

**Item 1 – Cover Page**  
**DISCLOSURE BROCHURE**  
**(FORM ADV, PART II)**

**MEEDER ASSET MANAGEMENT, INC.**  
**File No. 801-9839**

**6125 MEMORIAL DRIVE**  
**DUBLIN, OH 43017**  
**614-766-7000**  
**1-800-325-3539**

**[www.meederfinancial.com](http://www.meederfinancial.com)**

**March 2012**

**This brochure provides information about the qualifications and business practices of Meeder Asset Management, Inc. If you have any questions about the contents of this brochure, please contact us at 1-800-325-3539 or [www.meederfinancial.com](http://www.meederfinancial.com). 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.**

**Meeder Asset Management, Inc. is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information about which you determine to hire or retain an adviser.**

**Additional information about Meeder Asset Management, Inc. also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Item 2 - Material Changes**

On July 28, 2010, the United States Securities and Exchange Commission (“SEC”) published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure dated March 30, 2011 is a new document prepared according to the SEC’s new requirements and rules. As such, this document is materially different in structure and requires certain new information that our previous brochure did not require.

In the future, this item will discuss only specific material changes that are made to the brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. We will ensure that you receive a summary of any material changes to this and subsequent brochures within 120 days of the close of our business’ fiscal year. We may further provide other information about material changes as necessary.

**Please retain a copy of this brochure for your records.**

**Meeder Asset Management, Inc.**

**March 2012**

**Item 3**

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#### **Item 4 - Advisory Business**

Meeder Asset Management, Inc. (“Meeder”) furnishes investment supervisory services to qualified retirement plans, corporations, endowment plans, and individuals. Meeder works with small to medium-sized companies to develop a retirement plan option that works specifically with their company’s needs. Corporations, charities, foundations and governmental organizations utilize Meeder’s investment management strategies and expertise to manage assets in equity and fixed income portfolios. Meeder assists institutional investors with asset management and advisement. Meeder’s investment disciplines are available to high net worth individual investors through mutual funds, retirement plans, and privately managed accounts. Meeder assists these investors with asset management services, philanthropy suggestions, money advisers, and transfer and tax investment strategies.

Meeder also does business as Public Funds Administrators (“PFA”). PFA provides professional investment advisory and administrative services to state and local public funds managers utilizing a variety of fixed income portfolio solutions. Clients of PFA include state and local municipalities. PFA follows the same policies and procedures as Meeder unless otherwise noted.

As of December 31, 2011, Meeder and its affiliates managed approximately \$941 million in assets.

#### **Item 5 - Fees and Compensation**

Separate fee schedules apply to MAM and PFA. The following describes the fees for each entity:

##### **Fees – MAM**

The advisory fee for Equity Portfolios, Age-Based Portfolios, Balanced Strategies and Fixed Income Portfolios, payable quarterly in advance, shall be calculated based upon Client's Account value as of the last business day of the previous quarter, as follows:

##### **Non-ERISA Accounts (non-retirement plan accounts):**

##### **Equity Portfolios, Age-Based Portfolios and Balanced Strategies**

- (a) The first \$25,000,000 of assets, an annual base fee of \$1,500 or .75 % of the value of assets under advisement, whichever is greater.
- (b) The next \$25,000,000 of assets, .60 %.
- (c) Balance of portfolio assets, negotiable.

### **Fixed Income Portfolios**

- (a) The first \$25,000,000 of assets, an annual base fee of \$1,500 or .40% of the value of assets under advisement, whichever is greater.
- (b) The next \$25,000,000 of assets, .35%.
- (c) Balance of portfolio assets, negotiable.

The advisory fee for Cash Management Portfolios, payable monthly in arrears, shall be calculated based upon average daily balance of the previous month of Client's Account, as follows:

### **Cash Management Portfolios**

- (a) The first \$10,000,000 of assets, an annual base fee of \$1,500 or .25% of the value of assets under advisement, whichever is greater.
- (b) The next \$15,000,000 of assets, .20%.
- (c) Balance of portfolio assets, negotiable.

### **ERISA Accounts (retirement plan accounts):**

### **Equity Portfolios, Age-Based Portfolios and Balanced Strategies**

- (a) The first \$25,000,000 of assets, an annual base fee of \$1,500 or .81% of the value of assets under advisement, whichever is greater.
- (b) The next \$25,000,000 of assets, .66%.
- (c) Balance of portfolio assets, negotiable.

### **Fixed Income Portfolios**

- (a) The first \$25,000,000 of assets, an annual base fee of \$1,500 or .46% of the value of assets under advisement, whichever is greater.
- (b) The next \$25,000,000 of assets, .41%.
- (c) Balance of portfolio assets, negotiable.

The advisory fee for Cash Management Portfolios, payable monthly in arrears, shall be calculated based upon average daily balance of the previous month of Client's Account, as follows:

### **Cash Management Portfolios**

- (a) The first \$10,000,000 of assets, an annual base fee of \$10,000 or .31% of the value of assets under advisement, whichever is greater.

- (b) The next \$15,000,000 of assets, .26%.
- (c) Balance of portfolio assets, negotiable.

Fees are refundable, provided that, if such termination occurs during a quarter, the client will receive a refund pro-rated to the number of days remaining to quarter-end from date of termination. A management agreement may be terminated by the client or Meeder at any time.

Meeder may enter into an arrangement with the client whereby: (1) the client provides a written authorization permitting Meeder's fees to be paid directly from the client's account held by an independent custodian, trustee or transfer agent; and (2) the custodian, trustee or transfer agent agrees to send the client a statement, at least quarterly, indicating all balances, transactions and amounts disbursed from the account, including the amount of advisory fees paid directly to Meeder.

Under certain circumstances, Meeder may negotiate a lower minimum fee.

Consulting services are available. Fees are negotiable and related to scope and needs of the client.

### **Advisory Fees -- Investment Companies**

Meeder Asset Management is the investment adviser to The Flex-funds, a family of no-load mutual funds.

Meeder earns an annual fee, payable in monthly installments, as follows: The fee for each of the Utilities and Infrastructure, Quantex™ and Muirfield® Funds is at the annual rate of 1% of the first \$50 million, 0.75% of the next \$50 million, and 0.60% in excess of \$100 million, of that Fund's average daily net assets. The fee for the Total Return Bond Fund is at the annual rate of 0.40% of the first \$100 million and 0.20% in excess of \$100 million, of average daily net assets. The fee for the Money Market Fund is at the annual rate of 0.40% of the first \$100 million and 0.25% in excess of \$100 million, of average daily net assets. The fee for the Aggressive Growth, Dynamic Growth, Defensive Balanced and Strategic Growth Funds is at the annual rate of 0.75% of the first \$200 million and 0.60% in excess of \$200 million, of average daily net assets.

Clients who have a portion of their assets in mutual funds other than The Flex-funds and who pay Meeder a management fee on this portion of their money are in effect paying two management fees. The first is charged directly by Meeder for the management of the money and the second charged by the mutual fund(s) for the management of the fund's assets. Clients who have a portion of their assets in The Flex-funds pay only the underlying fund fees and expenses.

All fees paid to Meeder for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees and expenses are

described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without the services of Meeder. In that case, the client would not receive the services provided by Meeder which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and the fees charged by Meeder to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided by Meeder.

Meeder provides monitoring services for retirement plans. This service is to provide information to the client for their use in the comparison and evaluation of each plan's investment results to: (1) plan investment objectives and guidelines, (2) similarly managed portfolios and (3) various market indices. Fees for the monitoring services are negotiable.

### **Fees – PFA**

PFA receives an administrator fee from clients. The administrator fee is negotiable and is determined on a monthly basis.

### **Item 6 - Performance Fees and Side-by-Side Management**

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

### **Item 7 - Types of Clients**

The types of clients that Meeder generally provides investment advice are discussed under “Advisory Business.” Minimum account size is \$50,000 to open an investment advisory account. Meeder reserves the right to waive minimum investment requirements if an average householding account size is over \$100,000.

For PFA, the types of clients advised are described in “Advisory Business”. The minimum account size for PFA is \$500,000.

### **Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss**

#### **Buy/Sell Discipline**

At Meeder Financial we utilize six strategies that are employed throughout all of our products and services. These six strategies began with our Defensive Investing strategy and as Meeder

Financial grew we expanded the scope of our investment disciplines and developed offerings to meet the needs of all investors.

### **Defensive Investing**

Defensive Investing is the investment discipline developed by Robert Meeder and the foundation for the Meeder Financial organization. Our Defensive Investing discipline is designed to seek out the best opportunities for returns in the financial markets while managing the inherent risks of investing. Defensive Investing does not predict bull or bear markets, but responds to changes in the risk/reward relationships of the financial markets and seeks to safeguard an investor's portfolio from bear market losses.

Defensive Investing is used in both equity and fixed income portfolios. In equity portfolios, we invest in equity funds when our investment discipline indicates that the risk/reward relationships of the stock market are positive. When negative, we invest "defensively" in bond or money market funds until our discipline indicates that conditions in the stock market are more favorable for investors.

In fixed income portfolios, we invest in intermediate- or long-term bond funds when our investment discipline indicates that the risk/reward relationships in the bond market are positive. When negative, we invest "defensively" in short-term bond or money market funds until our discipline indicates that conditions in the bond market are more favorable for investors.

Strategic Fund Selection is designed to identify trends of relative strength and relative weakness -- from the broadest themes to the smallest industry sector. Strong sectors are identified for emphasis, whereas weak sectors are identified for under weighting. Weightings are implemented to varying degrees by concentrating investment positions within our entire range of actively managed equity portfolios relative to the risk profile of the specific portfolio.

The foundation of our process begins with investment models that incorporate both strategic and tactical disciplines. These models help us build portfolios, which are combined to provide customized asset allocation investment solutions for you and your clients.

These customized portfolios seek to out-perform industry benchmarks while minimizing volatility over full market cycles. The strength of our process has helped position clients to achieve long-term growth and avoid the large market down swings that could impede or prevent clients from achieving their investment goals.

### **Defensive Growth**

Employing a quantitative model utilizing interest rate, economic and technical data, the Defensive Growth strategy seeks to preserve gains and avoid losses by shifting assets from



equity funds to fixed-income securities and money market fund securities when the investment advisor believes the risk/reward relationship of the stock market is unfavorable.

### **Defensive Fixed-Income**

Employing a quantitative model utilizing trend and technical data, the Defensive Fixed-Income strategy seeks to preserve gains and avoid losses by shifting assets into short-, intermediate- or long-term bond funds depending on anticipated movements in intermediate term interest rates. In addition to monitoring portfolio duration, the Defensive Fixed-Income model also attempts to determine the correct mix of treasury, agency and corporate bonds.

### **Growth - Aggressive Growth**

Our Growth & Aggressive Growth strategy seeks growth of capital over a long-term time horizon while remaining fully invested in the stock market during all market environments. We employ a Strategic Fund Selection discipline that seeks to identify and invest in the areas of the stock market that appear to have the most attractive opportunities for returns in the current market environment. This strategy is also used in our Defensive Equity Portfolios in conjunction with our tactical asset allocation discipline.

### **Fixed-Income**

Our Fixed-Income strategy seeks to maximize current income through investment in bond funds and individual fixed income securities. We employ a fund selection discipline that seeks to identify and invest in the areas of the bond market that appear to have the most attractive opportunities for returns in the current market environment. In addition to fund selection, we also manage the duration of the funds and securities to enhance our return on investment.

### **SMID (Small-Cap and Mid-Cap)**

Our Small/Mid-Cap (SMID) Strategy seeks growth of capital over a long-term time horizon through investment in a diversified portfolio of stocks from small- and mid-size companies. Our SMID discipline is a quantitative investment strategy that selects common stocks from a predetermined market capitalization range across all major industry sectors.

The selected stocks typically fall into two categories: "Fallen Angels" which are larger companies whose stock prices have declined in recent years but are poised for a possible rebound; and "Rising Stars", which are smaller companies with the potential to significantly outperform on an absolute and relative basis.

This strategy results in a well-diversified, style-neutral portfolio with the potential to achieve highly predictable returns over the long-term.

### **Money Market**

The Money Market strategy seeks to provide current income while maintaining a stable share price of \$1.00. To pursue this goal, the investment advisor invests in high quality, short-term

money market instruments, such as securities backed by the full faith and credit of the U.S. Government, securities issued by U.S. Government agencies, or obligations issued by corporations and financial institutions while maintaining an average maturity of 90 days or less.

Additionally, the advisor seeks to preserve a low expense ratio. Close attention to security selection and expense management allow this discipline to produce competitive yields for The Flex-funds Money Market Fund.

The foundation of our process begins with investment models that incorporate both strategic and tactical disciplines. These models help us build portfolios, which are combined to provide customized asset allocation investment solutions for you and your clients.

These customized portfolios seek to out-perform industry benchmarks while minimizing volatility over full market cycles. The strength of our process has helped position our clients to achieve long-term growth and avoid the large market downswings that could impede or prevent your clients from achieving their investment goals.

All investments carry a certain amount of risk and Meeder cannot guarantee that it will achieve its investment objective. Loss of money is a risk of investing in the stock market.

### **Item 9 - Disciplinary History**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Meeder or the integrity of Meeder's management. Meeder has no information applicable to this item.

### **Item 10 - Other Financial Industry Activities and Affiliations**

Meeder is affiliated with Adviser Dealer Services, Inc. ("ADS"), a broker-dealer registered with the SEC and a member of FINRA. Both Meeder and ADS are wholly-owned subsidiaries of Meeder Financial, Inc. Meeder may choose to execute brokerage transactions, including without limitation purchases of mutual fund shares, for clients through ADS. In connection with such transactions, ADS may receive compensation in the form of brokerage commissions, 12b-1 or other distribution fees, service fees or subaccounting fees separate from Meeder's management fee.

Meeder is the sponsor and manager for The Flex-funds, mutual funds registered with the U.S. Securities and Exchange Commission. The Flex-funds are a family of mutual funds consisting of nine separate portfolios each of which has separate investment objectives as follows:

Money Market Fund – current income and stable asset values by investing primarily in high-quality, short-term money market instruments, such as securities based by the full faith and credit

of the U.S. Government, securities issues by U.S. Government agencies, or obligations issued by corporations and financial institutions.

Total Return Bond Fund - to provide investors with a high level of current income.

Balanced Fund – income and growth of capital consistent with reasonable risk by investing in a portfolio which invests primarily in other mutual funds that are not affiliated with the fund.

Muirfield Fund® - growth of capital through investment in the shares of other mutual funds.

Utilities and Infrastructure Fund - total returns, including income and growth of income by investing in equity securities of domestic and foreign public utility companies and their suppliers.

Dynamic Growth Fund – growth of capital by investing in a portfolio which invests primarily in other mutual funds that are not affiliated with the fund.

Strategic Growth Fund – growth of capital by investing primarily in a portfolio which invests primarily in other mutual funds that are not affiliated with the fund.

Aggressive Growth Fund – growth of capital by investing primarily in a portfolio which invests primarily in other mutual funds that are not affiliated with the fund.

Quantex Fund™ - long-term capital appreciation.

Meeder is affiliated with Meeder Advisory Services, Inc., a registered investment adviser that furnishes model portfolios and a mutual fund asset allocation service to its clients.

#### **Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

Meeder has adopted policies and procedures designed to address circumstances that could give rise to a conflict of interest, a potential conflict of interest, or an appearance of impropriety. The Code covers restrictions on personal investing activities including blackout periods, initial public offerings, limited offerings, short-term trading profits and gift limits. The Code covers compliance requirements including pre-clearance on personal transactions, initial, quarterly and annual holdings reports, exempted transactions, opening of new security accounts, reporting actual and suspected violations and sanctions. A copy of Meeder's Code of Ethics is available upon request to prospective and current clients.

Meeder, or any affiliated company, except as otherwise described with regard to Adviser Dealer Services, Inc., does not receive commissions for the purchase or sale of any security recommended for use in client accounts.

Meeder and its employees or affiliates, including Trustees of The Flex-funds, may from time to time hold a position either directly or indirectly in mutual funds/securities owned by clients.

No person associated with Meeder may trade in a recommended mutual fund/security to his advantage over a client's. All trading accounts of directors and officers of Meeder and those employees of Meeder determining investment advice to be given to clients are reviewed for compliance.

## **Item 12 - Brokerage Practices**

Meeder is affiliated with Adviser Dealer Services, Inc. ("ADS"), a broker-dealer registered with the SEC and a member of FINRA. Both Meeder and ADS are wholly-owned subsidiaries of Meeder Financial, Inc. Meeder may choose to execute brokerage transactions, including without limitation, purchases of mutual fund shares, for clients through ADS when appropriate. In connection with such transactions, ADS may receive compensation in the form of brokerage commissions, 12b-1 or other distribution fees, service fees or subaccounting fees separate from Meeder's management fee.

Generally, Meeder is retained on a discretionary basis and authorized to determine and direct execution of portfolio transactions within the client's specified investment objectives without consultation with the client on a transaction-by-transaction basis. In some instances, Meeder's discretionary authority in making these determinations may be limited by conditions imposed by clients in their investment guidelines or objectives or in instructions otherwise provided to Meeder. Meeder prefers to select broker-dealers who will execute portfolio transactions and generally the client leaves the selection to Meeder, although occasionally a client may direct the use of a particular broker-dealer to execute portfolio transactions.

When a client for whom Meeder provides discretionary investment management services requests or instructs Meeder to direct a portion of the securities transactions for its account to a specified broker-dealer, Meeder will treat the client direction as a decision by the client to retain, to the extent of the direction, the discretion that Meeder would otherwise have in selecting broker-dealers to effect transactions and in negotiating commissions generally for the client's account. Although Meeder will attempt to effect such transactions in a manner consistent with its policy of seeking best execution and price on each transaction, there may be occasions where it is unable to do so, in which case Meeder will continue to comply with the client's instructions on the foregoing basis. The client, therefore, should consider whether, under its direction, commissions, execution, clearance and settlement capabilities, and fees for custodial or other services provided the client by the broker-dealer (if applicable) will be comparable to those

otherwise obtainable. A client making such a designation also should understand that (i) it may lose the possible advantage that non-designating clients derive from aggregation of orders for several clients as a single transaction for the purchase or sale of a particular security and (ii) Meeder may not be able to negotiate or obtain commission rates on the basis of best price and execution.

In selecting brokers through which transactions for client accounts will be executed, Meeder's primary consideration will be the broker's ability to provide best execution of trades. In making a decision about best execution, Meeder may consider a number of factors including, but not limited to, trade price and commission, current market conditions, size and timing of the order, depth of the market, per share price, difficulty of execution, financial responsibility and the ability and willingness of the broker to commit capital by taking positions in order to effect executions. The commission rates paid to any broker for execution of transactions will be determined through negotiations with the broker. Where more than one broker-dealer is believed to be capable of providing the best combination of price and execution with respect to a particular portfolio transaction, Meeder may, (and subject to section 28(e) of the Securities Exchange Act of 1934, as amended and, where applicable, ERISA Technical Release 86-1) select the broker-dealer which furnishes it brokerage and research services, even though the broker-dealer does not charge the lowest commissions. Research services provided by such broker-dealers may include research reports on companies, industries, and securities; economic and financial data; financial publications; analysis and reports concerning economic factors and trends, industries, specific securities, and portfolio strategies. Accordingly, there may be occasions where Meeder may select a broker whose transaction costs may be greater than those that another broker may charge if Meeder determines in good faith that the amount of such transaction cost is reasonable in relation to the value of the brokerage and research services provided by the executing broker. The amount of brokerage given a particular broker-dealer providing brokerage and research services is not determined pursuant to any formal agreement or commitment with any of the selected broker-dealers. However, Meeder does maintain an internal allocation procedure to identify those broker-dealers that have provided it with research and the amount of research they provided, and does endeavor to direct sufficient commissions to them to ensure the continued receipt of research. Research services furnished by brokers through which Meeder effects securities transactions are used by Meeder in carrying out its investment management responsibilities with respect to all the client accounts over which it exercises investment discretion and, accordingly, such services may not be utilized solely in connection with the client account that may have provided the commission or a portion of the commission paid to the brokers providing such services.

Fixed income securities are generally purchased from the issuer or a primary market maker acting as principal on a net basis with no brokerage commission paid by the client. Such securities, as well as equity securities, may also be purchased from underwriters at prices which include underwriting fees.

The reasonableness of brokerage commissions is evaluated on an on-going basis, through a periodic review of the general level of commissions paid; establishment of guidelines; and comparison with industry data.

Certain materials received by Meeder are considered “multi-use” materials, and may be used for research and for other purposes. Meeder determines what percentage is used for research and for other purposes, such as marketing. The percentages are used to allocate payments to soft dollars and hard dollars, respectively. The use of materials for the benefit of Meeder’s clients and for Meeder’s marketing purposes may represent a conflict of interest in the allocation of brokerage commissions by Meeder.

When two or more clients, including mutual funds for which Meeder serves as investment adviser and in which employees and affiliates of Meeder have made investments, are engaged in the purchase or sale of the same security, the purchase or sale orders of the clients may be combined or aggregated by Meeder. If the orders are combined or aggregated by Meeder, the securities are allocated among the clients in accordance with a policy considered by Meeder to be equitable to each client. Clients participating in the combined or aggregated transaction will receive an average share price and transaction costs are shared equally and on a pro-rata basis. If the full amount of an aggregated order is not filled, the partially executed order will be allocated on a pro-rata basis based on the size of the original allocation, subject to adjustments for rounding, odd lots and certain other allocation considerations. The ability of a client to participate in combined or aggregated orders with other clients of Meeder and obtain volume discounts can result in lower commissions and better executions and prices for the client. If a client directs Meeder to execute trades through a broker-dealer selected by the client, the client’s account will not be combined or aggregated with other client accounts. As a result, the client may pay higher commissions than otherwise might be obtainable and receive less favorable net prices and execution on some transactions because of Meeder’s inability to aggregate or combine trades for the client with those of Meeder’s other clients in order to obtain volume discounts.

### **Item 13 - Review of Accounts**

Only members of the Investment Committee which consists of Robert Meeder, Jr., Dale Smith, Clinton Brewer, Robert Techentin, Ted Clark, Jason Headings and Nick Van Eman, have the authority to review and make security purchases or sell decision on behalf of each client. Investment decisions are made on a committee basis and coordinated by the assigned Portfolio Manager. All accounts are reviewed on a continuing basis. The Investment Committee typically meets at least once a week to evaluate the security markets and client investment positions.

Each client receives, not less frequently than quarterly, an itemized statement showing funds and securities owned. Such reports detail the location of all assets including the account numbers at sub-custodians. Reports detail all debits, credits, and transactions in the client’s account for the period. Funds and securities of clients which are in the custody or possession of the investment

adviser are verified once each year by independent public accounts and a report of the examination is filed with the Securities and Exchange Commission.

#### **Item 14 - Payment for Client Referrals**

Meeder will, from time to time, use third parties to solicit business for the firm. These individuals are paid dependent upon the amount of dollars they bring under Meeder's management. Each third party solicitor is bound by a written agreement which specifies (1) solicitation activities and compensation to be received; (2) Meeder's investment requirements and duties of the solicitor under the Investment Advisers Act; and (3) the solicitor to provide new accounts with a copy of Meeder's ADV Part II.

In addition, Meeder requires the solicitor to provide the potential client with a written disclosure statement outlining: (1) the name of the solicitor; (2) name of Meeder; (3) discussion about the nature of the relationship between the two; (4) statement identifying the solicitor as a recipient of compensation from Meeder; and (5) terms of the compensation agreement.

Meeder requires the client's signature be obtained by third party solicitors upon acceptance of a new account to verify the client understands the relationship and has received a copy of Meeder's ADV Part II. Copies are kept in the client's file.

As stated above, Meeder's overriding objective in effecting portfolio transactions is to seek the best combination of price and execution. Meeder does not enter agreements with, or make commitments to, any broker-dealer that would bind Meeder to compensate that broker-dealer, directly or indirectly, for client referrals.

#### **Item 15 - Custody**

Quarterly and annual statements are provided to clients from Huntington National Bank which serves as the qualified custodian on client accounts. In addition, Meeder provides quarterly and annual statements to clients. Clients are encouraged to carefully review such statements and compare the custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates or valuation methodologies of certain securities.

For PFA, U.S. Bank serves as the qualified custodian on client accounts.

#### **Item 16 - Investment Discretion**

See discussion regarding investment discretion under "Brokerage Practices."

## **Item 17 - Voting Client Securities**

Meeder exercises its proxy voting responsibilities as a fiduciary. As a result, in the cases where Meeder has voting authority of its client proxies, Meeder intends to vote such proxies in a manner consistent with the best interest of its clients. Meeder's guidelines are designed to meet applicable fiduciary standards. All votes submitted by Meeder on behalf of its clients are not biased by other clients of Meeder. Proxy voting proposals are voted with regard to enhancing shareholder wealth and voting power.

A Proxy Committee is responsible for establishing Meeder's proxy voting policies and procedures. These guidelines give Meeder general indication as to how Meeder will vote shares on each issue. However, these guidelines are not exhaustive and do not include all potential voting issues and for that reason, there may be instances when Meeder may not vote proxies in strict adherence to these guidelines. To the extent that these guideline policies and procedures do not cover potential voting issues or a case arises of a material conflict between our interest and those of a client with respect to proxy voting, Meeder's Proxy Committee will convene to discuss these instances. In evaluating issues, the Proxy Committee may consider information from many sources, including our portfolio management team, our analyst responsible for monitoring the stock of the company at issue, management of a company presenting a proposal, shareholder groups, and independent proxy research services.

The voting of all proxies is conducted by the Investment Department. Meeder keeps proxy materials used in the vote process onsite for at least one year.

## **Item 18 - Financial Information**

Registered investment advisers are required to provide you with certain financial information or disclosures about Meeder's financial condition. Meeder 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.