



## Proxy Voting Policy and Procedures

### **Purpose**

The purpose of these Proxy Voting Policies and Procedures is to memorialize the procedures and policies adopted by Blue Point Investment Management, LLC (the "Adviser") to enable it to comply with its responsibilities and the requirements of Rule 206(4)-6 under the Investment Advisers Act of 1940, as amended ("Advisers Act"). The Adviser has a fiduciary duty to act in the best long-term interest of its clients. The Adviser has a duty of care and loyalty with respect to all service undertaken on the clients' behalf including proxy voting.

### **Policy**

Blue Point Investment Management, LLC ("Blue Point") acts as a discretionary investment adviser for various clients including clients governed by the Employee Retirement Income Security Act of 1974 (ERISA). The advisory contract states that Blue Point Investment Management, LLC will vote proxies on behalf of its clients. A formal request is placed with the custodian to have all proxy materials sent to Blue Point. From time to time companies do send proxy materials to the Client. These proxy materials should be sent directly to Blue Point for evaluation and tracking.

### **Procedures**

The Chief Compliance Officer oversees all decisions relating to proxy voting, proxy voting policies, conflicts of interest, record keeping and disclosure. The Chief Compliance Officer is responsible for ensuring that all proxies are voted in a manner that places the interests of the clients first.

### **Proxy Voting Policies:**

Blue Point reserves the right to depart from these guidelines in order to avoid voting decisions that Blue Point believes may be contrary to our clients' best interests. In reviewing proxy issues the following general policies are applied:

#### **Corporate Governance**

Blue Point proxy voting policies recognize the importance of good corporate governance in ensuring that management and the board of directors fulfill their obligations to the shareholders. Blue Point favors proposals promoting transparency and accountability within a company. Blue Point also supports the appointment of a majority of independent directors on key committees and separating the positions of chairman and chief executive officer except when a company founder assumes both roles. Historically, founders have demonstrated a stronger fiduciary interest. Blue Point will support shareholder proposals that request that companies amend their by-laws to provide that director nominees be elected by an affirmative vote of a majority of the votes cast.

#### **Elections of Directors**

Unless there is a proxy fight for seats on the Board or Blue Point determines that there are other compelling reasons for withholding votes for directors, Blue Point will vote in favor of the management proposed slate of directors. That said, Blue Point believes that directors have a duty

to respond to shareholder actions that have received significant shareholder support. Blue Point may withhold votes for directors (or vote against in non-US markets) that fail to act on key issues, such as failure to implement proposals to declassify boards, failure to implement a majority vote requirement, failure to submit a rights plan to a shareholder vote or failure to act on tender offers where a majority of shareholders have tendered their shares. In addition, Blue Point will withhold votes for directors who fail to attend at least seventy-five percent of board meetings within a given year without a reasonable excuse. Finally, Blue Point may abstain or vote against directors of non-U.S. issuers where there is insufficient information about the nominees disclosed in the proxy statement.

### **Appointment of Auditors**

Blue Point believes that the company remains in the best position to choose the auditors and will generally support management's recommendation. However, Blue Point recognizes that there may be inherent conflicts when a company's independent auditor performs substantial non-audit related services for the company. The Sarbanes-Oxley Act of 2002 prohibited certain categories of services by auditors to US issuers, making this issue less prevalent in the US. Blue Point will consider the fees paid for non-audit services when evaluating the independence of the auditors.

### **Changes in Legal and Capital Structure**

Changes in a company's charter, articles of incorporation or by-laws are often technical and administrative in nature. Absent a compelling reason to the contrary, Blue Point will cast its votes in accordance with the company's management on such proposals. However, Blue Point will review and analyze on a case-by-case basis any non-routine proposals that are likely to affect the structure and operation of the company or have a material economic effect on the company. Blue Point will generally support proposals to increase authorized common stock when it is necessary to implement a stock split, aid in a restructuring or acquisition or provide a sufficient number of shares for an employee savings plan, stock option or executive compensation plan. However, a satisfactory explanation of a company's intentions must be disclosed in the proxy statement for proposals requesting an increase of greater than one hundred percent of the shares outstanding. Blue Point will oppose increases in authorized common stock where there is evidence that the shares will be used to implement a poison pill or another form of anti-takeover device. Blue Point will support shareholder proposals that seek to eliminate dual class voting structures.

### **Corporate Restructurings, Mergers and Acquisitions**

Blue Point believes proxy votes dealing with corporate reorganizations are an extension of the investment decision. Accordingly, Blue Point will analyze such proposals on a case-by-case basis.

### **Proposals Affecting Shareholder Rights**

Blue Point believes that certain fundamental rights of shareholders must be protected. Blue Point will generally vote in favor of proposals that give shareholders a greater voice in the affairs of the company and oppose any measure that seeks to limit those rights. However, when analyzing such proposals Blue Point will weigh the financial impact of the proposal against the impairment of shareholder rights.

### **Anti-Takeover Measures**

Blue Point believes that measures that impede corporate transactions, such as takeovers or entrench management, not only infringe on the rights of shareholders but may also have a detrimental effect on the value of the company. Blue Point will generally oppose proposals, regardless of whether they are advanced by management or shareholders, the purpose or effect of which is to entrench management or excessively or inappropriately dilute shareholder ownership. Conversely, Blue Point supports proposals that would restrict or otherwise eliminate anti-takeover or anti-shareholder measures that have already been adopted by corporate issuers. For example, Blue Point will support shareholder proposals that seek to require the company to submit a shareholder rights plan to a shareholder vote. Blue Point will generally oppose proposals

put forward by management (including the authorization of blank check preferred stock, classified boards and supermajority vote requirements) that appear to be anti-shareholder or intended as management entrenchment mechanisms.

### **Executive Compensation**

Blue Point believes that company management and the compensation committee of the board of directors should, within reason, be given latitude to determine the types and mix of compensation and benefit awards offered to company employees. Whether proposed by a shareholder or management, Blue Point will review proposals relating to executive compensation plans on a case-by-case basis to ensure that the long-term interests of management and shareholders are properly aligned. Blue Point generally will support shareholder proposals seeking additional disclosure of executive and director compensation. Blue Point will support proposals requiring managements to submit severance packages that exceed 3 times the sum of an executive officer's base salary plus bonus that are triggered by a change in control to a shareholder vote. Finally, Blue Point will support shareholder proposals requiring companies to expense stock options because Blue Point's view them as a large corporate expense that should be appropriately accounted for.

### **Social and Corporate Responsibility**

Blue Point will review and analyze on a case-by-case basis proposals relating to social, political and environmental issues to determine whether they will have a financial impact on shareholder value. Blue Point will vote against proposals that are unduly burdensome or result in unnecessary and excessive costs to the company. Blue Point may abstain from voting on social proposals that do not have a readily determinable financial impact on shareholder value.

### **Conflicts of Interest**

Blue Point is an independent investment advisor. Blue Point avoids conflicts of interest. Blue Point actively seeks to identify and research potential conflicts of interest. The client's interests will always be put first when making an informed decision on the client's behalf.

### **Record Keeping**

The Adviser will maintain (A) these proxy voting procedures and policies and amendments thereto; (B) all proxy statements received regarding securities held by its clients; (C) a record of votes cast on behalf of its clients for six years; (D) all documentation that was material to making a proxy voting decision.

### **Disclosures**

Blue Point will describe proxy voting policies and procedures to clients and furnish a copy of them to clients upon request.