

GH&A

GARCIA HAMILTON & ASSOCIATES, L.P.

ADV Part 2A – Firm Brochure

Item 1: Cover Page

Garcia Hamilton & Associates, L.P.

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March 26, 2014

This brochure provides information about the qualifications and business practices of Garcia Hamilton & Associates, L.P. If you have any questions about the contents of this brochure, please contact us at 713.853.2322 and/or BMcWilliams@GarciaHamiltonAssociates.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.

Garcia Hamilton & Associates, L.P., is a registered investment adviser. Registration as an Investment Adviser does not imply a certain 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 Garcia Hamilton & Associates, L.P. 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. The Firm's CRD number is 108017.

Item 2: Material Changes

Annual Update

On July 28, 2010, the United State 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 as of December 31, 2013 is an updated document prepared according to the SEC’s requirements and rules.

Material Changes since the Last Update Dated: May 31, 2013

1. This section of the Brochure will address only those “material changes” that have been incorporated since our last delivery or posting of this document on the SEC’s public disclosure website (IAPD) www.adviserinfo.sec.gov.

There were no material changes since our last delivery or posting of ADV Part 2A.

2. We may, at any time, update this Brochure and either send you a copy or offer to send you a copy (either by electronic means (email) or in hard copy form).

Full Brochure Available

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

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Beth McWilliams, Chief Compliance Officer at 713.853.2314 or BMcWilliams@GarciaHamiltonAssociates.com. Our Brochure is also available on our web site www.GarciaHamiltonAssociates.com free of charge.

Additional information about Garcia Hamilton & Associates, L.P. is also available via the SEC’s web site www.adviserinfo.sec.gov. The SEC’s web site also provides information about any persons affiliated with Garcia Hamilton & Associates, L.P. who are registered, or are required to be registered, as investment adviser representatives of Garcia Hamilton & Associates, L.P.

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Item 4: Advisory Business

Firm Description

Garcia Hamilton & Associates, L.P. (“GH&A” or the “Firm”) is a Houston, Texas based investment management company that was founded in 1988. The Firm is a 100% employee-owned limited partnership.

Principal Owners

The Firm is owned by six employee partners with ethnic minority and female partners representing 75% of Firm ownership. Listed below are the Firm’s principal partners (i.e., those individuals controlling 25% or more of the partnership).

Gilbert Andrew Garcia, Managing Partner

Types of Advisory Services

Garcia Hamilton & Associates, L.P. provides continuous and regular investment management services with respect to client accounts.

The Firm offers the following Investment Management Services (“IMS”):

- Separate Account Portfolio Management
- Mutual Fund Portfolio Management (Sub-Adviser)
- Model Portfolio Management (Sub-Adviser)

IMS - Separate Account Portfolio Management

Separate Account Portfolio Management provides continuous investment management services of client funds in separate account portfolios. We manage these advisory accounts in a discretionary manner taking into account individual client needs, if any, set forth in the client’s Investment Management Agreement or other written investment policy or guidelines provided by the client. Investment teams and individual portfolio managers often manage multiple accounts, including wrap fee and non-wrap fee accounts, according to the same or a similar investment strategy.

Tailored Relationships

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors. GH&A will discuss with client or client’s representative any guideline or policy that may limit management of the funds in line with the strategy selected by the client. GH&A may provide discretionary investment adviser services to Collective Trust Funds wherein the Fund Trustee retains authority to accept or reject the advice or direction of the Firm.

Types of Investments

The Firm’s investment strategies incorporate domestic, high-quality fixed income and equity securities in single asset class or balanced portfolios and will generally include the following securities:

- United States government securities
- Corporate debt securities (rated at a minimum of single A or better)
- Exchange-listed securities

- Securities traded over-the-counter
- Agency debentures
- Agency Mortgage-backed securities

Other securities on which Garcia Hamilton & Associates may provide Investment Management Services include:

- Foreign issuers with American Depositary Receipts
- Mutual fund shares
- Exchange traded funds

As noted above, GH&A utilizes high quality securities in its investment strategies. However, because some types of investments may involve certain additional degrees of risk, they will only be implemented when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

IMS - Mutual Fund Portfolio Management (Sub-Adviser)

Mutual Fund Portfolio Management provides continuous investment management services as a sub-adviser to mutual funds sponsored by registered investment companies. We manage these advisory accounts in a discretionary manner. Mutual Fund Portfolio Management is designed to meet a particular investment goal.

Tailored Relationships

The sponsoring registered investment company may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors. GH&A will discuss with client any guideline or policy that may limit management of the funds in line with the strategy selected by the client.

Types of Investments

The Firm's investment strategies incorporate domestic, high-quality fixed income and equity securities and will generally include the following securities:

- United States government securities
- Corporate debt securities (rated at a minimum of single A or better)
- Exchange-listed securities
- Securities traded over-the-counter
- Agency debentures
- Agency Mortgage-backed securities

As noted above, GH&A utilizes high quality securities in its investment strategies. However, because some types of investments may involve certain additional degrees of risk, they will only be implemented when consistent with the fund's stated investment objectives, tolerance for risk, liquidity and suitability.

IMS - Model Portfolio Management (Sub-Adviser)

Model Portfolio Management provides continuous investment management services of funds in model portfolios as a sub-adviser in programs where another manager serves as the discretionary investment manager. We manage these advisory accounts in a non-discretionary manner. GH&A maintains broad authority with respect to the timing of the provision of recommendations. Model Portfolio Management is designed to meet a particular investment goal.

Tailored Relationships

The discretionary investment manager may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors. GH&A will discuss with the discretionary investment manager any guideline or policy that may limit management of the funds in line with the strategy selected by the client.

Types of Investments

The Firm's investment strategies incorporate domestic, high-quality fixed income and equity securities and will generally include the following securities:

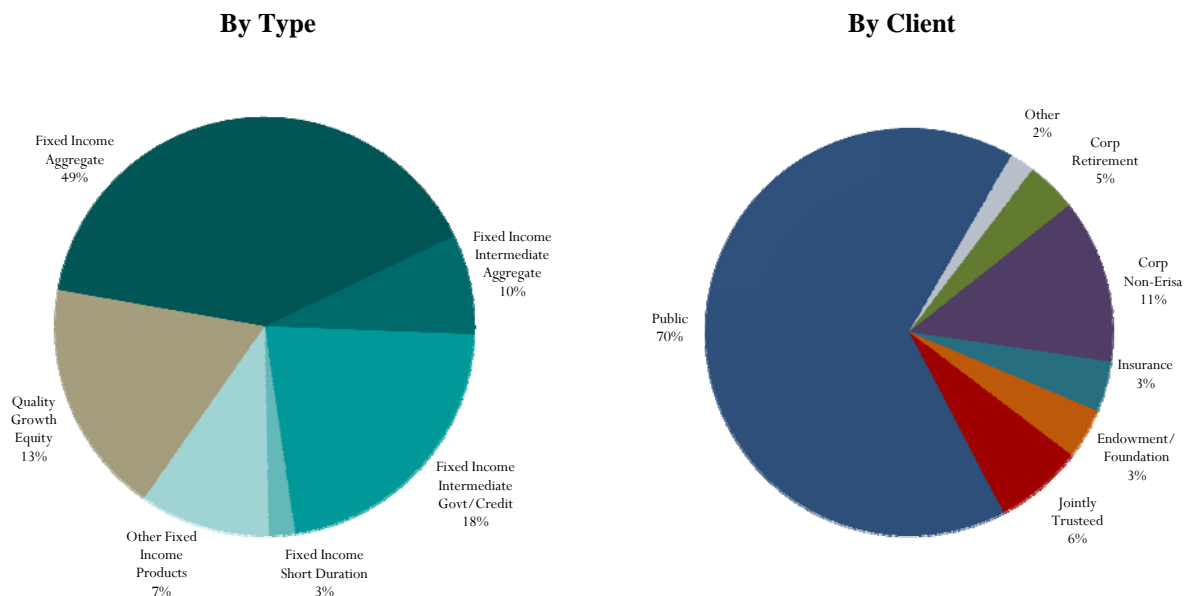
- United States government securities
- Corporate debt securities (rated at a minimum of single A or better)
- Exchange-listed securities
- Securities traded over-the-counter
- Agency debentures
- Agency Mortgage-backed securities

As noted above, GH&A utilizes high quality securities in its investment strategies. However, because some types of investments may involve certain additional degrees of risk, they will only be implemented when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

Amount of Managed Assets

As of 12/31/2013, we were actively managing \$3,387,103,896 of clients' assets on a discretionary basis.

Asset Breakdown



As of December 31, 2013

Item 5: Fees & Compensation

Description

Our annual fees for Investment Management Services are generally based upon a percentage of assets under management, typically payable quarterly in arrears.

IMS - Separate Account Portfolio Management Fees

The typical fee schedule for discretionary Separate Account Portfolio Management services is as follows:

Quality Growth Equity & Balanced

<i>Assets Under Management</i>	<i>Annual Fee</i>
First \$10 Million	0.75%
Next \$15 Million	0.50%
Next \$25 Million	0.375%
Thereafter	0.25%

Fixed Income

<i>Assets Under Management</i>	<i>Annual Fee</i>
First \$10 Million	0.30%
Thereafter	0.25%

Account Management Fee Calculations

Garcia Hamilton & Associates, L.P. typically charges a fee for account management that is calculated as a percentage of the assets under management according to the relevant fee schedule. Fees are based on the value of the account at the end of each billing period. The fee is prorated for periods less than a full billing cycle and adjusted to cover any additional contributions made during that period.

The fees of some historical accounts are payable quarterly in advance and may be based on other valuations as outlined in the client's Investment Management Agreement.

Limited Negotiability of Advisory Fees

Although Garcia Hamilton & Associates, L.P. has established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. In determining the alternative fee schedule, the Firm will take into account client facts, circumstances and needs that include, but are not limited to, the complexity of the client, assets to be placed under management, anticipated future additional assets, related accounts, portfolio style, account composition, client service and reporting, among other factors. The specific annual fee schedule will be identified in the contract between the adviser and the client.

A minimum of **\$5,000,000** of assets under management is typically required for this service. We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee. We may waive the minimum or require a higher minimum depending on the specific strategy selected and the level of additional support provided to the client.

IMS - Mutual Fund Portfolio Management (Sub-Adviser) Fees

Account Management Fee Calculations

Our annual fee for discretionary Mutual Fund Portfolio Management (Sub-Adviser) services is determined by contract with the sponsoring registered investment company and is generally based upon a percentage of assets under management. Fees are payable quarterly in arrears. A minimum of **\$5,000,000** of assets under management is required for this service. This account size may be negotiable under certain circumstances.

The Firm does not utilize mutual funds in its portfolio management strategies. Therefore, a portfolio management client of the Firm that also invests in a mutual fund for which the Firm is a sub-adviser will pay only those fees charged to investors by the Mutual Fund, i.e., the value of the client's investment in the Mutual Fund is not included in our quarterly portfolio management fee calculation for the client's account(s).

Limited Negotiability of Advisory Fees

Garcia Hamilton & Associates, L.P. retains the discretion to negotiate fees on a client-by-client basis. In determining the fee schedule, the Firm will take into account client facts, circumstances and needs that include, but are not limited to, the complexity of the client, assets to be placed under management, anticipated future additional assets, related accounts, portfolio style, account composition, client service and reporting, among other factors.

IMS - Model Portfolio Management (Sub-Adviser) Fees

Account Management Fee Calculations

Our annual fee for Model Portfolio Management (Sub-Adviser) services is determined by contract with the program's discretionary investment adviser. These fees may be based upon a percentage of assets under management or some other method as outlined in the contract. Fees are payable quarterly in arrears. A minimum of **\$2,500,000** of assets under management is required for this service. This account size may be negotiable under certain circumstances. Garcia Hamilton & Associates, L.P. may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

Limited Negotiability of Advisory Fees

Garcia Hamilton & Associates, L.P. retains the discretion to negotiate fees on a client-by-client basis. In determining the fee schedule, the Firm will take into account client facts, circumstances and needs that include, but are not limited to, the complexity of the client, assets to be placed under management, anticipated future additional assets, related accounts, portfolio style, account composition, client service and reporting, among other factors.

General Information

Fee Invoices:

The Firm does not deduct fees from clients' assets. The Firm typically submits a fee invoice to the client on a quarterly basis. Other arrangements, including but not limited to, sending a duplicate invoice to the client's custodian, is available upon written request. If a client retains a "qualified custodian" for its funds, the Firm can submit a fee invoice to the custodian for payment if so instructed in writing by the client. A "qualified custodian" is an entity that will send an account statement directly to the client (or, at the client's direction, to the client's "independent representative") no less frequently than quarterly that

identifies the amount of funds and of each security in the client's account as of the end of such period and that sets forth all of the transactions in such account during such period.

Wrap Fees:

Clients participating in a wrap fee program or wrap fee arrangement offered by broker-dealers or other unrelated parties typically pay to the broker-dealer or other unrelated party an all-inclusive fee that covers brokerage, custody, investment management and other services. In such cases, if GH&A is selected to render investment adviser services, the Firm is compensated directly by the broker-dealer or unrelated party offering the wrap fee arrangement. In other words, a portion of the all-inclusive fee is paid to GH&A as compensation for the investment advisory services that it renders.

Clients may elect to participate in a wrap fee arrangement offered by broker-dealers or other unrelated parties that does not include the advisory fee. In this case, the client has an agreement with the adviser separate from the agreement with the broker-dealer or other unrelated party. In this arrangement, the Firm typically submits a fee invoice to the client on a quarterly basis as outlined in the agreement between the client and GH&A.

While GH&A's compensation in a wrap fee arrangement may be lower than the Firm's standard fee schedule, the overall costs to the client of a wrap fee arrangement may be higher than the client otherwise would experience by paying the Firm's standard fees and negotiating other services. In evaluating a wrap fee arrangement, the client should consider whether the anticipated amount of portfolio activity in the client's account, the cost of brokerage commissions (which costs are typically negotiated by the broker-dealer or other unrelated parties), and the value of any other services rendered to the client may exceed the aggregate cost of the services provided if such services were negotiated and purchased separately.

Performance-Based Fees:

A performance-based fee schedule is generally based in whole or in part on a percentage of assets under management plus a percentage of the difference between the performance of a client's account and that of an appropriate index. The Firm does not offer a performance-based fee schedule; however, for some accounts, GH&A may receive fees based on performance in cases where a client has proposed and the Firm has accepted a performance-based fee arrangement.

All fees to be charged for this service, whether percentage of assets under management and/or percentage of the difference between a client's account return and the return of an appropriate benchmark, will be determined by the client's individual circumstances and will be mutually agreed upon before entering into this type of arrangement and will be detailed in the client's Investment Management Agreement.

The client must understand the proposed method of compensation and its risks prior to entering into the contract. Accordingly, clients paying performance-based fees are directed to the "Performance-Based Fees" section (Item 6) below for more comprehensive disclosures, including potential conflicts of interest resulting from this type of compensation.

Clients who elect to terminate their contracts will be charged a performance-based fee based on the performance of the account for the measuring period going back from the termination date and pro-rated from the date on which the performance-based fee was previously assessed by our Firm.

In measuring the client's assets for the calculation of performance-based fees, Garcia Hamilton & Associates, L.P. shall include: for securities for which market quotations are readily available, the realized capital losses and unrealized capital losses of securities over the period and, if the unrealized capital appreciation of the securities over this period is included, the unrealized capital depreciation of securities over the period.

The entitlement to a performance-based fee may create an incentive for Garcia Hamilton & Associates, L.P. to take risks in managing assets which may be riskier or more speculative than those which would be recommended under a different fee arrangement.

PERFORMANCE-BASED FEES WILL ONLY BE CHARGED IN ACCORDANCE WITH THE PROVISIONS OF REG. 205-3 OF THE INVESTMENT ADVISERS ACT OF 1940 AND/OR APPLICABLE STATE REGULATIONS. THE FEES WILL NOT BE OFFERED TO ANY CLIENT RESIDING IN A STATE IN WHICH SUCH FEES ARE PROHIBITED.

On a case-by-case basis, an appropriate fee structure based on the size, complexity and investment objectives of the client's account may be entered by Garcia Hamilton & Associates, L.P. Fee arrangements may include a combination of a management fee and incentive fee, or may be solely limited to an incentive-based fee. The terms and conditions of the fee structure are mutually agreed upon prior to entering into an advisory agreement.

Termination of the Advisory Relationship:

A client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days written notice. As disclosed above, certain fees are paid in advance of services provided. Upon termination of any account, any prepaid, unearned fees will be automatically refunded within 45 days of receipt of written notice. In calculating a client's reimbursement of fees, we will pro rate the reimbursement according to the number of days remaining in the billing period. To check on the refund progress you may call or email Beth McWilliams at 713-853-2314 or BMcWilliams@GarciaHamiltonAssociates.com.

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. From time to time clients may have funds invested in short term investment vehicles available through the custodian. In this situation, clients may be paying management fees for this portion of their assets.

IF APPLICABLE: Grandfathering of Minimum Account Requirements:

Pre-existing advisory clients are subject to Garcia Hamilton & Associates, L.P.'s minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our Firm's minimum account requirements will differ among clients.

IF APPLICABLE: ERISA Accounts:

Garcia Hamilton & Associates, L.P. is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"). As such, our Firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, Garcia Hamilton & Associates, L.P. may only charge fees for investment advice about products for which our Firm and/or our related persons do not receive any commissions or 12b-1 fees, or conversely, investment advice about products for which our Firm and/or our related persons receive commissions or 12b-1 fees, however, only when such fees are used to offset Garcia Hamilton & Associates, L.P.'s advisory fees.

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 \$1200 more than six months in advance of services rendered.

Most Favored Nations Clause:

The Firm does not incorporate a “Most Favored Nations” policy in its standard contract and reserves the right to consider such a clause in future contracts. We ensure compliance with a “Most Favored Nations” policy by routinely reviewing relevant fee schedules when negotiating client contracts.

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

Performance-Based Fees

As we disclosed in Item 5 of this Brochure, the Firm does not offer performance-based fees which generally are fees based in whole or in part on a percentage of assets under management plus a percentage of the difference between the performance of a client's account and that of an appropriate index. However, GH&A may receive fees based on performance in cases where a client has proposed and the Firm has accepted a performance-based fee arrangement.

Clients should be aware that entitlement to a performance-based fee arrangement may create an incentive for us to take risks in managing assets which may be riskier or more speculative than those which would be recommended under a different fee arrangement. Furthermore, as we also have clients who do not pay performance-based fees, we have an incentive to favor accounts that do pay such fees because compensation we receive from these clients is more directly tied to the performance of their accounts.

To eliminate or significantly reduce the potential for conflicts of interest, all accounts invested in a product are managed alike, subject to client restrictions, in determining the timing of as well as the securities to be bought or sold regardless of the fee arrangements.

Side-by-Side Management

Investment teams and individual portfolio managers often manage multiple accounts, including separate accounts and mutual funds, according to the same or a similar investment strategy.

Side-by-side management of the funds and other accounts raises the possibility of favorable or preferential treatment of a client or a group of clients. In general, investment decisions for each client account will be made independently from those of other client accounts and are made with specific reference to the individual needs and objectives of each client account. There is no requirement that an adviser use the same procedures consistently with respect to all accounts. Different strategies and client guidelines may lead to the use of different methodologies for addressing the potential conflicts of interest.

GH&A may manage numerous accounts with similar or identical investment objectives or may manage accounts with different objectives that trade in the same securities. Portfolio decisions relating to clients' investments and the performance resulting from such decisions may differ from client to client. GH&A will not necessarily purchase or sell the same securities at the same time or in the same proportionate amounts for all eligible clients, particularly if different clients have materially different amounts of capital under management by GH&A or different amounts of investable cash available.

To eliminate or significantly reduce the potential for conflicts of interest, all accounts invested in a product are managed alike, subject to client restrictions, in determining the timing of as well as the securities to be bought or sold regardless of the fee arrangement or type of account.

Item 7: Types of Clients

Description

Garcia Hamilton & Associates, L.P. provides 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 than plan participants)
- Banking or thrift institutions (including collective investment trusts)
- Charitable organizations
- Corporations or other businesses not listed above
- State or municipal government entities
- Other

As previously disclosed in Item 5, our Firm has established certain initial minimum account requirements, based on the nature of the service(s) being provided. For a more detailed understanding of those requirements, please review the disclosures provided in each applicable service.

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

Methods of Analysis

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

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.

Quantitative Analysis. We use mathematical models in an attempt to obtain more accurate measurements of a company's quantifiable data, such as the value of a share price or earnings per share, and predict changes to that data.

A risk in using quantitative analysis is that the models used may be based on assumptions that prove to be incorrect.

Qualitative Analysis. We subjectively evaluate non-quantifiable factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement, and predict changes to share price based on that data.

A risk in using qualitative analysis is that our subjective judgment may prove incorrect.

Investment Strategies

We 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 purchase securities with the idea of holding 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, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantages 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. When utilizing this strategy, we purchase securities with the idea of selling 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 soon result in a price swing in the securities we purchase.

Risk of Loss. Securities investments are not guaranteed and you may lose money on your investments. We ask that you work with us to help us understand your tolerance for risk.

Mutual Funds and/or ETF Analysis. *Although not an integral part of our Equity strategy, in certain client specific cases, Mutual Funds and/or ETF's may be held at the client's direction.*

We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

Risks of Loss

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. Any investment in securities runs the risk of loss that clients should be prepared to bear.

Risks involved in the securities primarily recommended may include:

Market risk – The risk that all or a majority of the securities in a certain market – such as the stock or bond market – will decline in value because of factors such as adverse political or economic conditions, future expectations, investor confidence, or heavy institutional selling.

Government and regulatory risk – The risk that governments or regulatory authorities have, from time to time, taken or considered actions that could adversely affect various sectors of the securities markets.

Interest rate risk – The risk that bond prices overall will decrease in value if interest rates rise.

Equity risk – The risk that stocks can decline in value over short or extended periods as a result of changes in a company’s financial condition and in overall market, economic and political conditions.

Government obligations risk – The risk that the U.S. government will not provide financial support to U.S. government-sponsored agencies or instrumentalities where it is not obligated to do so by law. While the U.S. government provides financial support to various U.S. government-sponsored agencies and instrumentalities, such as the Federal National Mortgage Association (“Fannie Mae”) and the Federal Home Loan Mortgage Corporation (“Freddie Mac”), no assurance can be given that it will always do so.

Credit quality risk – The risk that a bond issuer, including a governmental issuer, may fail to pay interest payments and repay principal in a timely manner, or that negative perceptions of the issuer’s ability to make such payments will cause the price of that bond to decline.

Extension risk – The risk that certain debt securities, including mortgage-backed securities, will be paid off by the borrower more slowly than anticipated, increasing the average life of such securities and the sensitivity of the prices of such securities to future interest rate changes.

Prepayment/Credit risk – The risk that the principal on a callable or mortgage-backed bond will be prepaid prior to maturity at a time when interest rates are lower than what that bond was paying. Reinvestment of the proceeds would generally be at a lower interest rate.

Item 9: Disciplinary Information

Legal and Disciplinary

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

Financial Industry Activities

Garcia Hamilton & Associates, L.P., is not registered as a securities broker-dealer, or a futures commission merchant, commodity pool operator or a commodity trading advisor.

Affiliations

The Firm understands that from time to time family members of the Firm's partners and employees may be employed by broker-dealers, intermediaries or other entities with which the Firm has a business relationship. In establishing or renewing such a relationship, the Firm will make any such business decisions independently and without regard to the family member's employment at such other entity. The Firm manages its coverage of such relationships to ensure that the Firm's trades are not directed to a family member employed by a broker-dealer.

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

Code of Ethics

Our Firm has 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.

Garcia Hamilton & Associates, L.P. 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 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, the Code requires pre-clearance and reporting of personal securities transactions; applies blackout periods for certain personal trades; and obligates employees to provide an annual acknowledgement of compliance with the Code's terms. Limitations also exist on GH&A's employee participation in initial public offerings and private placements. Our Code also provides for oversight, enforcement and recordkeeping provisions. All personnel are required to provide GH&A with duplicate copies of confirmations and statements with respect to their brokerage accounts.

Garcia Hamilton & Associates, L.P.'s Code of Ethics further includes the Firm's policy concerning the misuse of material non-public information that is designed to prevent insider trading by an officer or employee of GH&A. 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 our advisory clients and prospective clients. You may request a copy by email to BMcWilliams@GarciaHamiltonAssociates.com, or by calling our Compliance Department at 713.853.2314.

Participation or Interest in Client Transactions

Due to the nature of our clientele, GH&A may from time to time trade in securities issued by our clients. In all such cases, GH&A shall do so in the best interest of our clients trading in such securities. Except as noted, GH&A generally does not buy or sell, for its own accounts, securities that the Firm has recommended to clients.

Our 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, subject to the restrictions and reporting obligations contained in GH&A's Code of Ethics. 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.

Garcia Hamilton & Associates, L.P. and individuals associated with our Firm are prohibited from engaging in principal transactions.

Garcia Hamilton & Associates, L.P. and individuals associated with our Firm are prohibited from engaging in agency cross transactions.

Personal Trading

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 help mitigate the potential for conflicts of interest, our Code of Ethics imposes restrictions on the purchase or sale of securities for an employee's own accounts and the accounts of certain household members and seeks to ensure that employees do not personally benefit from the short-term market effects of GH&A's investment decisions in client accounts.

Item 12: Brokerage Practices

Research and Other Soft Dollar Benefits

Garcia Hamilton & Associates, L.P. does not have any soft-dollar arrangements and does not receive any soft-dollar benefits. The Firm does not use client transactions to obtain research or other products or services. The Firm may receive access to analysts at broker-dealers with which the Firm executes client securities transactions as part of the regular course of business.

Selecting Brokerage Firms

For discretionary clients, Garcia Hamilton & Associates, L.P. requires these clients to provide us with written authority to determine the broker dealer to use and the commission costs that will be charged to these clients for these transactions.

We select brokers or dealers to execute portfolio transactions, taking into consideration such factors as:

- the price of the security
- the rate of commission
- the size and difficulty of the order
- the reliability and integrity
- financial condition
- general execution and operational capabilities of competing brokers and dealers
- the brokerage and research services
- its desire to support the development of minority and small brokerage firms.

Orders are placed and trades are executed subject to “Best execution”, with brokers or dealers that we believe are responsible and effect execution of such orders under conditions most favorable to the accounts.

Garcia Hamilton & Associates, L.P. may have certain accounts that selected the Firm through the recommendations of unrelated third parties, including consultants that may also be broker-dealers. Clients selecting GH&A as a result of the recommendation from these third parties may instruct us to direct some or all of their brokerage transactions, as explained in the “Directed Brokerage” section below, to the third party’s broker-dealers or may otherwise allocate brokerage.

Best Execution

It is our duty to seek the best overall execution of transactions for client accounts consistent with our judgment as to the business qualifications of the various broker/dealers with which we may do business.

“**Best execution**” means the best overall qualitative execution, not necessarily the lowest possible commission cost.

As it relates to Fixed Income:

- We will use best effort to secure a minimum of three bids or offers for each across-the-board transaction in fixed income securities.
- We execute transactions with a broad group of broker dealers and take advantage of electronic trading platforms such as Tradeweb.

As it relates to Equities:

- We will obtain information as to the general level of equity commission rates being charged by the brokerage community from time to time and will periodically evaluate the overall reasonableness of brokerage commissions paid on client transactions by reference to such data.
- We will periodically review the past performance of the brokers or dealers with whom it has been placing orders to execute portfolio transactions in light of the factors discussed above. We may cease to do business with certain exchange members, brokers or dealers whose performance may not have been competitive or may demand that such persons improve their performance before receiving any further orders.

Directed Brokerage

- A. We do not recommend, request or require that a client direct GH&A to execute transactions through a specified broker-dealer.
- B. GH&A does not have any broker-dealer affiliates or have economic relationships that create a material conflict of interest.
- C. In some cases, GH&A does permit a client to direct brokerage. For example, in cases where a client's account is custodied at a broker/dealer the custodian broker/dealer may require this course of action or there may be cost savings in trading through the broker/dealer such as smaller transaction and/or custody fees. Where Garcia Hamilton & Associates, L.P. does not have discretion to select a broker/dealer:
 - 1) We will not negotiate commission rates. Rather, the commission rates will be as negotiated by the client with the broker and, unless the client negotiates rates with the broker/dealer, will not change as a result of Garcia Hamilton & Associates, L.P. serving as investment adviser.
 - 2) There may be a disparity in commission rates charged to the client who directs our Firm to use a particular broker/dealer.
 - 3) Client realizes that similar brokerage services may be obtained from other broker/dealers at lower costs.
 - 4) We will not be responsible for obtaining competitive bids on directed trades done on a net basis.
 - 5) Our Firm may be unable to obtain a more favorable price based on transaction volume on transactions that cannot be aggregated with transactions of its other advisory clients.
 - 6) We may have entered the client's order after other clients' orders for the same security, with the result that market movements may work against the client.
 - 7) A client may not be able to participate in an allocation of shares of a new issue if those new issue shares are provided by another broker/dealer.
 - 8) Accordingly, clients directing commissions may generate returns in their accounts that are different from those clients with accounts that do not direct commissions.

Trade Aggregation

In the case of Equities, trade order entry, execution and allocation decisions are made among client accounts to ensure fair and equitable treatment over time. GH&A uses a systematic, alphabetical rotation process by broker-dealer groupings to manage the equity trading process, unless market conditions or circumstances dictate otherwise. This rotation is designed to ensure that all accounts are treated in a non-preferential manner and that trading decisions are not based upon account size, account performance, fee structure or portfolio manager preference. Every client account is included in this rotation process regardless of whether a client designates a particular broker or GH&A has brokerage discretion. When GH&A is engaged in an “across-the-board” trade for all accounts, orders for individual accounts or groups of accounts will not be placed on a first-come, first-serve basis but will be held until all orders have been received by our trading desk. At that point, the trade rotation will be determined and trades will be placed accordingly. This trade rotation practice is reviewed regularly to ensure that an individual client or group of clients is not routinely advantaged or disadvantaged over another.

The majority of accounts are institutional, separate accounts and fixed income trades are generally executed simultaneously for all accounts. Purchase transactions are generally for issues for which the quantity available meets our investment needs. However, should there be an occasion where multiple trades are required to complete a transaction, we will rotate between directed and non-directed client groups so as not to advantage or disadvantage any client or group of clients.

When two or more client accounts are simultaneously engaged in the purchase or sale of the same security, the orders for those accounts may, but are not required to be combined (e.g., batched/block traded). In such cases, these accounts will receive the same average price. The ability of a client account to participate with other client accounts in batched/blocked transactions may produce better executions for the individual client account. In some instances, the broker or dealer designated by the client may not, or will not, execute batched or block trades.

All executed trades, including batch/block trades, are allocated before the close of the business day. In cases where GH&A is unable to complete an order the same day, the purchased or sold shares are allocated on a pro rata basis, subject to a “de minimis” exception in cases where a strictly pro rata allocation would result in certain accounts receiving less than an appropriate number of shares.

In the event that GH&A does participate in an initial public offering or other securities with limited availability (collectively, “IPOs”), GH&A will allocate the IPOs among client accounts in a fair and equitable manner, taking into consideration factors such as client account objectives and preference, investment restrictions, account sizes, cash availability, and current specific needs.

In the case of fixed income securities, it is recognized that considerations of yield, maturity, duration, call provisions and similar characteristics are generally more significant determinants than specific issues or issuers. However, it is GH&A’s policy in allocating fixed income trades to treat each client fairly and equitably and to avoid situations where any client or clients are intentionally disadvantaged to the benefit of any other client. Whenever possible, all fixed income accounts (and the fixed income portion of balanced accounts) will participate equitably in a fixed income trade and the allocation of the trade will normally be determined prior to execution.

Step-outs

As it relates to Equities, Garcia Hamilton & Associates, L.P. may use step-out trades when determined to be advisable, including in situations where it may facilitate better execution for certain client trades.

Step-out trades are placed at one broker-dealer and then “given up/stepped out” by that broker-dealer to another broker-dealer. The executing broker-dealer may execute the step-out as a net trade and may add a per share charge to the overall cost of the trade.

Unless otherwise directed by the client, we may use step-out trades for all client accounts, including directed brokerage accounts. In this case, typically trades are executed through a particular broker-dealer and then “stepped-out” to the directed brokerage firm.

Step-out trades may benefit the client by finding a natural buyer or seller of a particular security so that we can trade a larger block of shares more efficiently than otherwise. In circumstances where we have followed the client’s instructions to direct brokerage, there can be no assurance that we will be able to step-out the trades or if it steps-out it will be able to obtain more favorable execution than if it hadn’t stepped-out.

Wrap Fee Accounts

For accounts that are “wrap fee” accounts established by a client with a broker/dealer or other intermediary that has a relationship with a broker/dealer, clients are not charged separate commissions on each trade so long as the broker executes the trade, and a portion of the “wrap fee” is generally considered in lieu of commissions.

In light of this feature, GH&A considers a client’s choice to enter into a wrap fee arrangement with a particular broker/dealer as being a direction to GH&A to direct transactions in that client account to that broker or dealer. In such cases, trades will typically be executed only with the introducing “wrap fee” broker or dealer.

Other client accounts may pay a higher or lower commission rate than “wrap fee” accounts, depending on a variety of factors, including the broker/dealer’s commission rates and the level of trading activity.

GH&A may also effect securities transactions for these client accounts through or with other brokers or dealers as GH&A reasonably believes, in good faith, are necessary to fulfill its duty to seek best execution, consistent with Section 28(e) of the Securities Exchange Act of 1934, as amended. If GH&A is required to effect transactions with other brokers, the client would bear the cost of commissions in such transactions in addition to the fees paid by the client for such “wrap fee” see Item 5 for more information regarding fees.

Accordingly, a client may wish to satisfy itself that the wrap fee arrangement and brokerage firm they have chosen can provide the best execution. The client should also take into consideration the level of the fee charged by the broker/dealer, the amount of portfolio activity in the client’s account, the value of custodial services, and the aggregate cost of these and other services if they were to be provided separately and if GH&A were free to seek best execution of transactions for the client’s account.

Item 13: Review of Accounts

Periodic Reviews

While the underlying securities within Investment Management Services accounts are continually monitored, these accounts are reviewed at least quarterly. Accounts are reviewed in the context of each client's stated investment objectives and guidelines or the particular investment goal of a sub-advised mutual fund or model portfolio client. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by:

Beth McWilliams, Chief Compliance Officer
Gilbert Garcia, Director of Fixed Income Investments
Daniel Kallus, Director of Equity Investments
Nancy Rodriguez, Fixed Income Portfolio Manager
Jeffrey Detwiler, Fixed Income Portfolio Manager
Ruby Dang, Investment Analyst
Stephanie Roberts, Investment Analyst

Review Triggers (non-periodic)

Other factors that may trigger a review of accounts include:

- Change in investment policy
- Significant change in the quality of holdings in the portfolio

Reports

In addition to the monthly statements and confirmations of transactions that clients receive from their broker-dealer or custodian, we provide quarterly reports summarizing account performance, balances and holdings. These reports will also remind the client to notify us if there have been changes in the client's financial situation or investment objectives and whether the client wishes to impose investment restrictions or modify existing restrictions. Clients should refer to the Fund Prospectus for information regarding regular reports to the fund by Garcia Hamilton & Associates, L.P.

Client Reporting

Preliminary reports are available two to three days after month end and final reports are available after the account has been reconciled with the custodian, which is on average *fourteen days* after month or quarter end.

Our standard quarterly reporting package includes a Performance Report, Portfolio Summary, Portfolio Appraisal and market comments at a minimum. Examples of other standard reports requested by our clients include Purchase and Sale Report, Income and Expense Report, and Interest Accruals report. In addition, every four to six weeks, we provide all our clients with a current market strategy commentary written by a senior investment professional.

GH&A has the ability to create a variety of custom and ad hoc reports to meet a client's unique reporting requirements in a timely manner using in-house resources at no cost to the client. If a report request were to require substantial external programming, timing and costs would be reviewed with the client prior to project inception.

Item 14: Client Referrals and Other Compensation

Incoming Referrals

It is Garcia Hamilton & Associates, L.P.'s policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our Firm.

From time to time GH&A may have certain accounts that were referred to the Firm through the recommendations of third parties, including consultants that may also be broker-dealers. Clients selecting GH&A as a result of the recommendation from these third parties may instruct us to direct some or all of their brokerage transactions, as explained in the “Directed Brokerage” section of Item 12, to the third party’s broker/dealers, or may otherwise allocate brokerage to these or related broker/dealers.

Referrals Out

It is Garcia Hamilton & Associates, L.P.'s policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

Other Compensation

Garcia Hamilton & Associates and related persons (directly or indirectly) do not compensate any person who is not a supervised person for client referrals.

Gifts and Business Entertainment

GH&A has policies and procedures in place regarding the Firm's employees giving or receiving gifts and business entertainment to address the potential conflicts of interest surrounding these practices. In general, the Firm only allows the giving or receiving of gifts and business entertainment of de minimis value. Employees may receive gifts from service providers from time-to-time. GH&A requires Firm employees to report the receipt of a gift with an estimated value greater than \$100 so the Firm may consider whether it may give the appearance that a potential conflict in selecting one service provider over another is present, based on receipt of such a gift. Gifts and business entertainment that exceed the policy limitations may be allowed subject to approval by the Chief Compliance Officer. GH&A monitors any potential conflict of interest in individual instances of gifts or business entertainment as well as patterns over time to ensure that the interests of GH&A and its employees are not placed ahead of the interests of its clients.

GH&A may from time to time assist in sponsoring industry forums, seminars or conferences that support investor education for organizations that may have referred clients to GH&A. GH&A may host consultants at functions sponsored by GH&A.

Conflicts of Interest

As noted above, GH&A monitors any potential conflict of interest to ensure that the interests of GH&A and its employees are not placed ahead of the interests of its clients. For example, to monitor any potential conflicts of interest that may arise from any GH&A employee’s role in outside positions or business activities, the Firm’s Code of Ethics requires all employees to disclose annually any board position they or their spouse hold for a foundation, endowment, charity or similar organization, private company, publicly traded company, or government entity. In addition, prior to acceptance of any position in an outside enterprise, i.e., a publicly-held company or government entity, or serving as a member of an investment committee for any Board, an employee must submit a Notice of Intent to Accept Position to the Chief Compliance Officer for review and acceptance or denial. Every effort is made to identify

potential conflicts of interest and to inform current and prospective clients that may be affected by the potential conflict of its existence.

As it relates to potential conflicts with public sector clients, the Firm's Code of Ethics requires employees identified as Covered Associates to submit a Pre-Clearance Form to the Chief Compliance Officer for pre-clearance of all political contributions made on the state and local level. The Chief Compliance Officer will review all contribution requests to determine whether the official or candidate to whom the Covered Associate proposes to make a political contribution is in a position to influence the selection of the Firm for advisory services and if the employee is eligible to vote for him or her. If the official or candidate can influence the selection of the firm and the employee is eligible to vote for him/her, then the employee can contribute \$350. If the official can influence the selection of the firm but the employee is not eligible to vote for him/her, then the employee can contribute only \$150. No firm limits apply and regular campaign limits shall govern contributions where the official or candidate is not in a position to influence the selection of the firm or if the Firm refrains from providing investment management services to such government entity.

Item 15: Custody

Our Firm does not have actual or constructive custody of client accounts. However, the Firm does require that our clients use qualified custodians for safeguarding of assets (for definition of SEC qualified custodians, please refer to the following website – www.sec.gov/rules/final/ia-2176.htm).

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our Firm does not directly debit advisory fees from client accounts. However, as part of our billing process, the client's custodian may be advised of the amount of the fee to be deducted from the client's account if we have received such direction from the client in writing.

Account Statements

On at least a quarterly basis, the dealer, bank or other qualified custodian that holds and maintains client's investment assets 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 in most cases, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things.

Garcia Hamilton & Associates, urges you to carefully review such statements and compare such official 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. Clients should contact us directly if they believe that there may be an error in their statement.

Item 16: Investment Discretion

Discretionary Authority for Trading

Clients may hire us to provide discretionary asset management services, in which case we 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 do the following without contacting the client:

- Determine the security to buy or sell; and/or
- Determine the amount of the security to buy or sell

Clients give us discretionary authority when they sign a discretionary agreement with our Firm, and may limit this authority by giving us written instructions.

For registered investment companies, GH&A's authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Some clients have credit quality restrictions, or social or political restrictions that prohibit certain investments. Some clients restrict the percentage of a stock or bond relative to account size or percentage of a particular industry based on account size.

Clients may also change/amend such limitations by once again providing us with written instructions. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

Trade Errors

We have established an Error Correction policy which provides that the resolution of all errors be made in light of the Firm's fiduciary duties and in the affected client's best interests. It is our policy to resolve any error identified in a client account in a manner which ensures that the client account is not harmed. We prohibit the use of principal trades, directed brokerage, soft dollars or other client's accounts to resolve trade errors.

In the case of trade-related errors identified prior to settlement, certain broker-dealers may maintain "in-house" trade error accounts that allow for the netting of gains and losses relating to trade errors occurring with respect to the Firm's clients. Any net losses residing in these accounts require reimbursement by GH&A to the broker dealer. In no instance will we retain net trade error gains for its own use or use soft dollars or client assets to correct an error. In cases where the policies of a specific broker-dealer allow it, net gains may accumulate to be used to offset future trade error losses.

We may be exempted from reimbursing broker-dealers for trade error losses that are less than \$50. Such de minimis trade errors may be absorbed by the broker-dealer, but only after approval by our Compliance Department. In these instances, Trading shall obtain written approval from the Compliance Department prior to settling such errors with the broker.

Item 17: Voting Client Securities

Unless otherwise directed by the client, GH&A will make reasonable efforts to vote client proxies. The Firm has written policies and procedures designed to reasonably ensure that it votes proxies in the best interests of its clients and does not put its own interests above those of its clients. Our Firm defines the best interests of a client to mean the best economic interest of the holders of the same or similar securities of the issuer held in the client's account.

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 at 713.853.2314 or via email at BMcWilliams@GarciaHamiltonAssociates.com.

We utilize the services of an independent third-party proxy service, Glass Lewis & Co. ("Glass Lewis"), to act as agent for the proxy process, to maintain records on proxy voting for our clients, and to provide independent research on corporate governance and corporate responsibility issues. Glass Lewis is responsible for analyzing and voting each proxy, maintaining records of proxy statements received and votes cast, and providing reports to GH&A, upon request, concerning how proxies were voted for a client. If our Firm has a conflict of interest in voting a particular action, we will notify the client of the conflict and Glass Lewis to cast a vote.

In some instances our Firm does not have authority to vote client securities. In these cases, the client will receive their proxies or other solicitations directly from their custodian or transfer agent. If a client elects to vote their own securities they normally will not contact us with questions regarding a particular solicitation.

Proxy Votes

Glass Lewis is responsible for analyzing and voting each proxy, maintaining records of proxy statements received and votes cast. Our Client Service Department monitors the Glass Lewis proxy voting process and is able to access all documents concerning how proxies were voted for a client.

Our Client Service department will:

- 1) Determine the portfolios for which we have proxy voting responsibilities;
- 2) Send a letter to the custodian informing them that Glass Lewis will act as the portfolio's proxy voting agent; advising them to forward all proxy material pertaining to the portfolio to Glass Lewis for execution.
- 3) Ensure the custodians and Glass Lewis are appropriately notified;
- 4) Receive and forward to the Chief Compliance Officer, and ultimately Glass Lewis, any direction from the client to vote a proxy in a specific manner;
- 5) Maintain client documentation and any communications received by GH&A related to proxy voting, including information on how client's proxies were voted and our responses.
- 6) Additionally, on a quarterly basis or more frequently as necessary, provides Glass Lewis with a list of the portfolio holdings for which GH&A holds voting authority.

Conflicts of Interest

The adoption of the Glass Lewis & Co. Taft-Hartley Guidelines, which provides pre-determined policies for voting proxies, removes any conflict of interest that could affect the outcome of a vote. In the event that a client's proxy voting policy guidelines differ from the proxy voting policy adopted by GH&A, the Firm may apply the US domestic Glass Lewis & Co Proxy Paper Policy or, in conjunction with the client,

may direct the establishment of a custom proxy voting policy within the proxy voting system, as applicable.

The intent of this policy is to remove any discretion that we may have to interpret:

- What is in the best interest of a client; or
- How to vote proxies in cases where we have a material conflict of interest; or
- The appearance of a material conflict of interest.

Although no situation under normal circumstances is expected where we will retain discretion from Glass Lewis, our Chief Compliance Officer will monitor situations where we have any discretion to interpret or vote and will confirm delegation to Glass Lewis if a material conflict of interest should arise.

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 reasonable efforts to forward such notices in a timely manner.

Proxy/Shareblocking

In general, unless otherwise directed by the client, we will make reasonable efforts to vote client proxies in accordance with the proxy voting recommendations of the Firm's proxy voting service provider, Glass Lewis.

We will generally decline to vote proxies if to do so would cause a restriction to be placed on our ability to trade securities held in client accounts in "share blocking" countries. Accordingly, we may abstain from votes in a share blocking country in favor of preserving its ability to trade any particular security at any time.

How to Obtain Voting Information

Clients may obtain a copy of our complete proxy voting policies and procedures and /or a full copy of the Glass Lewis "Taft-Hartley" policy statement and guidelines by contacting our Chief Compliance Officer, Beth McWilliams by telephone, email, or in writing.

Clients may request, in writing, information on how proxies for his/her shares were voted. Please specify the portfolio and period of time for which you would like proxy voting information. If any client requests a copy of our complete proxy policies and procedures or how we voted proxies for his/her account(s), we will promptly provide such information to the client.

Item 18: Financial Information

Financial Condition

Garcia Hamilton & Associates, L.P. has no financial circumstances to report. Under no circumstances do we require or solicit payment of fees in excess of \$1200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement. GH&A has not been the subject of a bankruptcy petition at any time during the past ten years or since its inception.

Business Continuity Plan

Garcia Hamilton & Associates, L.P. has a Business Continuity Plan in place that covers natural disasters such as ice storms, hurricanes, tornados, and flooding. The Plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, communications outage and Internet outage.

Data Back-Up. Recognizing the importance of a consistent and reliable data backup program, GH&A has adopted a virtual hot site approach to ensure continuous business operations in the event of an emergency or natural disaster. Our critical servers are located in a Tier 4 datacenter that provides full redundancy for power, cooling, and data connectivity even in the event of a major hurricane. The datacenter also provides 24hr physical security in addition to fire protection and environmental monitoring of all systems. Data is stored in an iSCSI SAN to provide redundancy against multi-disk failure and is also backed up to disk nightly both at the datacenter and at GH&A's physical offices. As it relates to email, the virtual hot site mentioned above as well as a concurrent backup and archive solution provided by McAfee SaaS Email Continuity, Security, and Archive (formerly known as MX Logic) provide a continuity solution that allows GH&A personnel to continue sending and receiving email through a secure, web-based portal. All messages sent/received during an outage are archived and imported back to our servers once they come back online.

Off-Site Contingency. In the event the 5 Houston Center premises are not accessible, GH&A employees will use secure remote VPN installations as portals into the Firm's network. Disaster Recovery Team members and any additional employee deemed key for maintaining daily business would be dispatched to locations throughout the Houston metropolitan area and/or region as necessary. Determination of key employees will be made by the Chief Compliance Officer and Managing Partner or Chief Operating Officer. Team and key employees will be in communication via landlines and/or cell phones.

The secure VPN application is installed on selected employee workstations and/or laptops, allowing entrance into the GH&A network via a secure remote VPN wherever the user can gain access to the Internet and affords the user an opportunity to access all major software applications utilized for daily trading, portfolio administration, asset management, research, client support, and office management.

Loss of Key Personnel

- Equity
We have defined a Portfolio Manager and a Quantitative Strategist as the backups to the equity portfolios should the primary Equity Portfolio Manager become subject to a disaster.
- Fixed Income
We have defined two Portfolio Managers and a Quantitative Strategist as the backups to the fixed income portfolios should the primary Fixed Income Portfolio Manager become subject to a disaster.
- Firm Management
We have defined our Chief Operating Officer and Compliance Officer as the primary backups to the Firm management should the Managing Partner become subject to a disaster.

Information Security Program

Garcia Hamilton & Associates, L.P. maintains an information security program to reduce the risk that personal and confidential information may be breached.