

ITEM 1 | Cover Page



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This brochure provides information about the qualifications and business practices of the Fixed Income High Yield division of Mesirow Financial Investment Management, Inc. ("MFIM FI HY"). If you have any questions about the contents of this brochure, please contact Robert Sydow at 310.376.5274 or rsydow@mesiorowfinancial.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority.

Additional information about Mesirow Financial Investment Management, Inc. ("MFIM") is also available on the SEC's website at www.adviserinfo.sec.gov. The site may be searched by a unique identifying number known as a "CRD number." MFIM's CRD number is 111135.

ITEM 2 | Material Changes

MFIM Fixed Income High Yield's Form ADV Part 2A, currently dated October 23, 2017 and as may be amended from time to time, is MFIM FI HY's disclosure document prepared based on the Security and Exchange Commission's regulatory requirements. MFIM FI HY is required to update this document at least annually, or when an event occurs that may be deemed to have a material impact on MFIM FI HY's investment management business and/or on its clients, or when a disciplinary event occurs.

Mesirow Financial Investment Management, Inc. ("MFIM") hired the Fixed Income High Yield team on October 23, 2017 in order to enhance its institutional fixed income management capabilities and expand its client base. The entire portfolio team and decision making process moved from Pacific Income Advisors, Inc. ("PIA") to MFIM.

MFIM FI HY has no material or disciplinary events to report or disclose.

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ITEM 4 | Advisory Business

MFIM, an Illinois corporation formed in 1986, is an investment advisor registered with the SEC, with its principal place of business located in Illinois. MFIM Fixed Income is a business division within MFIM. MFIM does not provide tax or legal advice. Clients should consult with an expert on matters pertaining to tax or legal issues.

MFIM's sole shareholder is Mesirow Financial Services, Inc., which is a wholly-owned subsidiary of Mesirow Financial Holdings, Inc.

MFIM's Fixed Income High Yield division offers investment advisory services and products relating to fixed income investments on a discretionary and non-discretionary basis to institutional clients. These services include advice with regard to the allocation of a client's fixed income assets, benchmark selection and investment guidelines. MFIM Fixed Income typically offers services to managed accounts, but may act as an advisor or subadvisor to pooled vehicles.

MFIM, or an affiliate entity, offers various investment management services through its different business units and serves as general partner to a number of private investment vehicles structured as limited partnerships.

As of September 30, 2017, MFIM Fixed Income High Yield, formerly PIA, managed approximately \$654,166,091 in client assets on a discretionary basis and no client assets on a non-discretionary basis.

ITEM 5 | Fees and Compensation

The general annual fee structure for MFIM FI HY is as follows:

Annual Fee Based on Total Value of Client Assets under Management with MFIM FI HY

First \$100 million	0.50%
Thereafter	0.45%

Fees are generally based upon relationships the client has with MFIM and its affiliates. MFIM may also negotiate fees with particular clients that fall below the fee ranges based on the aforementioned factors.

The fees are paid quarterly either in advance or arrears. In the event an account terminates, fees will be prorated for the number of days the account was under management. Fees are typically billed to the client or client's custodian; however, under certain circumstances as agreed to between MFIM and a client, fees may be deducted from the custodied account and paid directly to MFIM.

As general partner to private funds, MFIM, or an affiliate thereof, reserves the authority to reduce the management fee charged with respect to the capital accounts of limited partners who invest in a Partnership on a direct basis with the general partner and/or to reduce, rebate, or waive altogether the management fee. A limited partner's minimum investment in the partnerships varies depending on the limited partnership, which may be modified in certain circumstances by the general partner of the partnership.

Limited Negotiability of Advisory Fees Although MFIM has established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs will be considered in determining the fee schedule. These facts, circumstances and needs may include, among other factors, the complexity of the client; assets to be placed under management; anticipated future additional assets; related accounts; portfolio style; account composition;

and reporting requirements. The specific annual fee schedule will be identified in the contract between the advisor and each client.

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

Termination of the Advisory Relationship Clients that invest in separately managed accounts typically may terminate their investment management agreement upon providing 30 days written notice. Certain fees may be paid in advance of services provided. Upon termination of any account, any prepaid, unearned fees are generally refunded. In calculating a client's reimbursement of fees, MFIM may prorate the reimbursement according to the number of days remaining in the billing period.

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.

Clients that invest in MFIM's private investment vehicles structured as limited partnerships are typically responsible for certain expenses relating to the partnership, including, but not limited to, the cost of audits, reporting and certain legal expenses.

From time to time, MFIM may refer its clients to affiliated entities, which may perform other services. MFIM FI HY and/or its employees may receive referral compensation in exchange for such referral. Similarly, affiliates of MFIM and/or their employees may refer clients to MFIM FI HY for which MFIM FI HY may pay referral compensation to such affiliates and/or their employees. Mesirow Financial Holdings, Inc., a Delaware corporation ("MFH"), is the owner of Mesirow Financial Services, Inc. ("MFS"), the parent of MFIM. MFIM FI HY may pay associated personnel referral fees. MFIM does not currently have any material arrangements with any of these entities other than as described in Item 10.

Certain employees of MFIM are also registered employees of MFI. Such employees may offer to clients investment advisory services through MFIM as well as broker/dealer services through Mesirow Financial, Inc., its affiliated broker/dealer ("MFI"). These services provided by MFIM and MFI and the fees related to such services may be separate and distinct. Such employees eligible to offer these services may have financial incentives to offer one service over another.

MFIM may from time to time accrue revenue based on commissions paid to MFI, for brokerage services rendered on behalf of MFIM clients. This revenue, or a portion thereof, may be paid to MFIM investment representatives (who are employees of MFI) as part of a discretionary bonus at fiscal year-end.

Grandfathering of Minimum Account Requirements Pre-existing advisory clients are subject to MFIM's minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, minimum account requirements may differ among clients.

ERISA Accounts In certain circumstances MFIM 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 of 1974 ("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.

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.

Educational Events: MFIM employees may benefit from educational events sponsored by service providers to MFIM, such as law firms, audit firms and other professional service firms.

ITEM 6 | Performance-Based Fees and Side-By-Side Management

If MFIM FI HY engages in alternative fee arrangements, such as those based on performance (including unrealized gains), MFIM FI HY calculates the fee in accordance with the requirements of the Investment Advisers Act of 1940. Such performance fee arrangements are only made with “Qualified Clients” as defined under Rule 205-3, who reside in jurisdictions where performance fees are permitted. Performance fee arrangements create an inherent conflict of interest, as they may create incentives for MFIM FI HY to make investments that are riskier or more speculative than the firm would otherwise make in the absence of a performance fee. In order to address any potential conflicts of interest, no Portfolio Manager’s compensation is tied to any performance-based fees.

ITEM 7 | Types of Clients

MFIM provides advisory services to client types that include, but are not limited to:

- Sovereign Wealth Funds
- Pension and profit sharing plans
- Charitable organizations
- Corporations or other businesses
- State or municipal government entities

ITEM 8 | Methods of Analysis, Investment Strategies and Risk of Loss

Method of Analysis

MFIM FI HY’s investment objective is a high level of current income couple with principal preservation. MFIM FI HY attempts to achieve this investment objective by generally taking diversified positions in the senior securities of corporations whose debt is rated below investment grade. Although such debt may be converted into equity securities in the event of a financial restructuring, MFIM FI HY does not purchase equity securities. Our portfolio generally contains over 100 issuers representing many industries. MFIM FI HY adheres to a strategy which emphasizes rigorous industry and company due diligence, and active monitoring and value enhancement. MFIM FI HY conducts proprietary due diligence of each investment, including but not limited to company visits, indepth management interviews, customer reference checks, product demonstrations, competitive references, and the creation of detailed financial models.

There can be no assurance that MFIM FI HY will achieve the investment objective described above on behalf of its clients. Further, many of the investment techniques and activities described above are high-risk activities that could result in substantial losses under certain circumstances. Investing in leveraged loans involves risk of loss that clients should be prepared to bear. Retention of MFIM FI HY’s investment management services involves significant risks, including those described below.

Default risk: the principal risk in our asset class is the risk that an issuer will be unable to fulfill its financial obligations to our clients. This risk is in turn driven by macroeconomic factors such as economic growth,

interest rates, as well as issuer-specific risks such as the ability of each issuer to execute its business plan in competitive markets, regulation of its industry, and so on.

Prepayment risk: Leveraged loans can typically be repaid by the issuer at any time with little or no prepayment penalty. Such repayments may force us to reinvest returned principal at a lower rate of interest, or require us to assume greater risk to maintain a given level of interest income.

Small company risk: Small companies may experience greater volatility in their cash flows and may lack the access larger companies have to alternative sources of funding, such as the public equity market. They may be more prone to insolvency. They may also have greater difficulty retaining high quality management, and their liabilities tend to be less well known than liabilities of large-cap issuers.

Our investment strategies may be modified from time to time and the description herein is not exhaustive.

The High Yield composite consists of portfolios whose major concentration is in high yield bonds, both public and private. Equity-linked securities purchased in conjunction with debt securities and equity securities obtained in exchange offers or insolvency proceedings, as well as leveraged corporate loans may also be included. The portfolios are constrained to be substantially fully invested with minor cash holding. The benchmark is the Bloomberg Barclays U.S. High Yield Index. The minimum account size is \$25MM.

ITEM 9 | Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's or prospective client's evaluation of the adviser or the integrity of the adviser's management. There are no such legal or disciplinary events applicable to MFIM FI HY.

ITEM 10 | Other Financial Industry Activities and Affiliations

While MFIM and these individuals endeavor at all times to fulfill their fiduciary responsibilities to clients, clients should be aware that the receipt of additional compensation itself creates a conflict of interest, and may affect the judgment of these individuals when making recommendations.

As part of its proprietary investing program, MFIM or an affiliate may utilize futures contracts and related options for hedging and yield-enhancement purposes.

The principals of MFIM are also the principals of the general partner of funds sponsored by MFIM. The general partner may designate MFIM as having primary responsibility for investment management and administrative matters, such as accounting, tax and periodic reporting, pertaining to MFIM sponsored funds. MFIM and its members, officers and employees will devote to the funds as much time as it deems necessary and appropriate to manage the business. MFIM and its affiliates are not restricted from forming additional investment funds, entering into other investment advisory relationships or engaging in other business activities, even though such activities may be in competition with the funds. Potentially, such activities could be viewed as creating a conflict of interest in that the time and effort of MFIM management personnel and employees will not be devoted exclusively to the business of the funds, but could be allocated between the business of the funds and other business activities.

As noted in Items 4 and 5, MFIM or its affiliates may act as a general partner or sponsor of various private investment vehicles that MFIM may recommend or sell to its advisory clients. Prior to the sale of any such investments, MFIM will have disclosed any potential conflicts of interest and will recommend the investment only if it appears suitable for the client.

Clients should be aware that the receipt of additional compensation by MFIM and its management persons or employees creates a conflict of interest that may impair the objectivity of MFIM and these individuals when making advisory recommendations. MFIM endeavors at all times to put the interests of its clients first as part of our fiduciary duty as a registered investment advisor. MFIM typically takes the following steps to address any potential conflicts:

- MFIM discloses to clients the existence of all material conflicts of interest;
- MFIM collects, maintains and documents accurate, complete and relevant client background information, including the client's investment mandates, financial goals, objectives and risk tolerance;
- MFIM's management conducts regular reviews of each client account to verify that all recommendations made to a client are suitable for the client's needs and circumstances;
- MFIM requires that our employees seek prior approval of any outside employment activity to ensure that any conflicts of interest in such activities are properly addressed;
- MFIM periodically monitors outside employment activities of its employees to verify that any conflicts of interest continue to be properly addressed; and

MFIM educates its employees regarding the responsibilities of a fiduciary, including the need to have a reasonable and independent basis for the investment advice provided to clients.

Conflicts of Interest

MFIM FI HY has complete discretion over the selection and amount of securities to be bought or sold and the price to be paid for those securities. In the event that it took on a second client, MFIM FI HY may experience conflicts of interest over MFIM FI HY's time devoted to managing any one account (and the Members of MFIM FI HY do experience conflict in the management of their time on the businesses of MFIM FI HY.) MFIM FI HY attempts to resolve all such conflicts in a manner that is generally fair to all of its clients. MFIM FI HY is not obligated to acquire for any account any security that MFIM FI HY or its managers, members or employees may acquire for its or their own accounts or for the account of any other client, if in the absolute discretion of MFIM FI HY, it is not practical or desirable to acquire a position in such security for that account. The Members and employees of MFIM FI HY may also personally own securities issued by the same issuers as the high yield bonds or leveraged loans invested in by MFIM FI HY.

MFIM FI HY is accountable to its clients as a fiduciary and, consequently, must exercise good faith and integrity in managing its clients' affairs and in resolving questions involving potential and actual conflicts of interest. This duty exists in addition to the various duties of, and limitations on, MFIM FI HY set forth in the Funds' offering and charter documents and our investment management agreements, as applicable. We endeavor to conduct the affairs of our clients in a manner fully consistent with our fiduciary obligations.

ITEM 11 | Code of Ethics

MFIM has adopted a Code of Ethics that sets forth the ethical standards of business conduct that MFIM requires of its employees, including compliance with applicable federal securities laws.

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

MFIM's 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 MFIM's access persons. MFIM has additional policies and procedures relating to the preclearance of all employee trades (other than securities deemed exempt from this obligation). MFIM's Code of Ethics also provides for oversight, enforcement and recordkeeping provisions.

MFIM's Code of Ethics further includes policies and procedures governing gifts and entertainment, outside business activities, confidentiality of information and information barriers, and charitable and political contributions. The Code of Ethics also prohibits the misuse of material non-public information and emphasizes the avoidance of conflicts of interest with investors. Each employee must acknowledge the terms of the Code of Ethics on an annual basis. Any employee who violates the Code of Ethics may be subject to possible actions, which may include enhanced supervision, censure, suspension or termination.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email (jlevine@mesirowfinancial.com) or by phone (312.595.6072).

MFIM is part of a group of affiliated financial services companies that perform a number of different services for a client. MFIM is mindful of the conflicts or potential conflicts that such relationships may create. Consequently, MFIM has adopted a Code of Conduct that prescribes standards of conduct required of all employees, regardless of their position or affiliation in the group. The Code prohibits self-dealing and other improper activities, the misuse of material non-public information, and it emphasizes the avoidance of conflicts of interest with clients. Some specific areas of potential conflict are discussed below.

MFIM and/or individuals associated with it 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 certain securities that may also be recommended to a client. However, it is the expressed policy of MFIM that no person employed by MFIM may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

MFIM does not aggregate employee trades with client transactions

MFIM, through MFI, may direct the purchase or sale in securities on a principal basis in accordance with Section 206(3) under the Investment Advisers Act of 1940, as amended.

As these situations represent actual or potential conflicts of interest to clients, MFIM has established the following policies and procedures for implementing its Code of Ethics, to ensure our firm complies with its regulatory obligations and provides clients and potential clients with full and fair disclosure of such conflicts of interest:

1. No principal or employee of MFIM may put his or her own interest above the interest of an advisory client.
2. No principal or employee of MFIM may buy or sell securities for their personal portfolio(s) based on information received as a result of his or her employment unless the information is also available to the investing public.
3. It is the expressed policy of MFIM that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account.
4. MFIM requires prior approval for any IPO or private placement investments.
5. MFIM maintains a list of all reportable securities holdings for our firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by the appropriate designated supervisor.
6. MFIM has established procedures for the maintenance of all required books and records.
7. For accounts custodied at MFI, clients are fully informed that related persons may receive separate commission compensation when effecting transactions during the implementation process.
8. Clients can decline to implement any advice rendered, except in situations where MFIM is granted discretionary authority.

9. All of MFIM's principals and employees must act in accordance with all applicable federal and state regulations governing registered investment advisory practices.
10. MFIM requires delivery and acknowledgement of the Code of Ethics by each access person.
11. MFIM has established policies requiring the reporting of Code of Ethics violations to senior management.

Any individual who violates any of the above restrictions may be subject to possible actions, which may include enhanced supervision, censure, suspension or termination.

ITEM 12 | Brokerage Trading Practices

MFIM FI HY has complete discretion over the selection of the broker to be used and the prices of purchases and sales with respect to its clients' trades. In selecting a broker for any transaction or series of transactions MFIM FI HY generally seeks best execution and may consider a number of factors, including, for example, price, clearance, settlement, reputation, financial strength and stability, efficiency of execution and error resolution, block trading and block positioning capabilities, willingness to execute related or unrelated difficult transactions in the future, order of call, and other matters involved in the receipt of brokerage services generally. MFIM FI HY is not obligated to obtain the best price for an account on any particular transaction. MFIM FI HY does not receive any soft dollar benefits. This means that in selecting broker-dealers to effect trades, we do not consider the value of any research services or products, beyond execution, that a broker-dealer may provide to us or our clients.

ITEM 13 | Review of Accounts

All accounts are managed and reviewed at least monthly by Robert Sydow, Kevin Buckle, or James Lisko, Portfolio Managers and Members of MFIM FI HY. Asset allocation, cash management, market prospects and individual issue prospects are considered. Particular attention is given to changes in company earnings, company announcements, industry outlook, covenant compliance, market outlook and price levels. Clients receive the following reports for their accounts: Monthly: A Trustee Report detailing all holdings, transactions, test compliance, and a detailed description of each item of collateral including its coupon, industry, maturity, rating, and par value, but not its market value.

ITEM 14 | Client Referrals and Other Compensation

CLIENT REFERRALS

MFIM may periodically enter into solicitor's arrangements with unrelated third parties ("Solicitors") where MFIM agrees to pay a portion of the fees derived from an account to the individual or entity that referred the account. Unless otherwise disclosed, the client is not charged any amount in addition to the customary advisory fee charged by MFIM. There is no differential between the amount of or level of advisory fee charged by MFIM to the client, attributable to the existence of any Solicitor's arrangement and that charged to other clients of MFIM. MFIM may also pay referral compensation to its affiliates and/or their employees. Whenever MFIM pays a referral fee, it requires the Solicitor to provide the prospective client with a copy of this document (our Firm Brochure) and a separate disclosure statement that includes the following information:

- the Solicitor's name and relationship with MFIM;

- the fact that the Solicitor is being paid a referral fee;
- the amount of the fee; and
- whether the fee paid to MFIM by the client will be above our normal fees in order to compensate the Solicitor.

As a matter of firm practice, the advisory fees paid to MFIM by clients referred by solicitors, or by affiliates of MFIM and/or their employees, are not increased as a result of any referral fee.

MFIM may also pay its employees, or employees of affiliates, referral fees.

MFIM may act as a sub-advisor or provide other services to other investment advisors or mutual funds and as such will be paid a fee based on a percentage of the assets of the fund. MFIM, or an affiliate, may also sell the fund to its clients and will receive compensation from the investment advisor or fund family.

It is MFIM'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 clients.

MFIM may also compensate affiliate personnel that work in other business units for referrals.

ITEM 15 | Custody

As part of the 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.

In addition to the periodic statements that clients receive directly from their custodians, MFIM also offers to send account statements directly to clients on a monthly or quarterly basis. **As noted above, MFIM urges clients to carefully compare the information provided on these statements to ensure that all account transactions, holdings and values are correct and current.**

ITEM 16 | Investment Discretion

Clients may engage MFIM to provide discretionary and non-discretionary asset management services. Clients may in certain circumstances limit such authority by giving MFIM written instructions. Clients give MFIM discretionary authority when they sign an investment management agreement with MFIM or complete the subscription documents for a fund.

ITEM 17 | Voting Client Securities

High yield bonds and leveraged loans are subject to amendments, waivers, and other such modifications after they are issued. MFIM FI HY votes on these actions in the best interest of its clients, giving recognition to the effect on both the future prospects of the bond or loan as well as any fee or other consideration offered by the issuer to clients who consent. In addition, bonds or loans may become subject to restructuring proceedings, in or out of bankruptcy, in which case MFIM FI HY will act in its best judgment to maximize the cash flow and value. If the restructuring results in clients owning equity of the issuer, MFIM FI

HY will vote as a shareholder in any vote put to shareholders, including any proxy vote, in accordance with its best judgment of the clients' interests.

PROXY VOTING POLICIES AND PROCEDURES

MFIM's Proxy Voting Policies and Procedures apply only in the event that MFIM has agreed, or been instructed, to vote proxies on behalf of a client. **Currently, the only groups within MFIM that have undertaken this responsibility are Equity Management, Wealth Advisors Micro Cap Strategy and MFIM Fixed Income High Yield.** Otherwise, it is the general policy of Mesirow Financial that the firm's registered investment advisors and underlying groups do not vote proxies on behalf of clients. The following information regarding MFIM's Proxy Voting Policies and Procedures, therefore, applies only to Equity Management, Wealth Advisors Micro Cap Strategy and MFIM Fixed Income High Yield.

MFIM has adopted and implemented policies and procedures that are reasonably designed to ensure that proxies are voted in the best interest of clients, in accordance with its fiduciary duties and SEC rule 206(4)-6 under the Investment Advisers Act of 1940, as amended. MFIM's authority to vote the proxies of certain of MFIM's clients is established by MFIM's advisory contracts executed by those clients, and MFIM's proxy voting policy and procedures have been tailored to reflect these specific contractual obligations. In addition to SEC requirements governing advisors, MFIM Proxy Voting Policies reflect the long-standing fiduciary standards and responsibilities for ERISA accounts set out in Department of Labor Bulletin 94-2, 29 C.F.R.2509.94-2 (July 29, 1994).

Except as otherwise agreed to in writing with a client, MFIM has no authority or obligation to take any action or render any advice with respect to the voting of proxies on behalf of a client.

With the exception as described below regarding MFIM's Fixed Income High Yield group, wherein MFIM has accepted discretionary authority to vote proxies on behalf of clients, MFIM has elected to utilize an outside, third-party, independent proxy voting service (the "Service"). There are three (3) separate sets of guidelines that are utilized by MFIM which are established by the Service, utilizing its expertise and standing within the financial services industry, as well as our own. In general, MFIM has instructed the Service to vote Taft-Hartley and other union related accounts in accordance with the Taft-Hartley proxy voting guidelines, and Public Fund accounts in accordance with the Public Fund proxy voting guidelines each as established by the Service to be responsive to their particular concerns. All other accounts are generally instructed to be voted in accordance with the standard proxy voting guidelines established by the service.

Specifically regarding MFIM's Fixed Income High Yield group, high yield bonds and leveraged loans are subject to amendments, waivers and other such modifications after they are issued. MFIM HY votes on these actions in the best interest of its clients, giving recognition to the effect on both the future prospects of the bond or loan as well as any fee or other consideration offered by the issuer to clients who consent. In addition, bonds or loans may become subject to restructuring proceedings, in or out of bankruptcy, in which case MFIM HY will act in its best judgment to maximize the cash flow and value. If the restructuring results in clients owning equity of the issuer, MFIM HY will vote as a shareholder in any vote put to shareholders, including any proxy vote, in accordance with its best judgment of the clients' interests.

In the event that a client of MFIM requests information as to how a particular proxy had been voted on that client's behalf, MFIM will provide said information to the client in a timely manner. Under no circumstance will MFIM disclose to a third party how a proxy had been voted on behalf of a client without that client's expressed, written consent. Likewise, in the event that a client of MFIM requests a copy of MFIM's Proxy Voting Policies and Procedures, MFIM will provide said Policies and Procedures within a reasonable amount of time to the client at client's address of record.

MFIM has designated its Director of Operations as responsible for administering and overseeing the proxy voting process. MFIM is currently not aware of any specific conflicts of interest. However, should MFIM become aware of a conflict of interest, it will rely on, and the Service, where applicable, shall vote in accordance with, its pre-determined policies as set forth in the guidelines if application of such policies to the matter at hand involves discretion on the part of MFIM.

ITEM 18 | **Financial Information**

MFIM has no additional financial circumstances to report.

MFIM has not been the subject of a bankruptcy petition at any time during the past ten years.