

Form ADV Part 2

Equity Investment Corporation

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Atlanta, GA 30305

404-239-0111

www.eicatlanta.com

June 11, 2012

This Brochure provides information about the qualifications and business practices of Equity Investment Corporation (EIC). If you have any questions about the contents of this Brochure, please contact us at 404-239-0111 and/or email jmichels@eicatlanta.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.

EIC is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information with which you determine to hire or retain an Adviser.

Additional information about EIC is available via the SEC's website www.adviserinfo.sec.gov. The SEC's web site also provides information about any persons affiliated with EIC who are registered, or are required to be registered, as investment adviser representatives of EIC.

Item 2 - Material Changes

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 dated **June 11, 2012** was prepared according to the SEC’s latest requirements and rules.

This section of the Brochure only addresses material changes since our last delivery or posting on the SEC’s public website. We will deliver to clients a summary of all material changes to this Brochure within 120 days of the close of our business’ fiscal year or more often if necessary at no charge. Our brochure may be requested at 404-239-0111 or by email to jmichels@eicatlanta.com.

There have been no material changes since our last annual update on February 8, 2012.

Item 3 – Table of Contents

Section I

ADV Form 2A

Item 1 -	Cover Page	page i
Item 2 -	Material Changes	page ii
Item 3 -	Table of Contents	page iii
Item 4 -	Advisory Business	page 1
Item 5 -	Fees and Compensation	page 2
Item 6 -	Performance-Based Fees and Side-By-Side Management	page 3
Item 7 -	Types of Clients	page 3
Item 8 -	Methods of Analysis, Investment Strategies and Risk of Loss	page 4
Item 9 -	Disciplinary Information	page 7
Item 10 -	Other Financial Industry Activities and Affiliations	page 7
Item 11 -	Code of Ethics	page 8
Item 12 -	Brokerage Practices	page 9
Item 13 -	Review of Accounts	page 10
Item 14 -	Client Referrals and Other Compensation	page 11
Item 15 -	Custody	page 11
Item 16 -	Investment Discretion	page 11
Item 17 -	Voting Client Securities	page 12
Item 18 -	Financial Information	page 13

Section II: Brochure Supplements

ADV Form 2B

Item 1 -	Cover Page	page 14
Item 2 -	Educational Background and Business Experience	page 15
Item 3 -	Disciplinary Information	page 16
Item 4 -	Other Business Activities	page 16
Item 5 -	Additional Compensation	page 16
Item 6 -	Supervision	page 16

<u>Privacy Policy Notice</u>	page 17
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<u>ERISA 408(b)(2) Fee Disclosure Notice to ERISA plans</u>	page 18
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Item 4 – Advisory Business

Equity Investment Corporation was founded by Jim Barksdale in Atlanta in 1986. We have developed a unique approach to value investing, drawing upon the combined works of Benjamin Graham, Phil Fisher, and Warren Buffett, and incorporating a comprehensive system of graphical financial statement analysis. The firm is solely owned by Jim Barksdale and currently has **twenty** employees.

As of **March 31, 2012**, we manage equity portfolios of approximately **\$1,292.9 million** in discretionary and **\$147.2 million** in non-discretionary advisory assets. We manage an additional **\$431.9 million** in non-advisory assets. Non-advisory assets are those for which we provide a model portfolio to the sponsor.

We offer three different equity strategies; All-Cap Value, Large-Cap Value, and Mid-Cap Value; total return opportunity approach (which is primarily non-equity); and a blend of our equity and non-equity approaches to provide more balanced portfolios. We serve as a sub-advisor to numerous other registered investment advisory organizations. These include divisions of various brokerage firms, under “wrap” and other advisory programs, for which we receive a portion of the wrap fees paid by the investor to the sponsoring firm. All portfolios in a particular strategy are managed similarly regardless of vehicle (wrap or non-wrap). Clients may impose restrictions on investing in certain securities or types of securities.

Item 5 – Fees and Compensation

Clients are charged a fixed percentage of the assets managed, according to the size and type of the account as well as other considerations, such as account servicing needs, administrative requirements, and overall relationship size. Fees range from .30% to 1% of assets managed. All fees are subject to negotiation.

The specific manner in which fees are charged by our firm is established in a client's written agreement with us. We will generally bill fees on a quarterly basis. Clients may be billed in advance or arrears each calendar quarter. Clients may elect to be billed directly for fees or to authorize us to directly debit fees from their accounts. Management fees may be prorated for each capital contribution and withdrawal (of 10% of account value) made during the applicable calendar quarter. Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

We negotiate various fee structures. We have several different fee calculation methods, and fee agreements may indicate payments are made in advance or arrears. Billable assets on which the fee percent is based are calculated in one of two ways:

“Base” fee is computed quarterly at one-fourth of the scheduled rate on the average assets under management during each quarter (or at account start-up, on the initial account balance). The average amount of assets under management each quarter is based on the value of the assets on the last trading day of each month during the quarter.

“Base” fee is computed as the assets under management on the last day of the quarter.

Certain clients, who participate in automated account billing services connected with various brokerage firms, may choose to be billed using the rates and minimums shown above, but based on their brokerage firm's method of determining the billable assets for the quarter.

Our fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which may be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions.

In some instances, we may purchase mutual funds or exchange traded funds (ETFs) in a client account. Mutual funds and ETFs also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to our fee, and we shall not receive any portion of these commissions, fees, and costs. Client should therefore be aware that he will be paying a higher fee on these assets.

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

We do not currently have any clients with performance fee arrangements. However, we have in the past entered into performance fee arrangements with qualified clients, and would consider such arrangements in the future. Such fees are subject to individualized negotiation with each such client. We structure any performance or incentive fee arrangement subject to Section 205(a)(1) of the Investment Advisors Act of 1940 (The Advisors Act) in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3. In measuring clients' assets for the calculation of performance-based fees, we shall include realized and unrealized capital gains and losses. Performance-based fee arrangements may create an incentive for us to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. Such fee arrangements also create an incentive to favor higher fee paying accounts over other accounts in the allocation of investment opportunities. We have procedures designed and implemented to ensure that all clients are treated fairly and equally, and to prevent this conflict from influencing the allocation of investment opportunities among clients.

Item 7 – Types of Clients

We provide portfolio management services to individuals, high net worth individuals, corporate pension and profit-sharing plans, Taft-Hartley plans, charitable institutions, foundations, endowments, government entities, private investment funds, trust programs and an investment company (mutual fund). Minimum account size varies depending on the level of account servicing and communication desired by the client.

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

Stock Investment Decision Making Process

We start with the Russell 3000 universe, using the Compustat database for screening, as well as other non-opinionated data and information sources. This list is narrowed down by looking for companies generating high returns on equity, typically above 9%, and sustainable earnings growth. Additional ideas are sometimes uncovered through traditional news sources, non-opinionated research, and simply being aware of companies that have seen recent and significant price declines.

Once a potential candidate is identified, the first step in the process is to determine whether the company is selling at a discount to its value as an ongoing business entity, based upon valuation models developed in-house. We value businesses such that if we bought and operated the entire business, it would earn the inflation rate plus a premium on its initial capital investment and all capital reinvested to grow the business over a given time horizon. Two key inputs to the models are return on equity and growth.

Once it has been determined that a company is selling at a meaningful discount to its value as an ongoing concern, graphical financial statement analysis is used to examine four general areas of potential risk: financial, operational, management, and business. The objective of this exercise is to focus on well-managed, structurally sound companies and to eliminate potential value traps.

After the graphical financial statement analysis, accounting quality due diligence is performed, which includes reading the annual reports and footnotes as well as the management discussion and analysis section of 10-Ks and 10-Qs, to gain further insight into accounting policies, unusual transactions, attempts to manage earnings, and any other evidence that reality is different than what the financial statements reveal.

If a company passes all levels of analysis, then it may be added to portfolios.

Research

The research performed at EIC is fundamental, original, and based upon models and systems that were designed in-house. There are three primary areas of research: valuation, financial statement analysis, and accounting quality due diligence. Throughout the research process, but especially in the financial statement analysis and accounting quality research phases, we are looking for evidence that a company is well managed and structurally sound.

Valuation

Valuation is a critical aspect of our investment methodology. EIC's philosophy of valuation centers upon owning a business in order to generate a return on the initial capital investment and all capital reinvested to grow the business. The most important drivers of the valuation models are return on equity and growth. (We look at both return on equity and return on invested capital

because ROE is sometimes subject to manipulation by corporate management.) The models generate a “fair” value and also a “buy” price that embodies a significant margin of safety.

Importantly, the valuation models serve primarily as a framework for asking questions regarding our own valuation assumptions, as contrasted against the assumptions implicit in the market’s current price for a company. Though it seems intuitively obvious, we prefer to invest in companies that – given our assumptions – are creating capital and increasing in value as the time horizon increases rather than companies that are not. In contrast, investment approaches relying on such traditional valuation metrics as, say, price-to-earnings, price-to-book, price-to-cash flow, and dividend yield are not sophisticated enough to incorporate such nuances as the importance of time horizon in the capital-creation process.

Financial Statement Analysis

We have created a graphical system of financial statement analysis that converts 20 years of financial data into a very descriptive picture of a business’ financial health. This system is an extremely efficient way of analyzing a large number of securities. We analyze all aspects of the balance sheet, income statement, and cash flows but are very focused on the balance sheet and the messages that management is telegraphing by their actions there.

Accounting and Earnings Quality Due Diligence

This in-depth analysis centers on a thorough reading of the annual and quarterly reports along with proxy statements, company presentations, earnings press releases, and other relevant news. This analysis is performed in order to establish a level of confidence in the validity and repeatability of the earnings figures being reported by management.

Buy/Sell Discipline

In order for EIC to buy a stock, it must be selling at a discount to its “fair” value as an ongoing business entity, it must be structurally sound, and it must pass our accounting and earnings quality due diligence.

Stocks are sold if any of the following conditions are met:

- The security reaches our measure of full value.
- The position increases to more than 6% of the portfolio.
- The firm shows balance sheet stress, indicating potential earnings management, weak financial controls or possible earnings shortfalls.
- A major change occurs, rendering historical data invalid for determining the value of business ownership.
- The firm’s quality and financial strength fall below acceptable levels.

Equity Portfolio Construction

The cash position is a residual of the stock-selection process and is primarily a function of the availability of undervalued stocks. We prefer to keep cash levels as low as possible but set a general limit of 15%. In extreme cases, cash levels may creep above 15%.

Portfolios are built from the bottom up; therefore, sector weights are a result of the stock-selection process. While we don't place explicit limits on sector weights, we do limit industry group exposures, which in turn affect sector weights. We generally limit industry group exposure to 20% (using the Global Industry Classification Standard definitions of the 23 industry groups). There may be short periods of time when industry group exposure exceeds this limit if market values increase faster than positions can be trimmed. There is no minimum industry group exposure. No sectors are systematically eliminated from consideration, though we are often underweight in utilities.

In general, stock weightings follow our level of confidence that we are right about our valuation assumptions for a company, as contrasted against the assumptions implicit in the market's pricing of it. At time of initial purchase, our weightings reflect this confidence, with positions typically ranging between 2% and 4%. As price moves up, the margin of safety and the probability of being right about the available upside narrows relative to the downside risk. Therefore, it is reasonable that the position should carry a lower weighting, and we will often trim back the holding.

The average number of positions in a portfolio is between 30 and 40, with position sizes typically 2% to 4% each. When a position reaches 6% (due to relative price appreciation), it is sold or trimmed.

Risk of Loss

Our turnover rate is comparatively low; we are aware of the costs of frequent trading and implement trades in the most efficient manner possible.

Clients should be aware that investing in securities involves risk of loss and they should be prepared to bear any such loss.

Other Investments

Mutual funds and ETFs (exchange traded funds) are sometimes used as a placeholder or an alternative investment vehicle when implementing tax-loss harvesting strategy or when client imposes restrictions (i.e., no sin stocks, no defense stocks, etc.).

Total Return Opportunity Approach

The Total Return Opportunity approach seeks to benefit from macro or micro mispricings observed by the research team periodically, principally via investments in non-equity markets, such as bonds, non-US denominated debt, preferred stocks, non-US equity funds, bond funds,

commodities, and currencies or currency baskets. The goal is to achieve a return above that offered by fixed income markets in the USA, provide some hedge against US currency exposure risk and potential purchasing power risk, and limit volatility relative to equity-approaches. The approach is eclectic, non-systematic, and passively opportunistic in responding to the market opportunities presented from time to time.

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 your evaluation of our firm or the integrity of our management.

We have no information applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

Registered investment advisers are required to disclose all material facts regarding any other financial industry affiliations that would be material to your evaluation of our firm or the integrity of our management

EIC serves as the investment advisor to EIC Value Fund (“The Fund”) of FundVantage Trust, a family of mutual funds distributed and underwritten by Foreside Funds Distributors LLC (formerly BNY Mellon Distributors, Inc.). The Fund is a diversified, open-end management investment company registered under the Investment Company Act of 1940. Six of EIC employees are FINRA registered representatives of Foreside Funds Distributors LLC (one of whom is supervisor of the other five registered representatives).

Item 11 – Code of Ethics

We have adopted a Code of Ethics for all supervised persons of the firm describing our high standard of business conduct, and fiduciary duty to our clients. This Code sets forth standards of conduct expected of advisory personnel and addresses conflicts that may arise from personal trading by advisory personnel. This code includes limitations on personal trading by employees, reporting requirements for employees' securities holdings and personal securities transactions, and insider trading policies and procedures. All supervised persons at our firm must acknowledge the terms of the Code of Ethics annually or as amended.

We anticipate that, in appropriate circumstances, consistent with clients' investment objectives, we will cause accounts over which we have management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which we and/or clients, directly or indirectly, have a position of interest. Our employees are required to follow our Code of Ethics. Subject to satisfying this policy and applicable laws, our officers, directors and employees may trade for their own accounts in securities which are recommended to and/or purchased for our clients. The 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. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of our clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between us and our clients.

EIC clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Joyce Michels at jmichels@eicatlanta.com or 404/239-0111.

Item 12 – Brokerage Practices

Most of our trades are directed to a particular brokerage firm by our clients. If a client does not direct that a specific broker be used in effecting transactions for his account, we negotiate commissions in order to achieve the best price and execution, in consideration of the overall services provided by the broker, and complexity of trade. In the execution of block trades with a particular brokerage firm, prices are averaged across accounts, although commissions may differ depending on the size of the account. When a security is traded across our accounts and through various brokerage firms, we utilize a trade rotation process. For each grouping of trades for all managed accounts, the brokerage firm that was last in the prior trade will go first, shifting all others down one notch in the rotation. This ensures fairness in the trade process.

We have procedures in place so that trades are allocated fairly across all accounts. More specifically, if 1/3 or more of the original order is completed, we will pro-rate the order for the group of accounts. If less than 1/3 of the original order is completed, we will randomly fill the order. To ensure fairness in allocation, accounts are selected randomly by our trading system with no intervention from the trader. This is the policy unless the program/system we are designated to use does not have this functionality; we then default to the sponsor's allocation method.

If a client directs the usage of a specific broker, we are not free to seek best price and execution of transactions. In directing the use of a specific broker, a client should recognize that we are not negotiating brokerage commissions on his behalf, and he should negotiate a commission rate or percentage fee that is commensurate with the extra "non-execution" services being provided to him by such broker. As a result of these services, commissions or brokerage fees for such accounts may be higher than for accounts where such services are not being provided.

When clients have no preference, we may recommend that clients establish brokerage accounts with the Schwab Institutional division of Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. We are independently owned and operated and not affiliated with Schwab. Schwab provides us with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. Schwab's services include brokerage, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For our client accounts maintained in its custody, Schwab generally does not charge separately for custody but is compensated by account holders through commissions or other transaction-related fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab also makes available to us other products and services that benefit us but may not directly benefit its clients' accounts. Some of these other products and services assist in

managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements); facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts); provide research, pricing information and other market data; facilitate payment of fees from its clients' accounts; and assist with back-office functions, recordkeeping and client reporting. Schwab Institutional also makes available other services intended to help us manage and further develop our business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, Schwab may make available, arrange and/or pay for these types of services rendered to us by independent third parties. Schwab Institutional may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third party providing these services to us.

Item 13 – Review of Accounts

Our portfolio management system provides a number of methods for reviewing client accounts. There are reports produced by our portfolio accounting software that help ensure that differences among accounts are held to a minimum. For example, portfolio cross-reference reports show which stocks are held in which portfolios. We also review performance outliers on a regular basis to determine the cause of the disparity. As a result, there is typically relatively minor deviation in the portfolio characteristics, sector/industry weightings, and actual holdings in our accounts versus our model portfolio. In fact, dispersion across all accounts – both taxable and tax-exempt – has been minimal, as reflected by the low standard deviation of returns for portfolios in the composite. Most exceptions to this have been caused by either significant cash flows or client-imposed restrictions. Specific account reviews are conducted as needed, or upon changes to account qualifications or objectives.

Our head trader has responsibility for running allocation, sector, and security cross-reference reports. Our compliance officer has responsibility for finding performance outliers. In addition, members of the investment management team review portfolios on an ad-hoc basis.

For those clients who have requested and contracted to receive communications from us directly, we provide detailed quarterly reports.

Item 14 – Client Referrals and Other Compensation

We have various agreements through which individuals soliciting accounts on behalf of our firm are compensated a portion of fees on referral accounts. Such agreements are in writing, prohibit the solicitors from providing investment advisory services on our behalf, and require written disclosure to the client of the solicitor's receipt of referral fees.

Item 15 – Custody

We do not provide custodial services to our clients. Clients should receive at least quarterly statements from the broker-dealer, bank or other qualified custodian that holds and maintains client's investment assets. We urge clients to carefully review such statements and compare such official custodial records to the account statements that we may provide. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Item 16 – Investment Discretion

We usually receive discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. When selecting and determining amounts of securities, we observe the investment policies, limitations and restrictions of our clients. For registered investment companies, our 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.

Investment guidelines and restrictions must be provided to us in writing.

Item 17 – Voting Client Securities

We will make decisions and vote on shareholder matters provided that the Custodian forwards to us (or our proxy voting service, Broadridge) in a timely manner all necessary materials relating to Client's holdings. We utilize Broadridge Financial Solutions' ProxyEdge to vote, coordinate, process, manage and maintain electronic records of our proxy votes.

It is our policy to vote proxies solely in what we believe are the best long-term interests of our clients. In general, this policy results in votes consistent with management's recommendations. However, we vote against proposals that adversely affect:

- 1.) the firm's long-term economic attractiveness
- 2.) the normal functioning of shareholder democracy, or
- 3.) our clients' position as owners of the company.

For example, we normally vote against anti-takeover provisions since they often infringe on shareholder democracy. However, we have voted in favor of staggered board terms on the basis that these increase continuity of management regardless of who the owner is.

We vote in favor of plans that provide an incentive to stock ownership by employees, management, and directors. However, the potential for dilution that some stock option and grant plans present is a concern.

Since a fiduciary's endorsement of excessive dilution could be viewed as an imprudent action, we vote against plans that:

- 1.) Allocate more than 5% of the firm's shares to options, or
- 2.) Do not set a limit on the maximum amount that can be awarded to an individual in a given year.
- 3.) Grant options with an exercise price less than 100% of the fair market value at the date of grant, or less than 85% of the fair market value on the date of grant if the discount is granted in lieu of a reasonable amount of salary or cash bonus.
- 4.) Do not delineate the conditions for granting options to non-employee directors, but rather make it subject to management's discretion.
- 5.) Expressly allow the repricing of underwater options.

Requirements #1, #2, and #4 may be waived, however, if the option grant itself (not the exercising of the grant) requires a financial investment on the part of the recipient, since such an investment by the recipient may serve as a built-in control against excessive dilution.

With respect to social issues (religious, tobacco, military, animal rights, Northern Ireland, South Africa, nuclear concerns, etc.) our practice has been to vote with management.

We retain records of each proxy vote taken, which are available to the client upon request.

Item 18 – Financial Information

As a registered investment adviser with discretionary authority of client funds or securities, we are required in this Item to provide you with certain financial information or disclosures about our financial condition.

We have been in business since 1986, have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to clients, and have never been the subject of a bankruptcy proceeding.

Supplement - Form ADV Part 2B

Item 1 (Cover Page)

This brochure supplement provides information about various EIC employees that supplements EIC's Brochure (to which this is attached). The following EIC supervised persons are primarily responsible for formulating investment advice, and hence have discretionary authority over client's assets, and may at times have direct contact with clients.

Each individual is employed by EIC and may be contacted at:

Equity Investment Corporation

3007 Piedmont Road, Suite 200

Atlanta, GA 30305

404-239-0111

1. James F. Barksdale
2. W. Andrew Bruner, CPA, CFA
3. R. Terrence Irrgang, CFA
4. Ian T. Zabor, CFA

Item 2 (Educational Background and Business Experience)

1. **James F. Barksdale** (born 1953) is the President and Chief Investment Officer of EIC. He began his career in the finance department of IC Industries where he was involved with investments, acquisition analysis, and planning. After overseas assignments, he returned to New York to take a position at Merrill Lynch where he worked on asset allocation strategies. Jim then served as a portfolio manager for Management Asset Corporation, an institutional Graham-Dodd investment firm in Connecticut, before returning to Atlanta in 1986 to form Equity Investment Corporation. He received an MBA from the Wharton School of Finance, University of Pennsylvania, in 1977 after earning a BS degree from the College of William and Mary in 1975.
2. **W. Andrew Bruner, CPA, CFA** (born 1968) has been with EIC since 1999 and is a Portfolio Manager and Director of Research. From 1992 to 1999, he was involved in accounting assignments for KPMG LLP, primarily in conducting due diligence for mergers and acquisitions. Andrew received a BA in international politics and economics from the University of the South in 1990. In 1991, he earned a Master in Professional Accounting degree from the University of Texas at Austin. Andrew is also a CPA¹ (since 1993) and has held the Chartered Financial Analyst (CFA)² designation since 1999.
3. **R. Terrence Irrgang, CFA**, (born 1957) joined EIC in 2003 as a Portfolio Manager. Previously he was a Global Partner, portfolio manager, and product manager for INVESCO Capital Management. Terry began his career as an investment consultant, working nine years with Mercer Consulting and Towers Perrin, where he assisted plan sponsors with asset allocation, manager selection, and performance monitoring activities. Terry received a BA degree from Gettysburg College in 1979, and earned an MBA from Temple University in 1981. He has held the Chartered Financial Analyst (CFA)² designation since 1990.
4. **Ian T. Zabor, CFA**, (born 1975) has been with EIC since 2005 and is a Portfolio Manager. Prior to joining EIC, he held trading, analyst, and portfolio management roles with AG Edwards, The US Small Business Administration, and Wachovia Securities. Ian received a BA in Economics from Indiana University (1997) and an MBA from the Darden School at the University of Virginia (2002). He has held the Chartered Financial Analyst (CFA)² designation since 2004.

Notes:

¹**CPA (Certified Public Accountant):** To receive certification to practice accounting, an individual must pass the uniform CPA examination administered by the American Institute of Certified Public Accountants. The individual usually has to complete 5 years of education, and a certain degree of work experience. Additionally, once an individual becomes a CPA, they typically must complete a certain number of hours of continuing education each year.

²**CFA (Chartered Financial Analyst):** This designation refers to an individual who has passed tests in economics, accounting, security analysis, and money management, administered by the Institute of Chartered Financial Analysts of the Association for Investment Management and Research. Such an individual is also expected to have at least three years of investments-related experience, and meet certain standards of professional conduct. These individuals have an extensive economic and investing background and are competent at a high level of analysis. Individuals or corporations utilize their services as analysts, portfolio managers or investment advisors.

Item 3 (Disciplinary Information)

EIC has no information to disclose.

Item 4 (Other Business Activities)

EIC has no information to disclose.

Item 5 (Additional Compensation)

EIC has no information to disclose.

Item 6 (Supervision)

Investment team members at EIC are generalists, working as a team. While Jim Barksdale retains final investment authority over all investment decisions, he, Andrew Bruner, Terry Irrgang and Ian Zabor have found they complement one another well and seek mutual agreement in all investment decisions. All four members can initiate investment ideas for further research using various screens and general reading. There is no division of duties by sector or industry group. The team members meet informally on a regular basis.

Jim Barksdale, our CEO and CIO, supervises and evaluates the contribution of each member of the investment team on a subjective basis. Mr. Barksdale may be contacted at 404-239-0111.

Privacy Policy Notice of Equity Investment Corporation

On June 22, 2000 the Securities and Exchange Commission adopted Regulation S-P, "Privacy of Consumer Financial Information," which requires Equity Investment Corporation, Inc. and other financial services firms to disclose their privacy policy regarding nonpublic personal information of customers and consumers. In accordance with this regulation, EIC has summarized our privacy policy below.

A. Nonpublic Personal Information

Nonpublic personal information is broadly defined to include any information a customer provides to a financial institution that is not publicly available. Nonpublic personal financial information includes, but is not limited to, financial and account information and information relating to services performed for or transactions entered into on behalf of our clients.

B. Collecting Your Information

We only collect information about you and our other clients as permitted and/or required by law to conduct our business properly and to service your accounts. We receive this information mostly from you via applications, contracts, agreements, etc.

C. Protecting Your Information

We treat all of your information with the highest amount of confidentiality. Access to such information is restricted to those principals and employees whose business function requires them to have such information. We maintain physical, electronic and procedural safeguards to protect your privacy and to ensure its confidentiality.

Employees must not include full names, addresses, social security numbers, account numbers or passwords in email correspondence. When highly sensitive information is required to be transmitted by email, such transmittal will be encrypted. Additionally, employees must shred (not simply discard in the trash) any information that would identify an individual, including, but not limited to name, social security number, address, email address, account number, internal EIC nickname or code prior to disposal.

D. Sharing Information

We do not share your information with third parties. However, there are certain occasions when a third party would have access to information about your account, and they are:

- Government agencies or others as necessary to comply with the law or in a response to legal or administrative processes such as subpoenas.
- Inquiries by your tax accountants whom you have authorized to obtain certain transactional information in conjunction with preparing your taxes.
- Trades for your account processed by your broker or your custodian.

EIC provides third parties with only the information necessary to carry out their assigned responsibilities and only for that purpose. Third-party service providers, such as broker's or custodians, must agree to safeguard clients' nonpublic personal information pursuant to EIC's Privacy Policy.

E. Privacy Notices

EIC provides an initial privacy notice no later than the time of establishing the client relationship. In addition, EIC provides an annual privacy notice to clients during the continuation of the relationship.

F. Accurate Information

In an effort to provide our clients with superior service, we strive to keep all of our records accurate. We take prompt action to correct errors, and we ask that you point out any inaccuracies should you discover any.

This policy for maintaining the privacy of our clients' confidential information provided to us remains in effect even after an account is terminated. Should you have any questions regarding our policy, please contact us:

Equity Investment Corporation
3007 Piedmont Road, NE
Suite 200
Atlanta, GA 30305
(404) 239-0111
(404) 239-0280 FAX
jmichels@eicatlanta.com

ERISA 408(b)(2) Fee Disclosure Notice to ERISA plans

Equity Investment Corporation (EIC) is providing you with this notice in compliance with the Department of Labor regulations under section 408(b)(2) of the Employee Retirement Income Security Act of 1974, as amended, ("ERISA"), to disclose information about the services EIC provides and the compensation received for such services.

Description of Services

EIC provides investment advisory services for equity and balanced portfolios of separately managed accounts. We also serve as a sub-advisor to numerous other registered investment advisory organizations ("Sponsor"). These include divisions of various brokerage firms, under "wrap" and other advisory programs, for which we receive a portion of the wrap fees paid by the investor to the Sponsor. In addition, we offer non-advisory services through various firms. Non-advisory assets are those for which we provide a model portfolio to the Sponsor and we are not involved in trading the underlying client's account. The Sponsor provides a description of its program, as well as its ADV Part 2, to all clients.

EIC offers three different equity strategies; All-Cap Value, Large-Cap Value, and Mid-Cap Value; total return opportunity approach (which is primarily non-equity); and a blend of our equity and non-equity approaches to provide more balanced portfolios. All portfolios in a particular strategy are managed similarly regardless of vehicle (wrap or non-wrap). Clients may impose restrictions on investing in certain securities or types of securities.

Service Provider's Status

EIC is a registered investment adviser under the Investment Advisers Act of 1940. If an account is subject to ERISA, then EIC acknowledges that it is a "fiduciary" (as that term is defined by ERISA) with respect to the account.

Compensation

Direct Compensation –

If services for your plan are provided through a Sponsor, we do not receive direct compensation from your plan. Our fee is paid by the Sponsor. For information about direct compensation the Sponsor receives in connection with the program, please see the applicable program's 408(b)(2) fee disclosure notice.

If your plan is not part of a Sponsor program, then we receive direct compensation from your plan for the services provided. Our fee, as well as the calculation methodology is explicitly stated in the Investment Advisory Agreement (the "Agreement") signed between your plan and EIC. In general, the fee is paid directly from your managed account.

Indirect Compensation –

If services for your plan are provided through a Sponsor, we receive indirect compensation. For a description of the fee we receive from the Sponsor in connection with the services we provide through the program, please refer to the section of the client agreement with the Sponsor that discusses fees.

If your plan is not part of a Sponsor program, then EIC does not expect to receive any other compensation, direct or indirect, for its services under the Agreement.

Compensation for Termination of Your Account –

We do not receive a termination fee or apply a penalty provided we receive adequate notification as per your agreement.

Compensation Paid Among EIC and its Related Parties

EIC does not pay compensation to any affiliates or subcontractors.

Further Disclosures

EIC will disclose any material change to the information provided above as soon as practicable, but in any case, no later than 60 days from the date on which we learn of the change.