to quotaholders, Alaska may perform order bundling and allocation among the Funds, according to the following criteria:

- Net Worth of the Funds
- Regulation and Policy on Investment of the Funds
- Exposure limits for Fund portfolios

The allocation will be conducted preferably by slip or, when this is not possible, the average price will be used.

An example of a condition that Alaska will observe for the bundling of orders is the liquidity of assets, when the volume traded on the market of a particular asset prevents the partial or full execution of the purchase or sale order at a reasonable price for the Funds.

In order to prevent a Fund from having its trading orders executed while other Funds are unable to trade the same asset, Alaska will send a single trading order and split the interest of each Fund according to the criteria above.

In this way, the amplitude of the allocations will take into account the net worth and risk factor of each Fund, as defined in its Regulations and investment policy.

The exposure limit of the asset in the portfolio of each Fund will also be taken into account to verify the feasibility of its interests in the allocations.

If it is found that a trading order will damage a certain exposure limit of some Fund or Portfolio Managed, it must not be submitted.

For example, a purchase order that, after the allocation, will exceed the exposure limit on the issuer of the asset, must not be submitted even if other Funds participating in the allocations are not misclassified – in this case, orders must be submitted directly from each fund in a manner that complies with the classification and this policy.

Changes to these rules must be approved in advance by the Executive Committee.

APPLICATION AND CONTROL

Orders will be divided by the Alaska management area and the allocations monitored and approved with the supervision of the Compliance Area.

First, the Compliance Officer verifies if the funds are fit, within its regulations and term, to trade a particular asset and thus participate in the allocation.

With the approval by the Compliance Officer, the brokers are informed on the assets and funds that will participate in the allocation of orders as well as the percentage that will be allocated to each fund. For the calculation of the allocation, Alaska uses Excel spreadsheets supplied with information provided by a database managed in MySQL. Orders are sent by the management area directly to brokers. At the end of the day, brokers make the division to the respective funds according to the rules and ratio reported in the topic "Rules for Allocation", and must keep the average prices equal for all funds.

The compliance area will receive daily email from the brokers containing the confirmation of orders made and, from the analysis of allocations, it must verify the correct application of this policy. In the event of incongruous action regarding this policy, the Compliance Officer must request the justification of the Management Officer for the conduct, as well as the reapportionment of orders in a manner that complies with this policy.

Compliance with this policy will be waived only if the Funds need to be classified in accordance with the regulations in force.

MONITORING, DOCUMENTATION AND STORAGE

The Compliance Board will be the responsible for monitoring compliance with this policy, with the support of the Risk Board, which will have the autonomy to veto incongruous orders, as well as request the reapportionment of orders to comply with this policy. All allocation rules and corresponding reports will be filed at the Alaska head office for a minimum period of five (5) years or a period defined in the legislation.

Alaska uses Bloomberg Vault as the trade surveillance Software, where the Chief Compliance Officer can access all trades, e-mails e messages of all employees for a minimum period of five (5) years or a period defined in the legislation.