

Proxy Voting Summary

Fairpointe Capital LLC (“Fairpointe”), as a matter of policy and as a fiduciary to our clients, has responsibility for voting proxies for portfolio securities consistent with the best economic interests of the clients. Fairpointe maintains written policies and procedures as to the handling, research, voting and reporting of proxy voting and makes appropriate disclosures about our firm’s proxy policies and practices. Our policy and practice includes the responsibility to monitor corporate actions, receive and vote client proxies and disclose any potential conflicts of interest as well as making information available to clients about the voting of proxies for their portfolio securities and maintaining relevant and required records. Clients may obtain information with respect to the voting of proxies for their securities by contacting their portfolio manager or the firm’s compliance officer.

Fairpointe has retained Institutional Shareholder Services (“ISS”) services to assist in the proxy voting process and research. Designated Portfolio Managers review each recommendation from ISS and either approves or overrides the recommendations according to Fairpointe’s established guidelines. The proxies are cast electronically using ISS. Complete records of proxy votes are maintained electronically through ISS and/or Fairpointe.

As a matter of firm policy, the following guidelines are intended to assist in the proxy voting process but will be analyzed and voted upon on a case-by-case basis:

- (a) Routine Matters: Fairpointe generally votes in favor of the following routine matters: name changes, election of directors within time limits, appointment of independent auditors, increase in the outstanding common stock or other equity classes within dilution limits, date and place of annual meeting, ratification of directors’ actions on routine matters, employee stock purchase or ownership plans within dilution limits, annual elections and confidential voting.
- (b) Financial Questions: Fairpointe generally votes in favor of mergers, acquisitions, restructurings, re-incorporations, changes in capitalization and employee and director compensation within reason and when pay and performance are aligned. However, other financial issues may need additional consideration and may involve issues such as hostile takeovers and mergers.
- (c) Corporate Governance: Fairpointe will generally vote against any proposal that attempts to limit shareholder democracy, such as increased indemnification for directors and officers, certain supermajority rights, classified boards, cumulative voting, authorization of new securities that are unduly dilutive and amending state of corporation. Also, will generally vote against board members on the Compensation Committee who are responsible for compensation procedures which are not aligning with performance.
- (d) Social Issues: Fairpointe intends to vote on a case-by-case basis on social issues.
- (e) Client Preferences: A client may have their own set of proxy voting guidelines which may conflict with Fairpointe’s guidelines. If such situation arises, it is our intention to comply with client guidelines by voting proxies attributable to that client on a proportionate basis.

If Fairpointe detects a material conflict of interest in connection with a proxy vote, the investment team will consider voting with the recommendations made by ISS, an independent third party. However, the investment team’s decision is ultimately based on what is in the best interest of the client.