



Rainier Investment Management, Inc.

March 31, 2012

ADV Brochure



Rainier Investment Management, Inc.

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This Brochure provides information about the qualifications and business practices of Rainier Investment Management, Inc. ("Rainier"). If you have any questions about the contents of this Brochure, please contact us at 206-518-6686. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Rainier refers to itself as a "registered investment adviser" in materials distributed to current and prospective clients. As an investment adviser registered with the SEC, Rainier is subject to the rules and regulation adopted by the SEC under the Investment Advisers Act of 1940, as amended (the "Advisers Act"). Registration as an investment adviser is not an indication that Rainier or its directors, officers, employees or representatives have attained a particular level of skill, ability or training.

Additional information about Rainier is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

Following is a summary of all material changes that have occurred at Rainier since the last annual update of our ADV Brochure dated March 31, 2011.

Carlee Price, Senior Equity Portfolio Manager, left Rainier voluntarily for personal reasons on March 2, 2012.

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Item 4 – Advisory Business

Advisory Firm

Rainier Investment Management, Inc. is a Washington state corporation that commenced operations in 1989, but its roots extend back to 1973 through predecessor organizations.

Rainier is independently owned and operated by 12 shareholders, each of whom is an employee. No individual employee owns more than 25% of Rainier.

Advisory Services

Rainier has extensive experience and a strong background in providing investment advisory and sub-advisory services with respect to a wide range of institutional clients, including separate account clients, registered pooled investment vehicles and collective trust funds offering both equity and fixed income strategies. Rainier is also highly experienced and dedicated to providing excellent customer service to its clients.

Rainier currently serves as investment adviser for the Rainier Funds, a family of no-load mutual funds.

Tailoring of Advisory Services

All the accounts in the same strategy are managed in a substantially similar manner. Rainier manages separate accounts independently based on investment objectives pursuant to an advisory agreement with each client, which may include certain investment restrictions imposed by clients. For example, a separate account client may restrict the purchase of certain securities, such as tobacco stocks.

For separate accounts, Rainier typically meets with clients at least annually to review progress and the clients' expectations for their portfolios. We also call or correspond with clients quarterly to review performance.

The Rainier Funds are managed in accordance with each Fund's particular investment objectives, strategies and guidelines and are not tailored to the individualized needs of any particular investor in a Fund. Information about each Rainier Fund is provided in its prospectus and statement of additional information, which are available on the SEC's website at www.sec.gov or on Rainier's website at www.rainierfunds.com.

Assets under Management

As of December 31, 2011, Rainier managed:

Discretionary:	\$14,915,279,766
Non-Discretionary:	\$560,211,910
Total:	\$15,475,491,676

Item 5 – Fees and Compensation

Separate Accounts

Advisory Fees

Rainier’s fees for separate accounts are negotiable and are based on an annual percentage of the fair market value of assets held in the separate account. Fees will be set forth in an advisory agreement with each separate account client and determined based on the client’s needs, such as, but not limited to, the complexity of the client’s investment objective and the number of portfolio restrictions.

Generally, for separate account clients the fees are as follows:

All Cap	Balanced	Large Cap Growth	Large Cap Equity	
0.75%	0.75%	0.75%	0.75%	first \$10 million of assets balance of assets
0.50%	0.50%	0.50%	0.50%	

Mid Cap Equity	Small/Mid Cap Equity	International	
0.90%	0.90%		first \$20 million of assets balance of assets
0.75%	0.75%	1.25%	

Short Intermediate Fixed Income	Intermediate Fixed	High Yield	
		0.65%	first \$20 million of assets first \$25 million of assets next \$25 million of assets next \$30 million of assets first \$50 million of assets balance of assets
	0.35%		
	0.25%		
		0.55%	
0.25%			
0.20%	0.20%	0.50%	

Payment Method

Rainier will generally bill its clients for the fees incurred with respect to their accounts on a quarterly basis. Accounts initiated or terminated during a calendar quarter will be charged a pro-rated fee.

Investment advisory contracts typically may be terminated by the client upon thirty (30) days' written notice to Rainier. Because advisory fees are paid in arrears and are pro-rated for partial periods, no refunds will apply.

Fees for serving as a sub-adviser for registered investment companies and other pooled investment vehicles typically begin with the separate account fee schedule and are reduced as assets increase. Specific advisory fees and expense-related information may be found in the client's prospectus, statement of additional information or similar disclosures for the particular investment vehicle.

Rainier has entered into a relationship with SEI Trust Company, which has established and maintains a Multiple Investment Trust (the "Trust") for the collective investment of assets of tax-qualified employee benefit plans. Rainier provides non-discretionary investment advisory and client services to the Trust. The fee is calculated quarterly based on the amount of assets under management and is disclosed in each participation agreement. The fee paid by clients includes trustee fees, direct expenses of the Trust and record keeping services in some share classes. The remaining amount, if any, is remitted to Rainier as its advisory services fee.

Other Fees and Expenses

Rainier's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients (and, indirectly, investors in the Rainier Funds and other registered investment companies and pooled investment vehicles) may incur certain charges imposed by custodians, auditors, broker-dealers and other third parties such as custodial fees, wire transfer and electronic fund fees and other fees and taxes on brokerage accounts and securities transactions. Such charges, fees and commissions are exclusive of and in addition to Rainier's fee and Rainier shall not receive any portion of these commissions, fees and costs.

Information regarding brokerage costs can be found in Item 12 of this Brochure. Item 12 also describes the factors that Rainier considers in selecting broker-dealers for client transactions and determining the reasonableness of their compensation (e.g. commissions).

Registered Funds

Types of Fees

For the Rainier Funds, the management fees are as follows:

International	Small/Mid Cap Equity	Mid Cap Equity	Large Cap Equity	High Yield	Balanced	Fixed Income
1.00%	0.85%	0.85%	0.75%	0.55%	0.70%	0.50%

Payment Method

The fees and compensation paid to Rainier by the Rainier Funds will be paid by the relevant Fund in accordance with the Fund’s advisory agreement. Due to material differences in services provided by Rainier, management fees for separate account management and mutual fund management are not directly comparable.

Sales Compensation

Rainier may receive a limited amount of revenue from its client-related activities other than advisory services, including Rule 12b-1 service and distribution fees related to the Rainier Funds and fees for providing administrative services to other funds sub-advised by Rainier, and their shareholders.

Item 6 – Performance-Based Fees and Side-By-Side Management

Rainier does not charge any performance-based fees (fees based on a share of capital gains or capital appreciation of the assets of a client).

Item 7 – Types of Clients

Rainier may provide portfolio management services to corporate pension and other types of pension and profit-sharing plans, Taft-Hartley plans, charitable organizations, foundations, endowments, state or municipal government entities, registered investment companies, collective investment trusts, insurance annuities, foreign funds such as UCITs, and other U.S. and international institutions.

The scope of Rainier's investment discretion may be limited based upon specific written objectives and guidelines between Rainier and the client, ERISA regulations or other regulatory body directives.

The separately managed account minimums generally are \$10 million for Intermediate Fixed Income and Short Intermediate Fixed Income; \$15 million for Mid Cap and High Yield accounts and \$25 million for all other accounts. Minimums may be waived at the discretion of Rainier.

Minimum investment amounts for the Rainier Funds are \$100,000 for the Institutional shares and \$2,500 for the Original shares though these minimum investment requirements may occasionally be waived or lowered by the Funds.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

Investments for each account are identified and selected by Rainier. Rainier evaluates investments based on a variety of factors described below with respect to each strategy. Following an investment for an account, Rainier will continue to monitor the progress and suitability of portfolio investments as well as the market and economic outlook.

To help develop its investment recommendations, Rainier may use commercially available information services and financial publications. Such information may be obtainable in print, via the internet or by some other means. Issuer-prepared materials and research releases prepared by third parties are also utilized. Rainier may use research materials prepared by various broker-dealers and other research providers. Rainier may also obtain information by meeting with an issuer's management, competitors, attending industry conferences and consulting with experts in the appropriate field.

Investments in securities involve a risk of loss that investors must be prepared to bear.

Rainier offers investment management and advisory services in the following investment strategies, each of which is described below along with the material risks involved in each strategy.

- Large Cap Equity
- Large Cap Growth
- Small/Mid Cap Equity
- Mid Cap Equity
- All Cap
- International Small Cap Equity
- Intermediate Fixed Income
- Balanced
- Short Intermediate Fixed Income
- High Yield

Domestic Equity Strategies

We refer to our investment philosophy with respect to the Large Cap Equity, Large Cap Growth, Mid Cap Equity, Small/Mid Cap Equity, All Cap and equity portion of the Balanced Portfolio as Growth at a Reasonable Price (“GARP”). Since the GARP strategy combines some aspects of both “value” and “growth” investment styles, a primary benefit of the GARP strategy is the ability to generate competitive investment returns in many different market environments. In selecting common stock for purchase, we emphasize companies that we believe are likely to demonstrate superior business fundamentals, such as revenue and earnings growth; sustainable competitive advantage; potential for positive price or business catalysts, including earnings surprise or market expansion; disciplined management with shareholder focus; and attractive relative valuations. Rainier considers the sale of specific common stock when fundamentals deteriorate, when a stock reaches or surpasses its price target or when better opportunities are perceived in alternative stocks.

In addition to investing in public companies, Rainier may invest in initial public offerings (“IPO”) for client accounts whenever such securities are available and deemed suitable to meeting the client’s investment objectives. Please see Item 12 Brokerage Practices for additional information about IPO allocations.

Domestic Equity Strategy Principal Risks

Since these strategies are invested in common stocks whose prices change daily, there is the risk that an investor could lose money due to a sudden decline in the share price or to an overall decline in the stock market.

These strategies invest to varying degrees in smaller companies (e.g. small-capitalization and mid-capitalization companies). These smaller companies may present greater opportunities for capital appreciation, but may also involve greater risks than larger companies. Such smaller companies may have limited product lines, markets or financial resources and their securities may trade less frequently and in more limited volume than the securities of larger, more mature companies. As a result, the prices of the securities of such smaller companies may fluctuate to a greater degree than the prices of the securities of other issuers.

There is a risk that our strategy for managing these portfolios may not achieve the desired results or may be less effective than other strategies in a particular market environment.

Investments in foreign equity securities involves increased risk due to political, social and economic developments abroad as well as differences between regulatory practices.

Growth stocks may fall out of favor with investors. Because growth stocks can have relatively high valuations, an investment in a growth stock can be more risky than an investment in a company with more modest growth expectations.

The equity strategies may experience turnover in excess of 100% in a calendar year. A higher turnover rate may indicate higher transaction costs and may result in higher taxes in taxable accounts. These costs may also affect the strategies' performance.

IPO share prices can be volatile and fluctuate considerably due to factors such as the absence of a prior public market, unseasoned trading, a limited number of shares available for trading, and limited operating history and/or information about the issuer.

International Small Cap Equity Strategy

Under normal conditions the strategy will invest primarily in equity securities of companies that are small- to medium-sized (i.e. companies that have market capitalization of \$5 billion or less) at the time of purchase and are located in foreign developed countries and emerging market countries, and that have strong earnings prospects relative to their peers and attractive overall business fundamentals.

Rainier refers to its stock selection philosophy as Growth at a Reasonable Price ("GARP"). Stock selection focuses on companies that are likely to demonstrate superior earnings growth relative to their peers, and whose equities are selling at attractive relative valuations. Rainier selects stocks of companies we believe will increase in value over time and we make investment decisions based primarily on analysis of individual companies, rather than on broad economic forecasts. In normal market conditions, the strategy will primarily consist of securities of companies whose earnings or revenues are not only growing, but growing at an accelerating pace.

The strategy may invest in equity securities, including common stock and preferred stock, and securities convertible into common stock, including warrants, convertible bonds, and rights. In addition, the strategy may also invest in IPOs, real estate investment trusts ("REITs"), and in certain derivatives including futures, options, forward contracts and participatory

notes. Participatory notes allow foreign investors to invest indirectly in foreign securities without registering in such foreign markets where the country requires registration to make any direct security investment. The strategy will generally not invest more than 25% of its net assets in participatory notes.

The strategy will typically invest in foreign securities, including American Depositary Receipts (“ADRs”), Global Depositary Receipts (“GDRs”), International Depositary Receipts (“IDRs”), U.S. dollar-denominated foreign securities and direct foreign securities (purchased on foreign exchanges). The strategy is not required to invest a specified portion of its net assets in any particular geographic region or any particular industry or sector, but will typically invest in at least three foreign countries at any time. The strategy will generally not invest more than 50% of its net assets in issuers located in emerging markets.

International Small Cap Equity Principal Risks

Since the International Small Cap Equity strategy is invested in securities whose prices change daily, there is the risk that an investor could lose money. Investments in securities of small-cap companies involve greater risk of loss than investing in larger, more established companies. Small cap companies may have limited product lines, markets or financial resources and less seasoned management teams and may trade less frequently and at a lower volume than more widely held securities. The prices of small-cap companies’ stock tend to fluctuate in value more than other stocks.

Investments in foreign securities and securities of companies located in emerging market countries involve additional risks compared to investing in U.S. securities including risks related to currency-exchange rate fluctuations, political and economic instability, differences in financial reporting, less liquidity, more volatility, higher transactions costs and delays in settling securities transactions. Investing in securities of companies located in emerging market countries involves even greater risk and volatility because of, among other things, smaller securities markets, higher transaction costs and fixed or managed currencies.

IPO share prices can be volatile and fluctuate considerably due to factors such as the absence of a prior public market, unseasoned trading, a limited number of shares available for trading, and limited operating history and/or information about the issuer. REITS can be negatively affected by economic downturns or by changes in real estate values, rents, property taxes, interest rates, tax treatment, regulations, or their legal structure.

Derivatives (which covers a broad range of investments, including futures, options, forward contracts and participatory notes) may move in unexpected ways due to the use of leverage and other factors and may result in increased volatility or losses. The strategy may not be able to terminate or sell derivative positions, and a liquid secondary market may not always exist for derivative positions. The use of derivatives may also involve the risk that a counterparty to a derivative contract will fail to comply with the terms of the contract which could cause the strategy to lose its investment in the derivative instrument.

As this is a new strategy for Rainier, there is no guarantee that the strategy will grow to or maintain an economically viable size. This presents the risk that assets in this strategy may be liquidated. While account holder interests will be the paramount consideration, the timing of any liquidation may not be favorable to certain account holders.

Intermediate Fixed Income Strategy

The Intermediate Fixed Income strategy invests primarily in a diversified portfolio of fixed-income securities providing current income. Most of the investments are corporate issuers or fixed-income securities issued or guaranteed by the US government or its agencies. A portion of these investments may also include mortgage-related securities and asset-backed securities. Rainier will invest in fixed-income securities that are not US government or agency securities only if they are rated at least investment-grade quality at the time of investment. Rainier does not intend to maintain significant positions in foreign fixed-income securities. Rainier may purchase bonds of any maturity, but generally intends to purchase bonds that have a dollar-weighted average maturity between three and ten years.

Intermediate Fixed Income Principal Risks

Since the Intermediate Fixed Income strategy is invested in securities whose prices change daily, there is the risk that an investor could lose money. The market values of debt securities are sensitive to prevailing interest rates. A rise in interest rates may cause accounts participating in this strategy to decline in value. When interest rates are low, the income distribution may be reduced. The duration of these securities affects risk as well, with longer term securities generally being more sensitive to interest rates and more volatile than shorter term securities.

The value of any of the investments may decline in response to events affecting the issuer, its credit rating or any underlying assets backing the securities; such as the effect on mortgage-related securities from real estate market weakness or defaults on underlying mortgages.

Short Intermediate Fixed Income Strategy

The Short Intermediate Fixed Income strategy invests primarily in a diversified portfolio of fixed-income securities providing current income. Most of the investments are corporate issuers or fixed-income securities issued or guaranteed by the US government or its agencies. A portion of these investments may also include mortgage-related securities and asset-backed securities. Rainier will invest in fixed-income securities that are not US government or agency securities only if they are rated at least investment grade at the time of purchase. Rainier does not intend to maintain significant positions in foreign fixed income securities. Rainier may purchase bonds with a maximum weighted average maturity of five years or less.

Short Intermediate Fixed Income Principal Risks

Since the Intermediate Fixed Income strategy is invested in securities whose prices change daily, there is the risk that an investor could lose money. The market values of debt securities are sensitive to prevailing interest rates. A rise in interest rates may cause accounts participating in this strategy to decline in value.

The value of any of the investments may decline in response to events affecting the issuer, its credit rating or any underlying assets backing the securities.

Balanced Strategy and Risks

The Balanced strategy seeks to provide investors with a balance of long-term capital appreciation and current income. The Balanced strategy invests primarily in a diversified portfolio of common stock of companies traded in the US and investment-grade fixed-income securities and cash equivalent securities. Please see the domestic equity and intermediate fixed income sub-sections above for more information on investments and material risks.

High Yield Strategy

The High Yield strategy invests principally in below-investment-grade bonds of corporate issuers. These high yield securities, often called “junk bonds,” will generally be rated BB or lower by Standard & Poor’s Rating Group (“S&P”) or will be of equivalent quality rating from another Nationally Recognized Statistical Ratings Organization. Rainier will purchase securities of companies in any capitalization range – small, medium or large. Principal investments include domestic corporate debt securities, structured notes including collateralized loan obligations, asset-backed securities, mortgage-backed securities, foreign debt securities (including Yankees and emerging markets securities), fixed and floating rate bonds, as well as zero coupon bonds. There is no minimum quality rating for investments, and as such the strategy may invest in securities which no longer make payments of interest or principal, including defaulted securities. Rainier intends to focus primarily on securities with credit ratings (or equivalent quality) between the range of BB and B of the high-yield market.

The High Yield strategy may also invest in private placements and “Rule 144A” securities, which are subject to resale restrictions. The strategy is permitted to invest in equity securities such as common stock, preferred stock, warrants, rights and exchange-traded funds. The strategy may also invest in investment grade securities, including US Treasury and US government agency securities. The strategy may invest in foreign securities (including emerging markets), including those denominated in US dollars. The strategy may purchase bonds of any maturity, but generally intends to purchase bonds that have a dollar-weighted average maturity between two and fifteen years.

High Yield Principal Risks

High yield bonds are subject to the same risks as other bonds (see Fixed Income Risks above). Since the High Yield strategy is invested in securities whose prices change daily, there is the risk that an investor could lose money.

High yield bonds are speculative and involve a greater risk of default and price change due to changes in the issuer’s creditworthiness. The prices of high yield bonds are likely to be more sensitive to adverse economic changes or individual corporate developments than higher rated securities and may decline significantly in periods of economic difficulty. The secondary market for high yield bonds may be less liquid and the strategy may be unable to sell illiquid securities at an advantageous time or price.

Foreign securities and emerging markets involve additional risk, including currency-rate fluctuations, political and economic instability and less-strict regulation of securities markets.

Like all managed strategies, there is a risk that Rainier's approach for managing the strategy may not achieve the desired results or may be less effective than other strategies in a particular market environment.

Short Term Investment Funds

Rainier actively manages the non-cash portion of clients' portfolios. Cash generally is minimal and fluctuates with trade settlement and client deposits or withdrawals. Clients may make arrangements with their custodians to sweep their daily cash balances into short-term investment funds. Custodians provide particular fund options to clients pursuant to the clients' custody agreements. Rainier generally is not a party to those agreements and does not select short-term investment funds on behalf of its clients or monitor the performance of their short-term investment funds. However, Rainier is contractually responsible for selecting and monitoring cash investment vehicles for the Rainier Funds.

Risk Management

Rainier mitigates conflicts in the management of portfolios by utilizing a team management approach to investing with oversight by an Investment Committee; avoiding performance-based incentives; and separating duties among the portfolio management, trading and portfolio accounting functions. Rainier's compliance policies are overseen and tested by Rainier's Compliance Department, which also functions separately from portfolio management.

Item 9 – Disciplinary Information

There have been no disciplinary events and no material legal events related to Rainier or any management person.

Item 10 – Other Financial Industry Activities and Affiliations

Rainier is an independent firm and has no ownership affiliations with financial industry participants and no brokerage affiliates.

Rainier acts as investment adviser to the Rainier Funds, (SEC File No. 811-8270), consisting of seven mutual funds and two share classes:

Small/Mid Cap Equity Portfolio*

Mid Cap Equity Portfolio*

Large Cap Equity Portfolio*

Balanced Portfolio*

Intermediate Fixed Income Portfolio

High Yield Portfolio**

International Discovery Fund**

* Offered in both Institutional Shares and Original Shares.

** Offered in Institutional Shares only.

The Rainier Funds and the Rainier Multiple Investment Trust are not related Rainier entities. They were, however, formed as investment products to be managed by Rainier and Rainier provides additional operational services to those funds.

Rainier has a fiduciary duty to act in the best interest of each client account that it manages. Rainier intends to devote as much time as we deem necessary for the conduct of each Fund's operation and each client's portfolio management, and will allocate investment opportunities fairly and equitably over time in accordance with Rainier's Trade Aggregation and Allocation Policy. See also Item 12 below.

Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Rainier seeks to avoid conflicts of interest that could arise if its employees engage in personal investing for their own accounts. As an investment adviser and mutual fund adviser, Rainier is subject to Rule 204A-1 of the Advisers Act and Rule 17j-1 of the Investment Company Act of 1940, as amended. To comply with these requirements, Rainier has adopted a Code of Ethics which defines the standard of conduct that Access Persons (as defined in the Code of Ethics) are required to maintain. The Code of Ethics includes provisions relating to personal securities trading and reporting procedures, conflicts of interest and insider trading among other things. All Access Persons at Rainier must acknowledge the terms of the Code of Ethics upon hire and when amendments are implemented.

The Code of Ethics prohibits Access Persons from purchasing securities in their individual accounts other than mutual funds, exchange traded funds (“ETFs”), money market instruments, municipal securities and US Government securities, including agency securities. The purchase of ETFs and similar pooled investment vehicles requires pre-clearance from Rainier’s Compliance Department. The Code of Ethics places restrictions on the purchase, sale or exchange of shares of the Rainier Funds and other funds or pooled investment vehicles advised or subadvised by Rainier. The Code of Ethics also requires pre-clearance by Rainier’s Compliance Department for the sale of securities owned by an Access Person before the implementation of the Code of Ethics (or before becoming an Access Person). Employee trading is monitored quarterly by Rainier’s Compliance Department.

Rainier’s clients or prospective clients may request a copy of the firm’s Code of Ethics by contacting the Compliance Department at 206-518-6600.

Investment in Rainier Managed Funds

Rainier may recommend the Rainier Funds or other pooled investment vehicles for which Rainier acts as investment adviser or subadviser, to certain separate account clients on a fully disclosed basis.

Because of the relationship between Rainier and any Rainier managed fund, Rainier could be considered to have recommended the investment as suitable for a separate account client if such client should invest in the fund. Rainier will inform each client of its relationship with a Rainier managed fund prior to the client’s investment, but does not intend to advise

its separate account clients as to the appropriateness of the investment and will not receive any compensation for doing so or for selling interests in a Rainier managed fund (except to the extent that Rainier receives management fees from that fund).

Normally, in separate accounts for which Rainier acts as the investment adviser and recommends the Rainier Funds, advisory fees for that portion of the separate account will be waived to avoid dual advisory fees. However, clients that invest in the Rainier Funds will still bear the management fee and other expenses paid by the Funds.

Item 12 – Brokerage Practices

Broker Selection

Rainier has the duty to seek to obtain “best execution” on each portfolio transaction for a client. Rainier will allocate brokerage transactions to those brokers, dealers and markets, and at such prices and such commission rates, as in the good faith judgment of Rainier is expected to be in the best interest of its clients. In making these allocations, Rainier will take into consideration not only the available securities prices and rates of brokerage commissions, but also other relevant factors such as: execution capabilities and research; the size of the transaction; the difficulty of execution; the operational facilities of the broker-dealer involved; the risk in positioning a block of securities; the quality of the overall brokerage and research services provided by the broker-dealer; and the value of ongoing relationships with those brokers-dealers. Rainier need not demonstrate that such factors are of a direct benefit to a particular client.

Rainier has established a Best Execution Committee to oversee the trading practices of the firm. The Committee is charged with approving broker-dealers, rating broker-dealers and determining broker-dealer budgets. All Portfolio Managers and Traders are active members of the Best Execution Committee. They meet at least semi-annually to discuss broker selection, trading venues, commissions, budgets and other issues that are critical to the Committee’s oversight of best execution. The Best Execution Committee has a sub-committee to review best execution of fixed-income trades.

Soft Dollar Practices

Subject to meeting its fiduciary responsibility to seek best execution for all client transactions, Rainier may obtain research products or services that fall within the “safe harbor” established by Section 28(e) of the Securities Exchange Act of 1934, and as has been interpreted through regulatory guidance issued by the Securities and Exchange Commission in connection with its portfolio brokerage. Rainier will not enter into agreements with, or make commitments to, any broker-dealer that would bind Rainier to compensate that broker-dealer directly or indirectly, for client referrals or sale of fund shares through the placement of brokerage transactions.

Rainier will allocate brokerage transactions to those brokers, dealers and markets, and at such prices and such commission rates, as in the good faith judgment of Rainier will be in the best interest of its clients. In making these allocations, Rainier will take into consideration not only the available prices and rates of brokerage commission, but also other relevant factors

such as, without limitation: execution capabilities and research; custodial and other services provided by those broker-dealers which are expected to enhance the general portfolio management capabilities of Rainier; the size of the transaction; the difficulty of the execution; the operational facilities of the broker-dealers involved; the risk in positioning a block of securities; the quality of the overall brokerage and research services provided by the broker-dealers; and the value of ongoing relationship with those brokers-dealers. Rainier need not demonstrate that such factors are a direct benefit to a particular client. Brokerage or research services consistent with the requirements of Section 28(e) may be purchased with soft-dollar commissions of a client account, even if that service may not be directly or fully useful to that account, provided that Rainier has determined that the service would be useful to managed accounts as a whole.

Rainier uses soft dollar benefits to service all client accounts, including those accounts that do not generate the soft dollars. This creates a conflict because some clients may get the benefit of research or services received due to another client's commission dollars. Rainier has various controls in place to manage these conflicts including the following:

- On a periodic basis soft dollar practices are reviewed to determine that commissions paid were reasonable in relation to the value of research or services received;
- Commission rates paid are reviewed periodically relative to peers;
- Products and services acquired with soft dollar commissions are periodically reviewed to assess their benefit to clients;
- The Best Execution and Soft Dollar Committees meet periodically to address other conflicts and issues as they arise.

Because the research and services received could benefit Rainier, we may have a conflict of interest in allocating client brokerage business. In other words, Rainier could have an incentive to execute client transactions through a broker-dealer that provides valuable services or products and pay transaction commissions charged by that broker-dealer which may be higher than Rainier might otherwise be able to negotiate. Rainier could also have an incentive to cause clients to engage in more securities transactions than would otherwise be optimal in order to generate soft dollars with which to acquire research products and services. In some cases, the commissions charged by a particular broker-dealer for a particular transaction or set of transactions may be greater than the amounts another

broker-dealer who did not provide research services or products might charge. Additionally, in some cases, a client's transaction may be executed by a broker-dealer in recognition of services or products that are not used in managing that client's account. Broker-dealers are not excluded from a client's business simply because they have not provided research services or products, although Rainier may not be willing to pay the same commission to such broker-dealer as Rainier might have been willing to pay had the broker-dealer provided research products and services.

Because of the services provided, Rainier may pay a brokerage commission in excess of that which another broker-dealer might have charged for effecting the same transaction if Rainier determines in good faith that the commission is reasonable in relation to the value of the brokerage and/or research services provided by the broker-dealer, viewed in terms of either the particular transaction or Rainier's overall responsibilities with respect to the accounts over which it exercises investment discretion.

Eligible research services may include: research reports, counsel on market analysis and execution strategies, discussions with research analysts, research related to the market for securities including pre- and post-trade analytics, meetings with corporate executives to obtain verbal reports, seminars or conferences, software that provides analysis of portfolios, corporate governance research and market data, company financials and economic data.

Eligible brokerage services may include: communication services related to execution, clearing and settlement of transactions and other functions incidental to effecting securities transactions, post-trade matching, electronic communication of allocations routing and settlement instructions, trading software to route orders to market centers or brokers, direct market access (DMA) systems and algorithmic trading strategies, short-term custody and comparison services required by the SEC or SRO rules (electronic confirmation and affirmation of institutional trades).

Rainier has established client commission sharing arrangements ("CSAs") with certain broker-dealers. These agreements allow Rainier to instruct broker-dealers to pool commissions generated from orders executed at that broker-dealer and then periodically direct the broker-dealer to pay itself or third parties for research created or developed by those third parties. Rainier believes such arrangements are useful in its investment decision-making process by ensuring access to a variety of high quality research and availability to resources that Rainier might not be provided access to absent such arrangements.

If a research product or service has both a research or brokerage use and non-research or non-brokerage use, an allocation must be made between the research or brokerage use and the non-research or non-brokerage functions, with the portion allocable to research or brokerage being paid with commission dollars, and the non-research or non-brokerage portion being paid by Rainier. An allocation of the cost of the product or service will be made according to its use (i.e. the component that provides assistance to Rainier in the investment decision-making process vs. the component that relates to non-research or non-brokerage services). Rainier will use its judgment to make a reasonable allocation for the portion of the item to pay for with soft dollars and the portion to pay for with hard dollars if Rainier uses an item for purposes in addition to research or brokerage (also known as a “mixed-use” item). In making an allocation, Rainier will consider users of the product or service and usage, including relative importance, costs of the uses, frequency of use, and available substitutes. Rainier will document such decisions through Rainier’s Soft Dollar Committee.

Client-Directed Brokerage

Rainier may enter into client-directed brokerage arrangements only upon receiving a written letter of instruction from a client detailing the client’s directives. Rainier will honor client requests to direct brokerage as long as Rainier can fulfill its fiduciary and investment management responsibilities under the investment management agreement with the client.

Clients that direct Rainier to the use of a particular broker-dealer should understand that they may lose:

- the possible advantage that non-directing clients derive from aggregation of orders for several clients as a single transaction;
- the ability to effectively negotiate a commission rate or security price to obtain volume discounts; and
- the ability to obtain best execution.

Orders for clients who direct or restrict the use of a particular broker may be delayed until the non-directed orders have been executed.

Trade Aggregation and Allocation

As part of its effort to obtain best execution, Rainier may, according to its procedures, aggregate orders (a practice generally known as “block

trading”) unless restricted by client direction, type of account or other account restrictions. Other common factors to be considered when deciding upon the inclusion of a particular account in a block order include investment strategy, account objectives, account restrictions, cash balances, relevant policies, order instructions and order size.

When recommending or effecting a transaction in a particular investment for more than one client, Rainier will allocate such recommendations or transactions among clients for whom such recommendation is effected on such basis as Rainier deems equitable over time. Allocations of a specific investment may not be recommended for every account and transactions in a specific investment may not be processed at the same time or price for all accounts.

All accounts that participate in a block transaction will receive an allocation to achieve a targeted security weighting, or other objective target such as cash level. Generally, each account that participates in a block trade that is filled at several different prices through multiple trades executed in a single day will receive the average price per share for all trades executed on that day whether executed through one or multiple brokers. Additionally, each account participating in a block trade will pay a pro rata portion of the commissions (subject to minimum ticket charges) for multiple trades of the same security in a single day.

Trade Errors

It is the policy of Rainier that the utmost care is taken in making and implementing investment decisions on behalf of client accounts. To the extent that any trade errors occur that are determined to be Rainier’s fault, they are to be

- corrected as soon as practicable and in such a manner that the client incurs no loss;
- documented for review by Rainier; and
- scrutinized carefully with a view toward implementing procedures to prevent or reduce future errors, if necessary.

In all cases of trade errors which are determined to be Rainier’s fault, it is Rainier’s policy that a client account be “made whole.” Thus, trades are adjusted as needed in order to put the client in such a position as if the error had never occurred. Trade errors will be corrected at no cost to

the client and clients may retain any gains resulting from a trade error. Moreover, Rainier will not use any form of soft dollars to correct trade errors. Rainier also will not use future brokerage to compensate a broker either directly or indirectly for absorbing the cost of correcting an error in an earlier transaction. Rainier will also typically be able to identify trade errors by brokers or custodians that are not Rainier's fault, and Rainier will work with the responsible party in an effort to resolve the error for the client's benefit.

Cross Trades

Unless prohibited by a client's contract or applicable law, Rainier may effect cross trades between non-ERISA client accounts if Rainier believes the transaction is in the best interests of both clients. All such cross-trades will be consistent with the investment objectives and policies of each client account involved in the trades, and will be effected at the current independent market price of the securities involved in the trades. Such cross-trades will generally be effected through a broker-dealer. The client accounts involved in such cross-trades will not pay any brokerage commissions or mark-ups in connection with the trades (to the broker-dealer or Rainier), but will reimburse the applicable broker-dealer for any customary trading costs and/or transfer fees (i.e., aggregate ticket charges) that such broker-dealer incurs and that are assessed by any other broker-dealers through which such broker-dealer effects the trades. Rainier has not established procedures to effect cross trades in retirement plan accounts subject to ERISA and consequently will not effect such trades.

Security Valuation

Normally, securities will be valued using market quotations provided by third-party pricing vendors. However, when market quotations are not available, are stale, or are deemed not suitable, the security shall be fairly valued by Rainier's Pricing Committee pursuant to its policies and procedures. The objective of a fair value measurement is to determine the price that would be received to sell the asset at the measurement date - an exit price. The Fair Value Committee - comprised of the independent members of the Rainier Funds Board of Trustees - will oversee the decisions made by the Pricing Committee with respect to securities held by the Rainier Funds.

IPO Allocation

Rainier may invest in IPOs for client accounts whenever such securities are available and deemed suitable to meeting the client's investment objectives.

Rainier will allocate IPOs by strategy after considering numerous factors both at a client level and at a strategy level. When considering IPOs for a client we will take into account factors such as the client's cash availability, eligibility, suitability, investment objectives, guidelines and other factors deemed appropriate in making investment allocation decisions.

In determining the product strategy in which to place the IPO allocation, Rainier will consider factors including but not limited to, the market value of the IPO, size of the product strategy, and risk tolerance of the product strategy, as well as other standard investment considerations such as, but not limited to, cash availability, sector weightings and minimum order sizes for client accounts. Generally IPOs are better suited for product strategies with higher relative risk tolerances, but the final strategy allocation will be based on the factors listed above, the portfolio manager's discretion and ultimately ensuring that all clients are treated fairly over time during the allocation process. Therefore it may be the case that even strategies with high risk tolerances may not be allocated IPOs due to the factors listed above.

IPOs are generally allocated pro rata among participating accounts pursuant to Rainier's IPO Policy. Clients must notify Rainier if they are not eligible to participate in IPOs.

Clients with client-directed brokerage arrangements may not be allocated IPOs depending on their particular restrictions and directives.

Item 13 – Review of Accounts

Rainier's Portfolio Managers review management reports of client accounts on a daily basis with regards to holdings, asset allocation and weightings. Client guidelines and restrictions are automated in Charles River Compliance and monitored continually throughout the trading day and in an overnight batch process to ensure guidelines are not breached.

Clients receive written monthly or quarterly performance reports depending on account size and contracted service requirements. These performance reports normally contain schedules of performance results, market commentary and a description of assets held in a client's account.

Item 14 – Client Referrals and Other Compensation

Rainier may, from time to time, enter into agreements with parties that refer advisory clients. All such arrangements are structured in accordance with the requirements of Rule 206(4)-3 promulgated under the Advisers Act and all referred clients receive detailed disclosure regarding the nature of the referral agreement including compensation. The compensation paid to parties that refer advisory clients is paid completely by Rainier from the investment advisory fees that it earns from its clients.

Currently, Rainier has entered into an arrangement with a person that refers advisory clients to Rainier, subject to the requirements listed above. This person, a former employee of Rainier, has a personal relationship with Marco Consulting, an unrelated firm that recommends investment advisers, including Rainier, to clients for compensation. Rainier does not compensate Marco Consulting. This relationship may give rise to a potential conflict of interest with respect to clients referred to Rainier by Marco Consulting. (However, Marco Consulting discloses this relationship to its clients in advance.)

Item 15 – Custody

Rainier does not maintain physical custody of client funds or securities. Due to certain fee payment arrangements, Rainier may be deemed to have “custody” of certain client accounts within the meaning of Rule 206(4)-2 under the Advisers Act.

Clients should receive at least quarterly account statements from the qualified custodian that holds and maintains the client’s investment assets. Rainier urges its clients to carefully review such statements and compare such official custodial records to the account statements provided by Rainier as described in Item 13 above. Rainier’s statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. Additionally, you should contact us immediately if you do not receive account statements from your custodian on at least a quarterly basis.

Item 16 – Investment Discretion

Rainier receives discretionary authority from a client at the outset of an advisory relationship through the execution of an advisory agreement by the client. Discretionary authority will be exercised in a manner consistent with the stated investment objectives for the particular client account. Investment guidelines and restrictions must be provided to Rainier in writing five days prior to the funding of the account.

When selecting securities and determining amounts, Rainier observes the investment policies, limitations and restrictions of the clients for which it advises. For registered investment companies, Rainier's authority to trade securities may also be limited by certain federal securities and tax laws.

Furthermore, Rainier's discretionary authority with respect to a separate account client may, in limited circumstances, be subject to the client's ability to direct Rainier to effect brokerage business for its account to a particular broker. See Item 12 above.

Item 17 – Voting Client Securities

Rainier maintains a written Proxy Voting Policy, which reflects its duty as a fiduciary to vote proxies in the best interests of its clients. Rainier shall analyze each proxy on a case-by-case basis, informed by guidelines and subject to the requirement that all votes shall be cast solely in the long-term interest of its clients. Rainier does not intend for these guidelines to be exhaustive. Hundreds of issues appear on proxy ballots every year, and it is neither practical nor productive to fashion voting guidelines and policies which attempt to address every eventuality. Rather, Rainier's guidelines are intended to cover the most significant and frequent proxy issues that arise. Rainier shall revise its guidelines as events warrant.

Rainier relies on the recommendations of Institutional Shareholder Services ("ISS"). Rainier retains ultimate responsibility for the votes, and has the ability to override ISS vote recommendations. Rainier will only do so, however, if Rainier believes that a different vote is in the best interests of clients and mutual fund shareholders.

Voting proxies in shares of foreign companies may involve significantly greater effort and corresponding cost due to the variety of regulatory schemes and corporate practices in foreign countries. These conditions present numerous challenges and as a result there may be times when refraining from voting a proxy is in our clients' best economic interest.

Certain clients have expressly retained proxy voting authority and, in such instances, Rainier has no proxy voting responsibility and may not take any action regarding those clients' proxies.

Conflicts of Interest

Rainier will consider whether it is subject to any material conflicts of interest in connection with each proxy vote. It is impossible to anticipate all material conflicts of interest that could arise in connection with proxy voting.

If Rainier determines that a material conflict of interest exists between Rainier's interest and that of its clients, Rainier's Proxy Committee will resolve the conflict according to its procedures, which include relying on a recognized third-party proxy advisory service or abstaining from voting as well as other options.

Clients may obtain a copy of Rainier's complete Proxy Voting Policy upon request or on our website at www.rainierfunds.com. Clients may also obtain information from Rainier about how Rainier voted proxies on behalf of their account(s).

Item 18 – Financial Information

Rainier has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

Additional Information

Privacy Policy

Rainier Investment Management Mutual Funds and Rainier Investment Management, Inc. must collect certain personally identifiable financial information about its customers to ensure that we offer the highest quality financial services and products. The personally identifiable financial information which we gather during the normal course of business with you may include:

- information we receive from you on the advisory agreement or other forms;
- information we receive from you on our website forms or email communications;
- information about your transactions with us;
- information you may give us orally.

We do not disclose any nonpublic personal information about our customers or former customers to anyone, except as permitted by law. In accordance with Sections 248.13 of the Regulation S-P, we may disclose information we collect, as described above, to certain nonaffiliated third parties such as attorneys, accountants, auditors, brokers, custodians and persons or entities that are assessing our compliance with industry standards.

We restrict access to nonpublic personal information about you to those employees who need to know information to provide products or services to you. We maintain physical, electronic and procedural safeguards to protect your nonpublic personal information.

This notification in Rainier's ADV Brochure shall serve as annual notification to Rainier's clients of Rainier's Privacy Policy.

