

PROXIES

POLICY

Barrantagh Investment Management (BIM) votes client proxies in a manner that it believes will be in the best interest of the ultimate shareholder.

PROCEDURE

The Custodian sends BIM one proxy with an attached list of holders of the particular securities for that proxy.

Proxies are reviewed to identify matters that are considered 'routine' (i.e. the appointment of Auditors, etc.) and matters that are considered 'exceptional' (i.e. changes in stock option plans, implementation of poison pills, etc.).

Proxies for routine matters are signed and returned to the transfer agent.

Exceptional matters are carefully reviewed to ensure that each beneficial shareholder's interests are served. The President and CEO in charge of the Portfolio's completes an analysis of the issues being discussed and completes the proxy to meet the policy stated above. A record of the company name, the meeting date, the issues raised, and how the proxies were voted is kept on file for five years.

IMPLEMENTATION

The coordination of proxy material and the maintenance of records are delegated to the financial analyst. Information relating to proxies is kept in the Proxy Binder. ISS has been hired to help facilitate this procedure.