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1. Cover Page

This brochure provides information about the qualifications and business practices of Miller Global Investments, L.L.C. If you have any questions about the contents of this brochure, please contact us at (214) 272-8504. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Miller Global Investments, L.L.C. also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2. Material Changes

This Form ADV Part 2A (commonly referred to as the “Brochure”) contains material changes from our last annual update to the Brochure dated March 27, 2023.

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Item 4. Advisory Business

Miller Global Investments, L.L.C. (the “Adviser”) is an independent firm offering investment management and financial planning services. We manage securities portfolios for private individuals and investment funds on a discretionary basis. We offer financial planning services to help clients with lifestyle, charitable, retirement, estate, healthcare, and other issues. Financial planning services do not include the preparation of legal documents.

Scott L. Miller (the “Principal”), sole owner of the firm, founded the firm in 1998.

We provide investment management services to individual clients (including trusts, private corporations, and retirement accounts). We provide investment management services to clients through separately managed accounts over which we have discretionary investment authority.

Managed Account Clients

The Individual clients’ assets are held in the form of separately managed accounts maintained with qualified custodians. After reaching agreement with individual clients on broad asset allocation guidelines, we select individual securities for purchase, issue instructions to broker-dealers and maintain accurate records of current activity. Clients generally are not involved in specific individual security decisions.

To meet the diverse investment objectives of our clients, we employ several investment strategies and tailor our services to the specific needs of each client. We categorize these strategies as Cash, Fixed Income, Equity Income-U.S., Equity Growth-U.S., Equity International, Alternative, and Hedge with sub-strategies within the categories.

We manage \$154,667,675 in client assets on a discretionary basis, calculated as of December 31, 2023. We do not manage assets on a non-discretionary basis.

Item 5. Fees and Compensation

Fees

We charge a quarterly management fee based on asset-under-management values which varies depending on the investment strategies deployed. This fee is charged in advance. Asset-under-management values include accrued interest.

Managed account clients may participate in either strategies for Income consisting of Fixed Income and Equity Income-U.S. or strategies for Growth & Balanced consisting of Cash, Fixed Income, Equity Income-U.S., Equity Growth-U.S., Alternative, and Hedge.

Investment Strategies

Investment Strategies	Quarterly Management Fee	Performance Fee
Income strategies including Fixed Income and Equity Income U.S.	0.70% per annum of assets	None
Growth and Balanced strategies including Cash, Fixed Income, Equity Income-U.S., Equity Growth-U.S., Equity International, Alternative, and Hedge	0.90% per annum on the first \$3 million of assets 0.70% per annum on the next \$2 million of assets 0.50% per annum on the next \$5 million of assets 0.30% per annum on the balance in excess of \$10 million of assets	None

General

We are currently not charging any management fee with respect to cash and cash equivalents in client accounts; however, we may in the future charge management fees with respect to cash and cash equivalents in accordance with the above schedule, or as otherwise provided in your investment management agreement with the Adviser. We calculate quarterly management fees in advance as of December 31, March 31, June 30, and September 30. We send the custodian a report for all fees payable to us. We include the client fees on the quarterly appraisal report. Generally, the custodian debits each client's account for the fees. If the advisory contract is terminated before the end of the billing period, we will refund a pro rata portion of the quarterly fee.

Expenses

All accounts utilize the custodial services of Charles Schwab & Co., Inc ("Schwab"). Schwab does not charge a custody fee. In the cases where we utilize money market funds to invest cash balances in accounts, managed accounts will pay management fees to the custodian for management of the money market funds as well as the management fees to us on the amount held in cash reserve. Furthermore, any exchange traded funds ("ETFs") or mutual funds held in a portfolio will result in additional management fees on those assets.

Clients will incur certain charges imposed by third-parties (custodians, broker-dealers, and other third parties) regarding investments made in the accounts. These commissions, fees and charges may include but not limited to the following: brokerage commissions/mark ups and mark downs; transaction, exchange, trade away and clearing fees; wire transfer fees; margin interest; custodial fees; administration and termination fees; and other costs and expenses. These expenses are charged separately. For additional information regarding brokerage expenses, please see Item 12 below.

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

We do not charge a performance-based fee.

Item 7. Types of Clients

Our clients include individuals, trusts, privately held corporations, and retirement accounts for individuals to which we provide advice through managed accounts as described in Item 4. The minimum account size for separately managed accounts is generally \$1,000,000, but we will occasionally accept smaller accounts at our sole discretion.

Item 8. Method of Analysis, Investment Strategies, and Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. There can be no assurance that clients will achieve their investment objectives or that investments will be successful. Our investment strategies involve a degree of risk, including risk of complete loss. Clients understand that investment decisions made for the client's account by Miller Global Investments are subject to various market, currency, economic, political, and business risks, and that those investment decisions will not always be profitable.

Miller Global Investments' Method of Analysis

We follow a typical "bottom-up" fundamental approach to individual security selection, with a modest overlay of a "top down" technical approach to the overall market.

Even the highest quality companies are not immune to the impact of the overall market. Therefore, we analyze the overall market using various technical approaches and macroeconomic forecasts to try to determine when the potential downside market risk might warrant adding a hedge to the portfolio.

Investment Strategies and Risk Factors

To meet the diverse investment objectives of our clients, we employ several investment strategies. Depending on the client's investment guidelines, we will allocate these strategies as the client deems appropriate. We can utilize any of the individual strategies but broadly categorize these strategies as Growth & Income for a balanced portfolio seeking a combination of growth and income and Income for clients seeking income only from their investments.

Growth & Balanced: Strategies including Cash, Fixed Income, Equity Income-U.S., Equity Growth-U.S., Equity International, Alternative, and Hedge

Income: Strategies including Fixed Income and Equity Income-U.S.

Our investment strategies are as follows:

1. Cash

a. Strategy:

We invest in money market funds, bank deposits, short-term Treasury Bills, and ultra-short-term bond funds.

b. Risks:

If short-term interest rates rapidly spike upward, then the money market funds might drop slightly below their \$1.00 net asset value. A rapid increase in short-term interest rates could cause a slight price decline in short-term Treasury Bills. Because of changes in regulations, we believe that the probabilities of a money market fund dropping below \$1.00 net asset value are relatively low. Since we are only buying short-term Treasury Bills, we could hold the investment until maturity. Bank deposits via Schwab are insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC) and another \$900,000 by Lloyd's of London insurance company. Ultra-short-term bond funds holding investment grade rated bonds could experience widening of credit spreads in times of economic stress causing the funds to experience slight price declines, but the short duration offers protection against interest rate risk.

2. Fixed Income:

a. Strategy:

Within fixed income, we buy taxable securities or tax-exempt securities as is appropriate for the client's tax status. We buy U.S. government bonds, agency bonds, corporate bonds, municipal bonds, asset backed securities, and agency mortgage-backed securities (mortgage-backed securities issued by government-sponsored enterprises such as Ginnie Mae, Fannie Mae, Freddie Mac or the Federal Home Loan Banks). We position portfolios along the yield curve consistent with our views of the potential risk and rewards at a point in time. As our outlook changes, we adjust the portfolio. Thus, we do not necessarily hold bonds to maturity. In the fixed income market, we primarily focus on the quality end of the spectrum but will sometimes buy lower rated corporate credits. We buy bullet bonds with a fixed maturity along with hybrid bonds encompassing a fixed-to-floating rate coupon structure. We also may own funds that invest in other areas of fixed income such as asset-backed securities, mortgage-backed securities, and high yielding debt.

b. Risks:

Fixed income securities are designed to provide periodic returns and the eventual return of the principal at the end of the term. The value of fixed-income securities changes in response to interest rate fluctuations and market perception of the issuer's ability to pay off its obligations. Fixed-income securities are also subject to the risk that their issuer may be unable to make interest or principal payments on its obligations.

Mortgage-Backed Securities. Investments in mortgage-backed securities involve the following potential risks: interest rate risk, reinvestment rate risk, prepayment risk, and extension risk. Interest rate risk is the change in the bond price due to the changes in interest rates throughout the yield curve. Reinvestment rate risk is the risk due to changes in interest rates throughout the yield curve. Note that interest rate risk and reinvestment rate risk will somewhat offset each other. Prepayment risk (contraction risk) is the risk of receiving principal (par) back quicker than expected as interest rates decrease and homeowners refinance their mortgages. Extension risk is the risk of receiving principal (par) back slower than expected as interest rates rise.

3. Equity Income-U.S.

a. Strategy:

In recent years, the combination of very low interest rates and the increasing number of common stocks with a dividend yield well in excess of bond yields has led us to buy high dividend yielding stocks for income purposes. We seek financially sound companies including preferred stocks, utility stocks, infrastructure companies, and other high dividend paying common stocks, where we believe the dividend is secure.

In addition to corporations that pay high dividend yields, we buy publicly traded real estate investment trusts (REITs) for their superior yield. They provide monthly or quarterly distributions along with a potential return on capital. Our purchasing decision is based on our views of the real estate market and the specific investment strategy within each REIT.

We also buy publicly traded business development companies (BDCs) for their attractive yield. They provide monthly or quarterly distributions. Our acquisition decision is based on our macro-economic views as these entities provide loans to and make equity investments in private companies.

b. Risks:

The principal risks of high dividend yield stocks are the risks in the overall market as the price of dividend stocks seems to be closely correlated to the overall market. An additional risk is that a company may reduce or eliminate its dividend, which could significantly impact the price of that particular stock.

Preferred stocks may trade similar to bonds such that rising bond yields might cause preferred stock yield to increase and the preferred stock price to decline.

Real Estate Investment Trusts. REIT investments are subject to the risk of falling real estate prices, diminishing rents on current properties owned, and refinancing risks on current properties owned. Public, non-traded REITs file periodic public information with the Securities & Exchange Commission but the investment is not publicly traded. As such, they are not liquid until the sponsor offers a repurchase option, sells the underlying properties, merges with another entity, or lists the REIT on an exchange.

Business Development Companies. BDC investments are subject to the risk of a recession in which a deteriorating economy is likely to affect companies' revenues and diminishing their ability to pay interest or principal on loans. Public, non-traded BDCs file periodic public information with the Securities & Exchange Commission but the investment is not publicly traded. As such, they are not liquid until the sponsor offers a repurchase option, sells the underlying loans and investments, merges with another entity, or lists the BDC on an exchange.

4. Equity Growth-U.S.:

a. Strategy:

We seek companies with good growth, profitability, financial strength, and free cash flow. On average, companies in which we invest grow sales and earnings per share faster than the market, have a higher return on equity, are financially strong, and generate positive free cash flow. After identifying these quality companies, we attempt to buy them at prices that are below what we believe is true value.

We invest in large, medium, and small sized growth U.S. stocks. The vast majority of this strategy is invested in large and mid-size companies with a lesser amount in small companies. We believe that high-quality companies bought at an attractive price should be held for the long-term. We frequently hold a position for three to five years or even longer if the company continues to meet expectations.

We also sometimes employ strategies using put and call options and warrants in order to initiate or reduce positions in a security.

b. Risks:

Large Sized Stocks. We buy equity securities seeking to profit from both the growth of the company's earnings over time and the market's valuation applied to those earnings. Either of those two can fail to develop favorably. A company may stumble in its growth strategies and the market may place a lower valuation on the business than expected or thought appropriate. In addition to company specific

issues, stocks are significantly impacted by the overall stock market and economic environments, especially when those environments are negative.

Small to Medium Sized Stocks. We invest a portion of the clients' assets in the stocks of small to medium-sized companies. These companies may have limited product lines, markets, or financial resources and may be dependent on a limited management group. These stocks, particularly small-capitalization stocks, involve higher risks than do investments in stocks of larger companies.

5. Equity International:

a. Strategy:

We focus on equity growth and equity income investments in Europe, Asia, and Latin America. We buy either the local currency shares, which are those traded in that country's market, or an American Depository Receipt (ADR) or Global Depository Receipt (GDR), if it is available.

We seek companies with good growth, profitability, financial strength, and free cash flow. On average, companies in which we invest grow sales and earnings per share faster than the market, have a higher return on equity, are financially strong, and generate positive free cash flow. We also seek companies with attractive dividend yields, profitability, financial strength, and cash flow that covers the dividend. After identifying these quality companies, we attempt to buy them at prices that are below what we believe is true value.

Generally, the vast majority of this strategy is invested in large and mid-size international companies with a lesser amount in small companies. We believe that high-quality companies bought at an attractive price should be held for the long-term. We frequently hold a position for three to five years or even longer if the company continues to meet expectations.

We also sometimes employ strategies using put and call options and warrants in order to initiate or reduce positions in a security.

b. Risks:

Large-Sized Stocks. In addition to the risks associated with foreign securities and foreign currency listed above, we buy equity securities seeking to profit from both the growth of the company's earnings over time and the market's valuation applied to those earnings. Either of those two can fail to develop favorably. A company may stumble in its growth strategies and the market may place a lower valuation on the business than expected or thought appropriate. In addition to company specific issues, stocks are significantly impacted by the overall stock market and economic environments, especially when those environments are negative.

The principal risks of high dividend yield stocks are the risks in the overall market as the price of dividend stocks seems to be closely correlated to the overall market. An additional risk is that a company may reduce or eliminate its dividend, which could significantly impact the price of that particular stock.

Small to Medium-Sized Stocks. In addition to the risks associated with foreign securities and foreign currency listed above, we invest a portion of the clients' assets in the stocks of small to mid-sized companies. These companies may have limited product lines, markets, or financial resources and may be dependent on a limited management group. These stocks, particularly small capitalization stocks, involve higher risks than do investments in stocks of larger companies.

6. Alternative

Absolute Return Oriented

a. Strategy:

In order to diversify away from equities and fixed income and earn returns exceeding cash yields, we seek different types of investment strategies such as long-short equity, market neutral, managed futures, global macro, merger arbitrage, event driven, downside hedged, private equity, multi-strategy, etc. We own these strategies through exchange traded funds and mutual funds. We expect absolute returns with little correlation to the equity and fixed income markets.

b. Risks:

As the type of security will change over time, it is difficult to generalize the types of risks involved. One specific risk that could be applicable, however, is that assets in this category may not perform well in a sharply volatile rising stock market environment or a sharply volatile declining stock market situation. Furthermore, the exchange traded funds and mutual funds charge a management fee which is in addition to our management fee.

Commodities

a. Strategy:

Commodities are considered by many investors as a separate asset class. We may own the underlying commodity as well as commodity producers through exchange traded funds, mutual funds, or structured products. One of the main advantages of commodities is additional diversification.

b. Risks:

To the extent that we buy an exchange traded fund that owns a particular commodity, such as gold, the biggest risk is that the price of that commodity does not rise as expected. While the gold exchange traded fund is quite liquid, not all exchange traded funds enjoy that advantage and the price of the exchange traded fund may diverge from the price of the underlying asset because of liquidity reasons. Commodity producers may encounter business risks that could affect their production capability. Furthermore, exchange traded funds, mutual funds, and structured products charge a management fee which is in addition to our management fee.

Digital Assets

a. Strategy:

Digital Assets includes assets that are associated with blockchain technology and decentralized finance. These include crypto tokens as well as companies involved in the blockchain universe such as miners, exchanges, developers of blockchain technology, etc. Blockchain technology has a vast array of potential use cases in many areas of the economy.

b. Risks:

Blockchain and crypto tokens are emerging technologies and the extent of their role in the broader economy is yet to be determined. There are also risks of governments across the world developing their own token and exchange systems. Governments could also impose regulations and/or restrictions on digital assets.

Specialized Fixed Income:

a. Strategy:

Agency inverse floating rate mortgage-backed securities are bonds in which the coupon varies inversely with a representative short-term interest rate. Although inverse floating rate mortgage-backed securities are bonds in structure, their potential return and risk are so high as to make them equity equivalents. They can be a source of return and diversification in an environment of falling short-term interest rates.

b. Risks:

The key risk to inverse floating rate mortgage-backed securities is the direction of short-term interest rates. As short-term interest rates rise, the coupons on these instruments decline, due to the formula that determines their floating interest rate. When short-term interest rates first begin to rise after a period of low rates, the

price of the bond will often fall significantly more than suggested by the interest rate change, as investors anticipate a series of increases in the short-term rate. Additionally, the formula on many of these bonds has a leverage factor so that for an X% change in a representative short-term interest rate, the coupon on the inverse floater changes 5X or even 10X. These securities are pools of mortgages that may be prepaid as homeowners refinance or sell their homes. Prepayments are made at par (100). Therefore, if a security is purchased for a price above par, there is a risk that the investor will incur a loss, as a portion or all of the security is prepaid at 100.

7. Hedge

a. Strategy

Investments that move in an inverse or opposite manner of an underlying asset category can be appropriate as a hedge against holdings within other strategies. We rarely add a hedge position as equities have historically moved higher over long-term time periods. We would add hedge instruments in environments in which we believe that equity risks are extremely high over a short-term period. We generally use inverse exchange traded funds (ETFs), options, or structured products. We employ hedging instruments to protect against downside risks associated with equities. We would hedge part or all of our equity exposure.

b. Risks

The key risks to instruments used for hedging purposes is that equities move higher over long-term time periods and instruments linked to downside equity volatility would deteriorate over these long-term time periods. To manage the risks, we would initially only hedge up to our total equity exposure such that if equities moved higher, we would only experience opportunity costs in not participating in the equity market performance.

Item 9. Disciplinary Information

We have had no disciplinary or legal events since our establishment in 1998.

Item 10. Other Financial Industry Activities and Affiliations

None.

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

Our Code of Ethics (the “Code”), a copy of which may be obtained upon request, includes a detailed set of provisions designed to ensure that we act in accordance with our fiduciary obligations to clients. It covers protection of the privacy of client information, policies, and procedures regarding material non-public information, business ethics, and standards of conduct.

Trades for managed accounts are executed in block form, in order to avoid any potential conflict of interest in the allocation of trades between clients.

Procedures regarding personal trading of our staff are an important part of the Code. A staff account managed by Miller Global Investments, L.L.C. as a client account is generally aggregated equally with other client accounts in single-day transactions. However, if multiple day transactions are required, the staff account will be allocated last, and thus it will participate in trade aggregation on the last day of the entire transaction.

All staff trades of private and publicly traded investments, must be approved by the Chief Compliance Officer (the “CCO”), Scott Miller, prior to execution, unless the trade is for an account under the management of Miller Global Investments, L.L.C. The CCO maintains records of all trades made by employees in accounts that are not under Miller Global Investments’ management. The Code details additional recordkeeping and administrative requirements.

Staff cannot engage in short-term trading (less than 30 days) in a security held by clients. Staff cannot execute a trade that a portfolio manager is researching and contemplating for clients.

Our employees and principals may invest in the same securities or related securities that we recommend to clients. We do not believe that this creates a conflict of interest because we do not allow our employees or principals to trade in advance of client accounts. In addition, we do not allow our employees and principals to engage in short-term trading.

Item 12. Brokerage Practices

It is our policy to ensure that the best combination of price and execution is obtained with respect to securities transactions made on behalf of the clients.

Trades are executed in block form for our separately managed accounts. Block trades are conducted in order to avoid any potential conflicts of interest in favoring the allocation of trades between them.

Scott Miller, portfolio manager and Chief Compliance Officer, evaluates the broker-dealers annually. Brokers are selected for their execution capabilities, smooth operations, useful research, and reasonable price. The reasonableness of commissions is based on the broker’s ability to provide professional services, competitive commission rates, research, and other

services that will help us in providing investment management services to the clients. We may, therefore, use a broker who provides useful research and securities transaction services even though a lower commission may be charged by a broker who offers no research services and minimal securities transaction assistance.

Transactions of the same security for multiple accounts are aggregated whenever possible. When trades are aggregated, the average execution price will be applied to each participating client account. If a transaction is not completed in a single day and is carried over to multiple days, the smallest orders are filled first, the largest orders are filled second, and then MGI personal accounts are filled last.

Clients are not allowed to direct brokerage from their account to a specific broker.

We have an arrangement with Schwab, which provides Miller Global Investments, L.L.C with the Schwab Advisor Services platform.

The Platform services include, among others, brokerage, custody, and other related services. The Platform services that assist Miller Global Investments, L.L.C. in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing, and other market data; (iv) facilitate payment of fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Schwab also offers other services intended to help us manage and further develop its advisory practice. Such services include, but are not limited to, third party research, publications, access to educational conferences, roundtables and webinars, practice management resources, access to consultants and other third-party service providers who provide a wide array of business-related services and technology with whom Miller Global Investments, L.L.C. may contract directly.

Miller Global Investments, L.L.C. is independently operated and owned and is not affiliated with Schwab.

Schwab generally does not charge its adviser clients separately for custodial services, but it is compensated by account holders through some transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts, respectively (e.g. transactions fees are charged for certain no-load mutual funds, and debt securities transactions). Schwab charges a flat dollar amount as a 'prime broker' or 'trade away' fee where they have executed the trade using a different broker-dealer but settle through Schwab. Schwab provides access to many no-load mutual funds and exchange traded funds without transaction charges and other no-load funds at nominal transaction charges.

ERISA plan-asset accounts are not allowed to participate in cross trades.

We have adopted a "soft dollar" policy to ensure that any "soft dollar" arrangements qualify for the safe harbor provisions of Section 28(e) of the Securities Exchange Act of 1934 (the

“Exchange Act”). These procedures are designed to ensure that the brokerage commissions generated by us in the execution of transactions for our clients are used for the benefit of those clients and that our practices are consistent with the disclosure in this Form ADV. The term “soft dollars” refers to arrangements whereby a discretionary investment adviser uses client brokerage commissions to pay for and receive research, research related or execution services from a broker-dealer or third-party service providers. Section 28(e) provides a safe harbor for investment advisers so long as: (i) the soft dollar goods and services are provided by the broker-dealer effecting the transaction; (ii) the soft dollar goods and services are provided to a party having investment discretion over the account; (iii) the recipient of the goods and services makes a good faith determination that the commissions paid is reasonable in relation to the value of the brokerage and research services provided; and (iv) the goods and services supplied for soft dollars must qualify as brokerage and research services (i.e. they must provide lawful and appropriate assistance to the money manager in the performance of his investment decision-making responsibilities).

Our soft dollar arrangements are the standard provision of a Wall Street firm’s research reports in exchange for doing an undetermined amount of brokerage with that firm. Research typically includes reports by the firm’s analysts on specific companies, entire industries, and macroeconomic trends. Other research may contain charts and graphs that we often find useful. Our assessment of the overall research product of a firm is an important determinant of whether, and to what extent, we will utilize the brokerage services of a particular firm.

Schwab provides Miller Global Investments, L.L.C. with certain brokerage and research products and services that qualify as "brokerage or research services" under Section 28(e) of the Exchange Act.

We pay all broker-dealers other than Schwab approximately equal commission rates on a cents per share basis so our only interest in choosing one broker over another is our assessment of their services including the quality of their research. These equity research products benefit all of our clients with equity accounts.

Item 13. Review of Accounts

On a quarterly basis, we deliver to managed account clients an electronic appraisal of their portfolio and a report of purchases and sales for the quarter.

Each account client signs an “Investment Strategy Description and Suitability Statement” when opening its new account. The Principal of the firm attempts to conduct client meetings either in person or via telephone call with each managed account client in a feasible and timely basis. During these account reviews, the client is asked to sign a new Investment Strategy Description and Suitability Statement, verifying that the account objectives remain the same or noting any changes.

Item 14. Client Referrals and Other Compensation

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Schwab. These products and services, how they benefit us, and the related conflicts of interest are described above (see Item 12—Brokerage Practices).

Item 15. Custody

While it is our practice not to accept or maintain physical possession of any client assets, we are deemed to have custody of clients' assets under Rule 206(4)-2 of the Investment Advisers Act of 1940, as amended, because we have the authority to deduct our fees from clients' accounts. This limited access is monitored by the client through receipt of account statements directly from the custodian. These statements will show the deduction of the investment management fee from the account.

The client assets under our management are held at Schwab as custodian. Clients sign separate contracts with custodians that are independent of their contracts with us. Clients receive either electronic or hard copy account statements each month directly from their custodian with the required information. Clients should closely examine their custody statements and compare it to our statements for any discrepancies. The custodians keep their records on a settlement date basis while we use a trade date basis. Additionally, we account for accrued interest while custodians may not. We download electronic copies of the client account statements from the custodians.

Item 16. Investment Discretion

Our investment advisory contract contains language whereby the managed account client grants us broad discretionary power, pursuant to a limited power of attorney, to manage the account. At least once every 36 months, the Investment Strategy Description and Suitability Statement is reviewed and signed by each managed account client to ensure that this discretionary power is being utilized for the appropriate strategy. We do not accept non-discretionary, or advisory, relationships.

Item 17. Voting Client Securities

As a fiduciary managing client assets under a discretionary power of attorney, we are called upon to vote proxies on behalf of clients. The following statement describes our guidelines for voting proxies. Clients may obtain a copy of our proxy voting policies and procedures upon request.

We aim to vote proxies in a manner that reflects how clients can reasonably be expected to vote themselves to reflect their own economic interests. If a conflict ever arises between our interest and our clients' interest, the proxy will be voted in line with the clients' interest. In the unlikely event that different clients have significantly different economic interests (which is unlikely since most equity portfolios are similar), the clients will be contacted for direction on their vote. Additionally, clients with a position in a stock which may hold special interest to them will be contacted on important, strategic matters that are put before the shareholders.

Regarding election of directors and auditor selection, we typically vote with management's recommendation.

Regarding corporate governance issues, we usually vote: (i) for the separation of the chairman and CEO position (which management frequently opposes), (ii) against proposals for replacing a staggered slate of directors with a unified slate (staggered classes of directors tend to make takeover attempts through proxy contests more difficult; we prefer companies to be managed for the long-term rather than for a takeover attempt); and (iii) against cumulative voting proposals.

Regarding stock option plans for senior management, we usually vote against them. Options are a form of shareholder dilution that we do not favor. We do vote in favor of stock option plans for rank-and-file workers, as the dilution resulting from these plans is usually quite minor and we think it is a reasonable incentive. For upper management incentive, we favor cash bonuses and forms of restricted and phantom stock, based on achieving various financial operating metrics, over options based on the stock price.

Regarding shareholder initiatives on various social issues, we generally vote against them. We realize that some clients, if voting themselves, might vote for some of these initiatives. However, it is impractical to poll our client base as to their individual views on a wide and ever-changing range of social issues.

If clients have a particular interest in a specific company, they may direct the way we vote on their behalf simply by contacting us prior to the voting deadline. Additionally, clients can receive a report on how their proxies were voted by requesting it.

Item 18. Financial Information

We are not aware of any financial condition that is likely to impair our ability to meet our contractual commitments to our clients.