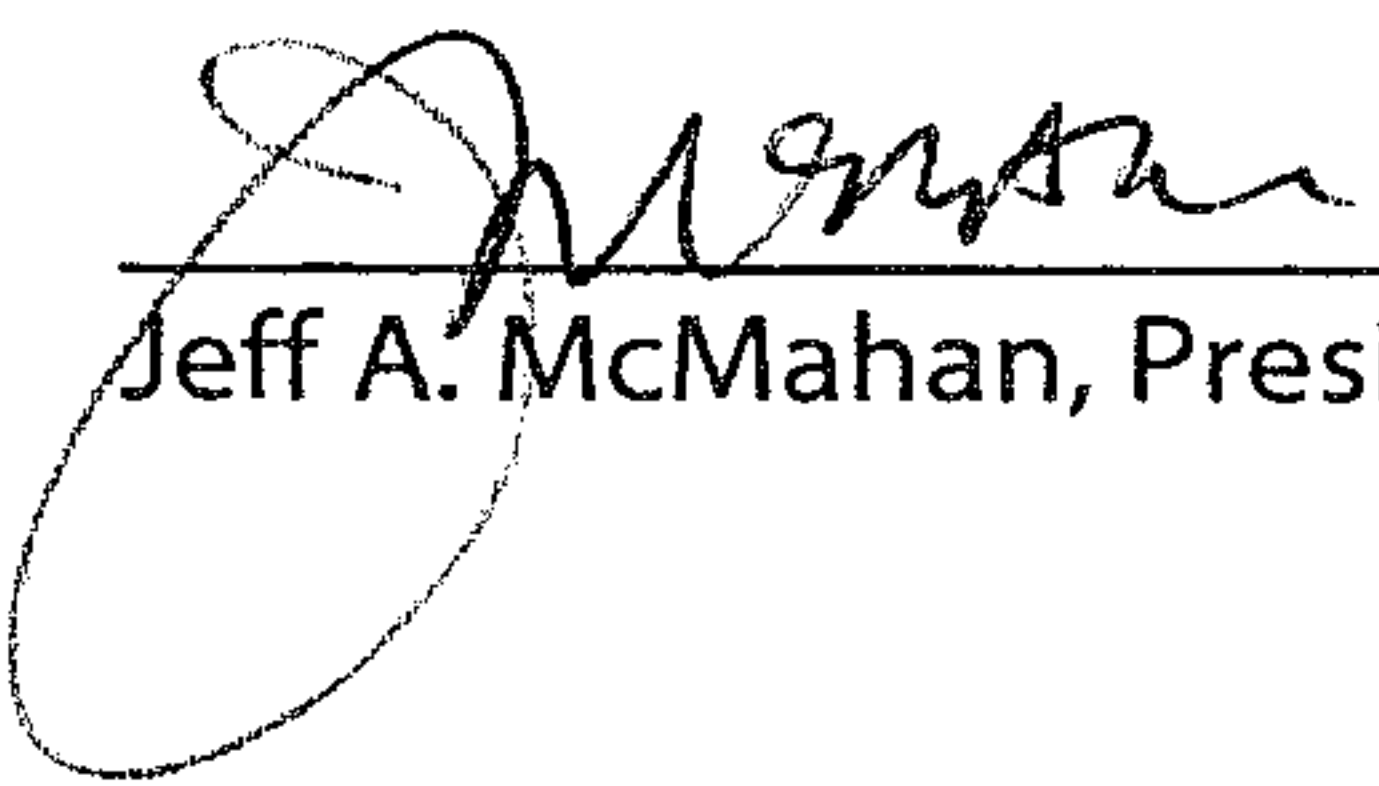


MCMAHAN CAPITAL MANAGEMENT

CODE OF ETHICS

In recognition that the ethical culture of a firm, particularly one specializing in the field of investment and financial advising, is of critical importance, we have prepared these ethical guidelines to set the tone for the conduct and professionalism of the firm's employees and officers.

Amended and approved by:



Jeff A. McMahan, President

11-29-06
Date

GENERAL PRINCIPLES

McMahan Capital Management (henceforth "the firm"), in having limited power of attorney over client assets, recognizes a fiduciary responsibility to their clients. In light of this responsibility, serving the interests of its clients is of utmost importance.

The firm owes an obligation to carry out the responsibilities with the utmost degree of good faith, honesty, integrity, loyalty and undivided service.

The firm has a well established policy of maintaining a client's privacy, and respects their responsibility that information concerning the holdings and financial circumstances of clients is to be held in confidence.

Personnel of the firm are prohibited from using their position of trust and responsibility to their personal advantage. Persons employed by the firm (supervised or otherwise) are strenuously encouraged to avoid any actual or potential conflicts of interest that may arise.

To this end, the firm's independence (and that of all persons employed by the firm) in investment decision-making is paramount.

SCOPE OF CODE

The broad scope of this code is, in essence, to impose on employees and other persons the standards and practices that conform with the firm's stated compliance regimens (as outlined in the firm's Compliance Manual), as well as with state and federal securities' laws and regulations.

Persons covered by this code include supervised persons, access persons (a subset of supervised persons), and additional persons as outlined below:

- Supervised persons are henceforth defined as:
 - Directors, Officers, Partners
 - Employees
 - Any person who provides advice on behalf of the firm
- Access persons are henceforth defined as any person who:
 - Has access to nonpublic information regarding any clients' purchases or sales of securities, or nonpublic information regarding the portfolio holdings of any fund the advisor manages
 - Is involved in making securities recommendations to clients, or has access to such recommendations that are nonpublic
- Additional persons subject to the code:
 - Temporary workers (including interns)
 - Consultants
 - Independent contractors

SECURITIES COVERED BY CODE

All portions of this code are to be applied to all covered securities. Henceforth, "covered security" is defined as any stock, bond, future, investment contract (including option contracts on securities, indexes or currencies), or any other instrument that is considered a "security" under the Investment Advisers Act of 1940.

STANDARDS OF BUSINESS CONDUCT

- A. Compliance with laws and regulations.** As previously stated, the code mandates that all persons subject to the code must comply with applicable federal securities laws and regulations. In light of this mandate, supervised persons are not permitted, in connection with the purchase or sale, directly or indirectly, of a security held or to be acquired by a client:
- a. To defraud such client in any manner;
 - b. To mislead such client, including by making a statement that omits material facts;
 - c. To engage in any act, practice, or course of conduct which operates or would operate as a fraud or deceit upon such client;
 - d. To engage in any manipulative practice with respect to such client; or
 - e. To engage in any manipulative practice with respect to securities, including price manipulation
- B. Conflicts of Interest.** As a fiduciary, the firm acknowledges an affirmative duty of care, loyalty, honesty, and good faith to act in the best interests of its clients. In light of this responsibility, all persons subject to the code must be diligent in efforts to avoid conflicts of interest (actual or potential) and fully disclose any and all material facts concerning any conflict that does arise with respect to any client. Furthermore, the firm recommends that persons subject to the code make every effort to avoid situations which have even the appearance of conflict or impropriety. Such conflicts include, but are not limited to:
- a. **Conflicts among client interests.** Whenever possible, persons covered by the code should make every effort to avoid inappropriate favoritism of one client over another client (e.g., larger accounts over smaller accounts, accounts of close friends or relatives of supervised persons) that would constitute a breach of fiduciary duty.
 - b. **Competing with client trades.** The code prohibits access persons from abusing knowledge about pending or currently considered securities transactions for clients to profit personally, directly or indirectly, as a result of such transactions, including the purchase or sale of such securities.
 - c. **Other potential conflicts.**
 - i. **Disclosure of personal interest.** At the discretion of the investment decision-making person, the code prohibits investment personnel from recommending, implementing or considering any securities transaction for a client without first having disclosed any material beneficial ownership, business or personal relationship, or other material interest in the issuer or its affiliates, to an appropriate person (e.g., the chief compliance officer or chief investment officer). If such designated officer deems the disclosed interest to present a material

conflict, the investment personnel may not participate in the decision-making process.

- ii. Referrals/Brokerage. The code requires that all persons under the code act in the best interest of the firm's clients regarding execution of trade orders (see procedures for establishing best execution in Appendix E of firm compliance manual).

C. Insider Trading. The code prohibits supervised persons (and other persons covered under the code) from engaging in trades, either personally or on behalf of others, while in possession of material, nonpublic information. The code also prohibits such personnel from communicating such material nonpublic information to others, in accordance with state and federal securities' laws and regulations. Failure to comply with securities industry guidelines will result in immediate termination of employment and possible federal and/or civil injunctions, as deemed necessary by SEC authorities.

D. Personal securities transactions. The code requires that all persons covered under the code comply with the firm's stated policies and procedures regarding personal securities transactions, as outlined in the firm's compliance manual.

E. Gifts and entertainment. The firm recognizes the possibility of a conflict of interest arising when the personal interests of employees interfere or could potential interfere with their responsibilities to the firm and its clients. The code prohibits supervised persons from accepting inappropriate gifts, favors, entertainment, special accommodations, or other things of material value that could influence their rational decision-making or make them feel beholden to a person or firm. Similarly, supervised persons are encouraged to refrain from the offering of gifts, favors, entertainment or other things of value that could be viewed as overly generous or aimed at influencing decision-making or making a client or potential client feel beholden to the firm or the supervised person.

- a. No supervised person may receive any gift, service or other thing of more than *de minimis* value from any person or entity that does business with or on behalf of the advisor. Likewise, no supervised person may give or offer a gift, service or other thing of more than *de minimis* value to existing clients, prospective clients, or any other entity that does business with or on behalf of the advisor without pre-approval by the chief compliance officer.
- b. No supervised person may give or accept or give cash gifts or equivalents to or from any client, prospective client, or any entity that does business with or on behalf of the advisor.
- c. No supervised person may provide or accept extravagant or excessive entertainment to or from a client, prospective client, or any entity that does or seeks to do business with or on behalf of the advisor.
- d. Additional provisions: The code provides for specifics regarding the aforementioned guidelines:
 - i. De minimis is defined as a \$100 gift for all employees, based on NASD rules.
 - ii. The code requires regular reporting of all gifts to the firm's chief compliance officer.
 - iii. The code expressly prohibits employees (supervised or otherwise) from soliciting for themselves or the firm gifts or anything of value.
 - iv. Supervised persons may not make referrals to clients (e.g., of accountants, attorneys, or the like) if the supervised person expects to benefit in any way.

- F. Political and Charitable Contributions.** In the event that the firm provides supervisory services to government entities or officials, or that it seeks to provide such services, the code prohibits employees from making political contributions for the purpose of obtaining or retaining advisory contracts with government entities.
- G. Confidentiality.** In accordance with the firm's fiduciary responsibility, each employee owes an obligation to carry out their various responsibilities with the utmost degree of good faith, honesty, integrity, loyalty and undivided service. One basic premise of this fiduciary responsibility is that information concerning the identity of security holdings and financial circumstances of clients is confidential.
- a. **The firm's duties.** The code establishes that all persons under the code must keep all information about clients (including former clients) in strict confidence, including the client's identity (unless consent is expressly given by the client), the client's financial circumstances, the client's security holdings, and advice furnished to the client by the firm.
 - b. **Supervised persons' duties.** In addition to guidelines prohibiting insider trading, the code prohibits supervised persons from disclosing to persons outside the firm any material nonpublic information about any client, the securities investments made by the firm on behalf of a client, information about contemplated securities transactions, or information regarding the firm's trading strategies, except as required to effectuate securities transaction on behalf of a client or for other legitimate business purposes.
 - c. **Compliance with Regulation S-P.** The code stipulates that supervised persons must comply with the firm's stated privacy policy, as outlined in the firm's compliance manual.
- H. Service on a Board of Directors.** The code prohibits investment personnel from serving on boards of directors of publicly traded companies, in view of the high potential for conflicts of interest and insider trading problems. There is no provision prohibiting service as a director of a private company, except the requirement that such service must be resigned, either immediately or at the end of the current term, if the company goes public during his or her term as a director
- I. Other outside activities.** In general, the firm discourages supervised persons and other employees subject to the code from engaging in any outside business or investment activities that may interfere with their duties with the firm. The firm also requires that supervised persons obtain firm approval before accepting an executorship, trusteeship, or power of attorney, other than with respect to a family member.
- **Special Note:** Regardless of whether an activity is specifically addressed in the code, supervised persons should disclose any personal interest that might present a conflict of interest or harm the reputation of the firm.
- J. Marketing and promotional activities.** The code stipulates that all oral and written statements, including those made to clients, prospective clients, their representatives, or the media, must be professional, accurate, balanced, and not misleading in any way.

COMPLIANCE WITH CODE

As indicated in the body above, the code of ethics for McMahan Capital Management covers a wide range of employee descriptions, a wide range of securities, and a wide range of activities. The code is designed to encourage behaviors and practices that are in harmony with the firm's compliance manual and industry-wide standards.

Failure to comply with any portion of the code will result in disciplinary action as determined by the chief compliance officer. Such disciplinary actions may include, but are not limited to, verbal warnings, written warnings, fines, and termination of employment. In addition to such sanctions, violations may result in referral to civil or criminal authorities where appropriate.

RECORDKEEPING PROVISIONS

In addition to the implementation of the above guidelines, the code provides for the firm's maintaining appropriate records in a readily accessible place.

- A. The firm will maintain a copy of each code that has been in effect at any time during the past five years.
- B. The firm will maintain records of any violations of the code and any action taken as a result of such violation.
- C. The firm will maintain records of all written acknowledgements of receipt of the code and amendments for each person who is currently, or within the past five years was, a supervised person.
- D. The firm will maintain records of holdings and transactions made pursuant to the code, including any brokerage confirmations and account statements made in lieu of these reports.
- E. The firm will maintain records of the names of persons who are currently, or within the past five years were, access persons.
- F. The firm will maintain records of any decision and supporting reasons for approving the acquisition of securities by access persons in limited offerings for at least five years after the end of the fiscal year in which approval was granted.