

Part 2A of Form ADV: *Firm Brochure*

Miller/Howard Investments, Inc.

324 Upper Byrdcliffe Road
Woodstock, NY 12498

Telephone: 845-679-9166
Email: marilyn@mhinvest.com
Web Address: www.mhinvest.com

July 25, 2012

This brochure provides information about the qualifications and business practices of Miller/Howard Investments, Inc. If you have any questions about the contents of this brochure, please contact us at 845-679-9166 or marilyn@mhinvest.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.

Additional information about Miller/Howard Investments, Inc. also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 105800.

Item 2 Material Changes

The SEC adopted "Amendments to Form ADV" in July, 2010. This Firm Brochure, dated July 25, 2012, is our new disclosure document prepared according to the SEC's new requirements and rules.

After our initial filing of this Brochure, this Item will be used to provide our clients with a summary of new and/or updated information. We will inform you of the revision(s) based on the nature of the updated information.

Consistent with the new rules, 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. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

The changes that were made to this document are as follows:

- Item # 4: A definition of ESG and how Miller/Howard incorporates ESG into its investment strategy
- Item # 4: Name change for a strategy, now called Natural Gas: Drill Bit to Burner Tip
- Item # 4: A new strategy added, MLP Focus, with a brief description
- Item # 4: Regulatory Assets under Management figure was adjusted to reflect our AUM as of June 30, 2012
- Item #10: Language changed to reflect de-registration with SEC of Overlook Advisors LLC
- Item #12: **Aggregation and Allocation**, new language added regarding use of a randomizer
- Item #14: **Client Referrals and Other Compensation**-new language added regarding third-party arrangements

Item 3	Table of Contents	Page
Item 1	Cover Page	1
Item 2	Material Changes	2
Item 3	Table of Contents	3
Item 4	Advisory Business	4
Item 5	Fees and Compensation	7
Item 6	Performance-Based Fees and Side-By-Side Management	9
Item 7	Types of Clients	10
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss	11
Item 9	Disciplinary Information	14
Item 10	Other Financial Industry Activities and Affiliations	15
Item 11	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	16
Item 12	Brokerage Practices	18
Item 13	Review of Accounts	23
Item 14	Client Referrals and Other Compensation	24
Item 15	Custody	25
Item 16	Investment Discretion	26
Item 17	Voting Client Securities	27
Item 18	Financial Information	29

Item 4 Advisory Business

Miller/Howard Investments, Inc. is a SEC-registered investment adviser with its principal place of business located in New York. Miller/Howard Investments, Inc. began conducting business in 1986.

Listed below are the firm's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company).

- Lowell Glaser Miller, President, CIO

We are a boutique investment management firm with over two decades of experience managing portfolios for major institutions, mutual funds, and individuals in disciplined investment strategies. We combine rigorous financial analysis with environmental, social, and governance (ESG) evaluation for some portfolios. For select portfolios, our portfolio team identifies financially attractive opportunities and our social research team develops an ESG profile for potential candidates. We also apply a set of negative screens for potential candidates and eliminate companies that do not meet our ESG criteria. Miller/Howard is an active participant in shareholder advocacy and direct dialog with companies regarding their positions on ESG issues.

We design and manage the following portfolios with the goals of strong current income, growth of income, and capital appreciation.

GLOBAL UTILITIES + INFRASTRUCTURE

This portfolio seeks to participate in both the stability and dynamic growth of essential services and infrastructure worldwide. The projected stability arises from the fact that utilities and infrastructure are in constant demand and continuously generating revenues. The growth is due to expanding populations and demographic shifts that drive more usage. In the developing world, growth arises as economies push toward a developed-world standard of living.

INCOME-EQUITY STRATEGY

This is a diversified, dividend-growth equity portfolio that seeks high current dividend income plus growth of income and principal. Stocks are primarily US based, multi-cap companies from across the broad equity market. In the portfolio, 25% can be invested in foreign stocks that trade on US exchanges (ADRs) and up to 25% can be exchange-traded master limited partnerships (MLPs).¹

¹ One can think of MLPs as “utilities without walls” — that is, they are utility-like companies with fewer restraints on their ability to grow than conventional utilities. They evolved as a tax-efficient way for large energy companies to operate their infrastructure assets. MLPs have the potential to generate stable and consistent cash flow from long-term contracts for the transportation, processing, and storage of energy products, thus providing “quality income.”

INCOME-EQUITY NO MLP STRATEGY

This is a diversified, dividend-growth equity portfolio that seeks high current income plus growth of income and principal. Stocks are primarily US based, multi-cap companies from across the broad equity market. The investment philosophy, objective, and strategy behind this portfolio are the same as the Income-Equity Strategy. The only difference in this portfolio is that it does not invest in MLPs and therefore does not generate K-1 tax reports.

HIGH-YIELD EQUITY INVESTMENT STRATEGY

This is a tax-advantaged, high-yield equity portfolio invested in companies that we expect will continue to pay, and potentially raise, their dividends. The portfolio is diversified by industry, quality, and financial strength without investing in MLPs.

MLP INVESTMENT STRATEGY

This is a high-yielding portfolio (with tax-deferred income) composed of US exchange-traded MLPs (what we have identified as high-quality pipelines and energy facilities), with high current income and strong prospects for growth of distributions.

DISTRIBUTION / MERGING UTILITIES

This portfolio is a specialty strategy structured to benefit from consolidation and convergence in the utility industry. We focus on investments in public securities of small and mid-capitalization utility companies that we believe are both undervalued and potentially subject to acquisition.

RISING DIVIDEND PLUS

This strategy primarily invests in established and seasoned mid- and large-capitalization companies. We have identified these companies as financially strong with the potential for steadily rising earnings and dividends. The portfolio aims to participate in the long-term growth of the economy and the markets by investing in stocks that we see as having a high probability of raising dividends in the future.

NATURAL GAS: DRILL BIT TO BURNER TIP

This strategy leverages our expertise and experience in the natural gas commercial chain of value. Miller/Howard has a long history of investment in all components of the natural gas vertical, which includes producers, transporters, processors, distributors, and enablers. This portfolio brings together all of these components of the natural gas industry we have worked with over many years. As a group, the sub-industries create a single-themed strategy to exploit the growth in what many observers believe is “the fuel of the future.” We think that natural gas has historically been a solid and productive area for investors, and that future trends will help drive returns to an even higher level.

MLP FOCUS

This is a concentrated portfolio primarily invested in large-cap midstream pipeline companies which can provide investors with some of the benefits of direct MLP ownership.

We manage these advisory accounts on a discretionary basis. Clients work with us (or with firms that introduce the client to us) to identify one or more portfolios that are suitable for the client's investment situation, financial goals and risk tolerance. Once a client has selected a portfolio, that portfolio is managed based on the portfolio's goal, rather than on each client's individual needs. Clients may have the opportunity to place reasonable restrictions on the types of investments to be held in their accounts. We do not pool clients' assets and clients retain individual ownership of all securities

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

To ensure that our initial determination of an appropriate portfolio remains suitable and that the account continues to be managed in a manner consistent with the client's financial circumstances, our firm and/or the firms that introduce the client to us will:

1. send quarterly written reminders to each client requesting any updated information regarding changes in the client's financial situation and investment objectives, and
2. be reasonably available to consult with the client.

We invest in infrastructure, companies that provide essential services, MLPs, and stocks from all sectors with high current dividend yield and for which we forecast strong dividend growth. As appropriate, we may also invest in mutual fund shares, U.S. government securities, and options contracts on securities. Our investment recommendations are not limited to any specific product or service offered by a broker dealer or insurance company.

From time to time, we purchase Initial Public Offerings (IPOs) for advisory clients. In the past, we purchased IPOs for institutional clients only in the utilities strategy or as sub-advisor to a mutual fund or private pooled investment. We will only purchase an IPO for an advisory client after determining that the IPO is suitable for the strategy. If it is found suitable, shares purchased will be allocated on a pro-rata basis as accurately as is practicable among all the accounts for which the security has been found to be suitable.

AMOUNT OF MANAGED ASSETS

As of June 30, 2012, Miller/Howard actively managed \$ 3,704,100,513 of clients' assets on a discretionary basis.

Item 5 Fees and Compensation

Annual management fees are based on a percentage of assets under management and are generally as follows:

- 1.00% for the first \$2 million
- 0.75% thereafter

Fees are generally payable quarterly in advance, and are based on the previous quarter end market value.

Our firm directly debits advisory fees from client accounts through the custodian. Our firm will instruct the client's custodian to deduct our management fees from the client's account.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Our minimum account size is \$250,000 except for special arrangements. We may reduce the minimum account size and fees for our services for brokerage networks with managed account programs and for individuals.

We also receive fees as a sub-advisor to four mutual funds. Our management fees vary for each fund and are in a range from 0.375% to 0.60%.

Limited Negotiability of Advisory Fees: In certain circumstances, such as when the client is a manager-of-managers or when clients are part of a brokerage network managed account program, the annual fee and whether fees are paid in advance or arrears may be negotiated. With respect to arrears billing: accounts billed in arrears are calculated on an average of the month end values of the previous quarter unless we agree otherwise. There may be other circumstances when the fee, method of payments and refund policy for termination may be negotiable. These include the complexity of the client, assets to be placed under management, anticipated future additional assets, related accounts, portfolio style, account composition and reports, among other factors. The specific annual fee schedule is identified in the contract between the adviser and each client, or in the case of a brokerage network managed accounts, the fee is identified by the contract between the sponsoring broker and the client.

We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee.

Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

Termination of the Advisory Relationship: Contracts may be terminated at any time for any reason or no reason. In the event that services are terminated, a refund will be issued on a pro-rata basis, based on the termination day plus a 30-day notification

period. Similarly, if an account is billed in arrears, all earned, unpaid fees will be due and payable as of the termination date plus a 30-day notification period.

Mutual Fund Fees: Miller/Howard serves as sub-investment adviser for several funds. As such, Miller/Howard is paid a sub-investment advisory fee. Such fee is typically paid out of the investment advisory fee earned by the investment advisor of the fund. In addition, the mutual fund will incur other fund expenses and a possible distribution fee. These fees and expenses are described in each fund's prospectus. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge, as well as a distribution fee; however, Miller/Howard does not earn any fees from the imposition of any sales charges or distribution fees. Clients should review all fees charged by these funds to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Wrap Fee Programs and Separately Managed Account Fees: Clients participating in separately managed account programs may be charged various program fees in addition to the advisory fee charged by our firm. Such fees may include the investment advisory fees of the independent advisers, which may be charged as part of a wrap fee arrangement. In a wrap fee arrangement, clients pay a single fee for advisory, brokerage and custodial services. Client's portfolio transactions may be executed without commission charge in a wrap fee arrangement. In evaluating such an arrangement, the client should also consider that, depending upon the level of the wrap fee charged by the broker-dealer, the amount of portfolio activity in the client's account, and other factors, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately.

Additional Fees and Expenses: In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker-dealers, including, but not limited to, any transaction charges imposed by a broker-dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

Advisory Fees in General: Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

Limited Prepayment of Fees: Under no circumstances do we require or solicit payment of fees in excess of \$1,200 more than six months in advance of services rendered.

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

We have no performance-based fees at this time.

Item 7 Types of Clients

We provide advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Investment companies (including mutual funds)
- Pension and profit sharing plans
- Other pooled investment vehicles e.g., hedge funds, collective trusts
- Charitable organizations
- Corporations or other businesses not listed above
- State or municipal government entities
- Taft-Hartley

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

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

Charting. In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market is moving up or down and to predict how long the trend may last and when that trend might reverse.

Fundamental Analysis. We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

Technical Analysis. We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

Risks for all forms of analysis. Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

INVESTMENT STRATEGIES

We may use the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

Long-term purchases. We generally purchase securities with the intent to hold them in the client's account for a year or longer. Typically we employ this strategy when we believe the securities to be currently undervalued, and/or we want exposure to a particular asset class over time.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

Short-term purchases. If utilizing this strategy, occasionally we may purchase securities

with the intent to sell them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will shortly result in a price swing in the securities we purchase.

A short-term purchase strategy poses risks should the anticipated price swing not materialize; we are then left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss.

In addition, this strategy involves more frequent trading than does a longer-term strategy, and will likely result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

Trading. Although we do not generally intend to do so, occasionally we may purchase securities with the intent to sell them very quickly (typically within 30 days or less) in order to take advantage of anticipated price swings.

Utilizing a trading strategy creates the potential for sudden losses if the anticipated price swing does not materialize. Moreover, under those circumstances, we are left with few options: having a long-term investment in a security that was designed to be a short-term purchase, or the potential of having to take a loss.

In addition, because this strategy involves more frequent trading than does a longer-term strategy, it will likely result in an increase in brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

Margin transactions. We may purchase stocks for your portfolio with money borrowed from your brokerage account. This allows you to purchase more stock than you would be able to with your available cash, and allows us to purchase stock without selling other holdings. We can only do this in margin accounts. For the year ending December 31, 2011 none of our strategies had any margin transactions.

A risk in margin trading is that, in volatile markets, securities prices can fall very quickly. If the value of the securities in your account minus what you owe the broker falls below a certain level, the broker will issue a “margin call,” and you will be required to sell positions in your portfolio or add more cash to the account. In some circumstances, you may lose more money than you originally invested.

Option writing. We may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset.

The two types of options are calls and puts:

- A call gives us the right to buy an asset at a certain price within a specific period of time. We will buy a call if we believe that the stock will increase substantially before the option expires.
- A put gives us the right to sell an asset at a certain price within a specific period of time. We will buy a put if we believe that the price of the stock will fall before the option expires.

We may use options in certain instances to speculate on the possibility of a sharp price swing. We may also use options to "hedge" a purchase of the underlying security; in other words, to limit the potential upside and downside of a security we have purchased for your portfolio.

We may use "covered calls" where we sell a call option on a security you own. In this case, you would receive a fee for making the option available, and the investor purchasing the option has the right to buy the security from you at an agreed-upon price.

We may use a "spreading strategy," in which we purchase two or more option contracts (for example, a call option that you buy and a call option that you sell) for the same underlying security. This effectively puts you on both sides of the market, but with the ability to vary price, time and other factors.

A risk of covered calls is that the option buyer does not have to exercise the option, so that if we want to sell the stock prior to the end of the option agreement, we have to buy the option back from the option buyer, for a possible loss.

A risk of spreading strategies is that the ability to fully profit from a price swing is limited.

Risk of Loss. Securities investments are not guaranteed and you may lose money on your investments.

For the year ending December 31, 2011, none of our strategies had any options transactions.

Item 9 Disciplinary Information

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no reportable disciplinary events to disclose.

Item 10 Other Financial Industry Activities and Affiliations

Our firm and our investment professionals are not engaged in other financial industry activities and have no other industry affiliations.

We are affiliated with a Delaware limited liability company called Overlook Advisors, LLC. It was registered with the SEC until May 17, 2012 when it was de-registered. The members of the LLC are also employees of Miller/Howard Investments. Overlook Advisors currently does not offer any strategy, has no clients and no assets since September 30, 2007.

We sub-advise four mutual funds. We recommend these funds to advisers who also introduce clients to us. However, we do not use our discretionary authority to invest client assets in these funds. We are not in the business of recommending mutual funds to clients.

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

We have adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

Our firm and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

To that end, our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

Further, our Code states that firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security (ies) which may also be recommended to a client.

The Code imposes restrictions on the purchase or sale of securities for an employee's own account and accounts in which the employee has a beneficial interest. The Code also includes provisions for (i) prior written approval of each employee's transactions; and, (ii) the delivery by each employee of a quarterly transaction report detailing each securities transaction to the Firm's Chief Compliance Officer (the "CCO") within 30 days after the end of each calendar quarter.

Our Code of Ethics also includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to all advisory clients and prospective clients. You may request a copy by email sent to marilyn@mhinvest.com, or by calling us at 845-679-9166.

Violations of the Code are reported to our Board of Directors of the Firm and the Board may impose such sanctions as it deems appropriate, including, without limitation, disgorgement of profits, censure, suspension or termination of employment.

Our employees and their related persons may have client accounts with our firm. These accounts are treated like all other client accounts and so will trade with client

transactions where possible and when compliant with our duty to seek best execution for our clients. In these instances, participating clients will receive an average share price and transaction costs will be shared equally and on a pro-rata basis. In the instances where there is a partial fill of a particular batched order, we will allocate all purchases pro-rata, with each account paying the average price. Our employee accounts will be included in the pro-rata allocation.

Item 12 Brokerage Practices

BROKERAGE DISCRETION

For Directed Brokerage, we require that clients provide us with written instructions regarding the execution of trades and the commission costs that will be charged for their transactions.

These clients must include any limitations on this discretionary authority in this written authority statement. Clients may change/amend these limitations as required. Such amendments must be provided to us in writing.

In the event that a client directs us to use a particular broker-dealer, it should be understood that under those circumstances we will not have the authority to negotiate commissions or obtain volume discounts and best execution may or may not be achieved. In addition, under these circumstances a disparity in commission charges may exist between the commissions charged to other clients at other brokerage firms.

For separately managed account platforms where commissions are bundled with other program fees, we will generally use the sponsoring broker to execute the trades so as not to incur additional commission costs for the client. If executions are consistently below our standards for best execution, we will seek to rectify the matter with the sponsoring broker.

Our overriding objective in the selection of broker-dealers is to obtain the best combination of price and service. Best price, giving effect to brokerage commission, if any, and other transaction costs, is normally an important factor in this decision, but the selection also takes into account the quality of brokerage services, including such factors as execution capability, willingness to commit capital, financial stability, and clearance and settlement capability.

Accordingly, transactions will not always be executed at the lowest available commission. In each case, Miller/Howard will make a determination that the amount of any increased commission costs based on research or other services is reasonable relative to the value of services so provided.

SOFT DOLLARS

Section 28(e) under the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") provides a "safe harbor" to investment advisers who use commission dollars ("soft dollars") for advisory accounts to obtain investment research, brokerage and other services that provide lawful and appropriate assistance to the investment advisor in performing decision-making responsibilities for the benefit of clients. In each brokerage arrangement involving the use of soft dollar payments, we make a good faith determination that (i) the products and services purchased are within the Section 28(e) definition of "research and brokerage services" and (ii) that the amount of the commission paid under such arrangement is "reasonable" in relation to the value of those products or services.

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, we often select a broker-dealer that furnishes research, such as:

- research reports on companies, industries and securities;
- economic and financial data;
- financial publications that are not mass-media, computer databases;
- quotation services; and
- investment research computer software and services.

For example, during recent periods broker-dealers have furnished us with quotation services and payments to investment research consultants. The selection of services, and the amount of brokerage given a particular broker-dealer, is not made pursuant to any agreement or commitment made with any of the selected broker-dealers that would bind us to compensate the broker-dealer for research provided.

We maintain an internal allocation procedure to identify those broker-dealers that have provided us with research and the amount of research they provided. We endeavor to direct sufficient commissions to these broker-dealers to ensure the continued receipt of research. The services which such broker-dealers furnish may be useful in servicing all our clients, and not all of such research may be useful for the account for which the particular transaction was effected. Since any particular research we obtain may be useful to many clients, we will not attempt to allocate the relative costs or benefits of research between clients in considering the reasonableness of brokerage commissions paid by each client, except in limited circumstances where appropriate.

The reasonableness of brokerage commissions is evaluated on an on-going basis. Much of our brokerage business is through a single broker which we believe provides the best combination of factors we deem important in the broker selection process. We also trade with major brokerage houses whose research is "bundled" with commissions as well as broker-dealers with special execution capabilities. We recognize that the use of a single broker for much of our brokerage business (including soft dollars) may lead to the risk that our clients may not receive the best price or commission rate for trades. In addition, such use may result in an inability to take advantage of commission discounts, new research or other services that other broker-dealers may provide. Also, a change to services provided or their cost may occur in the general brokerage marketplace that our broker-dealer may not participate in, thereby preventing us and our clients from participating in a benefit that would otherwise be available. This relationship also may create an appearance of an affiliation, and therefore, a conflict of interest, even though a formal affiliation does not exist. However, based on comparison tests we believe that the broker used provides best execution under our direction, and we generally employ independently originated research rather than the research or other services that other brokers may provide.

We may receive services that are used for both research and other purposes, such as administration or marketing. We make a good faith effort to determine the relative proportions of such services which may be attributed to research only and to properly

allocate that portion which should be paid through soft dollar client commissions. The remainder, such as marketing and administrative expenses, is paid by Miller/Howard. An example might be a research seminar that discusses securities and investment techniques that also offers information on marketing or promotional materials. We make our best efforts to properly allocate that portion which should be paid through soft dollar client commissions. We regularly review these “mixed use” purchases to determine if there has been a change and if the allocation needs to be adjusted accordingly. We also conduct an annual review of all soft dollar allocations.

When we use client brokerage commissions to obtain research or brokerage services, we receive a benefit to the extent that we do not have to produce such products internally or compensate third-parties for the delivery of such services. Therefore, such use of client brokerage commissions results in a conflict of interest, because we have an incentive to direct client brokerage to those brokers who provide research and services we utilize, even if these brokers do not offer the best price or commission rates for our clients.

We typically place a substantial portion of brokerage commissions with broker-dealers that supply us with research services. This percentage figure may vary upward or downward from year to year. A substantial portion of our accounts are managed through broker-sponsored managed account or wrap account programs in which commissions are a part of a bundled fee.

In our capacity as a sub-adviser to mutual funds, we are authorized to use research services provided by, and to place portfolio transactions with brokerage firms that have provided assistance in the distribution of shares of the Fund or shares of other related funds to the extent permitted by law.

AGGREGATION AND ALLOCATION

When we determine that the purchase or sale of a particular security is in the best interests of more than one client, we may aggregate the trade in order to obtain superior execution or lower brokerage expenses. In particular, execution prices for identical securities purchased or sold on behalf of multiple accounts in any one business day may be averaged. In such events, allocation of the securities purchased or sold, as well as expenses incurred in the transaction, will be made among any participating accounts or clients by applying such considerations as we deem appropriate, including:

- relative account size of such entities and clients;
- amount of available capital;
- size of existing positions in the same or similar securities.

Based on the impact of the factors listed above, we will not necessarily allocate trades on a pro-rata basis. No account will be entitled to investment priority over any other accounts and may not necessarily participate in every investment opportunity. We will

endeavor to make all investment allocations in a manner which we consider to be the most equitable to all clients.

Because certain clients direct all or a portion of their brokerage to a designated broker-dealer and we use the sponsoring broker in broker-sponsored managed account or wrap account programs, among other reasons, we will typically place the same trade at the same time with several different broker-dealers. In order to ensure that no client is advantaged over another, we employ a randomizer that randomly determines the order that the trades will be placed with the particular broker-dealers used for that trade. While this will generally randomly rotate trades where we have discretion over the broker used, it may not be as effective for those where we do not have broker discretion.

STEP-OUT TRADES

Our primary goal is to obtain best execution for clients, taking into account all of the factors relevant to a particular transaction, including additional fees for trading away for clients in programs where transaction fees are bundled. From time to time, we may decide that best execution can only be obtained by aggregating orders from many brokers with a single broker, who may not be the broker in which the client's funds are custodied. This may be necessary, for example, in the case of transactions in a very thinly traded stock, where many small orders from many brokers might be disruptive to the market pricing for that stock. Typically, the broker executing such a trade will do a "net" trade which builds in a commission for that broker in the final price of the transaction. It is important for investors to note that such commissions for "step-out" trades are not included in the fees they may be paying to their custodial broker for "wrap" or "managed account" programs, though such programs are typically offered as including all commissions.

We make every effort to conduct normal trading and transactions in single-fee type accounts, but will not hesitate to use the above-described step-out technique if we believe the net result will be in the client's best interest.

EXECUTION RESTRAINTS

In certain situations such as wrap-fee programs, we are strongly encouraged to trade through the program's sponsoring broker. In some of these situations, we can only create an order, whether that is a block order for many clients or for a single client, on the program's computer platform, thus there is no practical option to trade through the broker of our choosing. In other situations, we update a model that is held and traded by the program sponsors, rather than actually trading ourselves. There are cases where we might theoretically step out a trade to get a particular execution, but the practicalities of distributing the stock to hundreds or thousands of accounts---a process that could take days and raises the possibility of human error for all parties---argue against most step-outs. Further, because in many cases we can only create an order on the sponsor's system, what might have been a single large order traded as a block is

broken into smaller blocks, some of which may be trying to obtain execution at the same or similar times. These factors indicate that there may be externalities limiting our ability to obtain best execution or to use our discretion in determining where an order should or may be traded. In addition, these limitations may limit our ability to rotate orders randomly, as would be the case with individual clients. We do not guarantee random rotation in our trading for wrap programs, though we will always do our best to obtain fair and equally distributed executions for all clients.

Item 13 Review of Accounts

REVIEWS: Model portfolios are reviewed on a constant, ongoing basis. Each client account is reconciled monthly by support staff to confirm positions with trust bank statements.

REPORTS: In addition to the monthly statements on holdings and changes in market value sent monthly by the custodians, we send clients the Portfolio Manager's market outlook and portfolio strategy review each quarter, if requested.

Item 14 Client Referrals and Other Compensation

Miller/Howard may enter into written solicitation agreements to compensate persons independent of Miller/Howard for client referrals in compliance with Rule 206(4)-3 under the Investment Advisers Act of 1940. If a referred client establishes an investment advisory relationship with Miller/Howard, the Solicitor will typically receive a referral fee of a negotiated percentage of the investment advisory fees paid by the client for the duration of the investment advisory relationship. This referral fee will be paid out of the total advisory fees collected from clients. Miller/Howard will not charge an additional fee for advisory services to pay a Solicitor. Generally, there is no difference in the advisory fee schedule for clients who have been solicited and those who have not been solicited as a result of these solicitation agreements. Clients that are referred by a Solicitor will receive a copy of the Solicitor's written disclosure document that describes the nature of the relationship between Miller/Howard and the Solicitor, in addition to Miller/Howard's Form ADV Part 2.

Item 15 Custody

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts through the custodian. Our firm will instruct the client's custodian to deduct our management fees from the client's account.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

Our firm does not have custody of client accounts.

Item 16 Investment Discretion

We require that clients give us the discretionary authority to place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to buy or sell securities and execute the transaction without contacting the client.

Clients give us discretionary authority when they sign a discretionary power of attorney with our firm or with the sponsoring broker, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

Item 17 Voting Client Securities

We vote proxies for all client accounts; however, you always have the right to vote proxies yourself. You can exercise this right by instructing us in writing to not vote proxies in your account.

We have engaged Broadridge Investor Communication Solutions to assist us with the analysis, voting and record keeping of all proxy ballots. Broadridge provides independent assessment and recommendations with regard to all proxy items for securities held in clients' accounts.

We have adopted a written policy regarding the voting of client proxies that is designed to ensure that Miller/Howard Investments fulfills its fiduciary obligation to our clients. The written policies are designed to address a wide range of common business and social issues often contained in proxy statements and vote them in the best interest of our clients. Items not specifically addressed in the policy will be dealt with on a case-by-case basis with guidance from Broadridge. If we have a conflict of interest, we will follow Broadridge's recommendation.

A copy of our proxy voting policy is available upon request. We will also provide, upon request, information regarding how we voted on a specific proxy item. All requests must identify the investment and the item(s) and be submitted to Miller/Howard Investments in writing.

Unless specifically instructed to do so by the client, we will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct us to transmit copies of class action notices to the client or a third party. Upon such direction, we will make commercially reasonable efforts to forward such notices in a timely manner.

With respect to ERISA accounts, we will vote proxies unless the plan documents specifically reserve the plan sponsor's right to vote proxies. To direct us to vote a proxy in a particular manner, clients should contact us by telephone, email, or in writing.

You can instruct us to vote proxies according to particular criteria (for example, to always vote with management, or to vote for or against a proposal to allow a so-called "poison pill" defense against a possible takeover). These requests must be made in writing. You can also instruct us on how to cast your vote in a particular proxy contest by contacting us.

All communications regarding proxy voting should be directed to:

Miller/Howard Investments, Inc.

324 Upper Byrdcliffe Road
Woodstock, NY 12498

Phone 845-679-9166

marilyn@mhinvest.com

Item 18 Financial Information

Under no circumstances do we require or solicit payment of fees in excess of \$1,200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

As an advisory firm that maintains discretionary authority for client accounts, we are required to disclose any financial condition that is reasonable likely to impair our ability to meet our contractual obligations. Miller/Howard Investments, Inc. has no additional financial circumstances to report.