

## **Financial Focus, Inc.**

### **Proxy Voting Policy**

In accordance with SEC Rule 206(4)-6, Financial Focus, Inc. has established the following policies and procedures.

- I. Voting Mutual Fund Shares:
  - a. Funds recommended by Financial Focus:
    - i. Financial Focus monitors activity by funds it recommends to clients.
    - ii. Financial Focus will review the issues on a case-by-case basis and vote proxies when the proxies are delivered to Financial Focus or when a client requests information on how to vote. The primary purpose and fiduciary responsibility of Financial Focus in voting proxies is to maximize shareholder value.
  - b. Funds in client portfolios that were not recommended by Financial Focus:
    - i. Financial Focus due diligence on funds not recommended by us is limited to performance review relative to peers.
    - ii. In the case where we recommend other funds in a fund family, but not the specific fund requiring voting, we will make recommendations based on our knowledge of general issues and procedural changes common to funds we do recommend.
- II. Voting Shares of Equities
  - a. For individual equities we have directly recommended, we review the issues on a case-by-case basis to determine how to vote. For individual equities recommended by a third-party manager, when we receive proxy statements, we will call the separate account manager for voting instructions, or will deliver the proxies to the separate account manager.
  - b. When clients request advice on proxy voting for shares of stock in their portfolios that Financial Focus has not recommended, we may review the material provided by the client and educate the client on the issues involved. It is the client's responsibility to understand the issues and to vote the shares.
- III. Records of Proxy Votes
  - a. Financial Focus maintains a separate file recording the history of all proxy votes. Clients may obtain, free of charge, a record of how Financial Focus voted proxy issues on their behalf by submitting a written request or calling (603) 569-1994.
- IV. Conflicts of Interest
  - a. Should a conflict of interest exist between Financial Focus and client(s) regarding the outcome of certain proxy votes, Financial Focus is committed to resolving the conflict in the best interest of clients before it votes the proxy in question. Financial Focus may take any of the following courses of action to resolve the conflict:
    - i. Disclose the conflict to clients and obtain consent before voting
    - ii. Suggest that client(s) engage another party to determine how the proxy should be voted
    - iii. Vote according to the recommendation of an independent third party, such as a proxy consultant, research analyst, proxy voting department of a mutual fund or pension fund, or compliance consultant.