

SOL CAPITAL MANAGEMENT COMPANY

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This brochure provides information about the qualifications and business practices of SOL Capital Management Company. If you have any questions about the contents of this brochure, please contact us at 301.881.3727 or shorne@sol-capital.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about SOL Capital Management Company also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Material Changes

There have been no material changes to the brochure since our last update on March 29, 2012.

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Item 4: Advisory Business

SOL Capital Management Company has been serving clients as an investment advisory firm since 1987. The company was begun by Samuel Sandler, Frances J. Odinec and James A. Lynn. Mr. Rajmiel Odinec joined the firm in November of 1989. In July, 1999, Mr. Lynn was bought out by Mr. Sandler and Mr. & Mrs. Odinec, and now the firm is owned by just the three of them. The ownership is as follows:

Mr. Samuel Sandler	Owns 50%
Mr. Rajmiel Odinec	Owns 25%
Mrs. Frances J. Odinec	Owns 25%

SOL Capital Management Company offers investment management services and investment consultation services to U.S. and international high net-worth individuals and corporations, pension and profit sharing plans, trusts, estates, and charitable organizations. SOL generally manages assets on a discretionary basis for client accounts, meaning that we will make decisions based on guidance around the clients' investment objectives and place those trades in the account and monitor and report on them accordingly. We can also provide investment consultation services where we can manage assets on a non-discretionary basis. In this case, we make recommendations to the client based on stated investment objectives and it is up to the client to execute the trade with a custodian. In these cases, we can also monitor and report on these accounts to the client.

We are able to offer investment advice on the following types of securities*:

- Equity Securities
 - Exchange-listed securities
 - Securities traded over-the-counter
 - Foreign issuers
 - Exchanged traded funds (or ETFs)
- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial Paper
- Certificates of Deposit
- Municipal Securities
- Investment Company Securities
 - Variable annuities
 - Mutual fund shares
- United States governmental securities
- Options contracts on:
 - Securities
 - Commodities
- Interests in partnerships investing in:
 - Real estate
 - Oil and gas interests

*SOL also provides consulting advice to some of its clients with respect to the investment of assets following the sale of a business.

When we take on a new account, we meet with each client to discuss their current portfolio, their investment objectives, their liquidity needs, risk tolerance and investment time-horizon. During this discussion, the client may impose restrictions on the types of securities that may be purchased, or may impose restrictions on particular securities that can be purchased. On the basis of that discussion, we prepare a preliminary asset allocation to be further discussed and analyzed with the client. Once an appropriate asset allocation is agreed upon, the client formalizes an investment policy statement and signs it. This policy serves as the general investment guidelines for the investment of the portfolio.

Accounts are generally managed on a discretionary basis, within certain guidelines authorized by the client. However, transactions not falling within those guidelines may be specifically requested by the clients. The amount of regulatory assets under management as reported to the Securities and Exchange Commission on its ADV, Part I by SOL Capital Management Company as of December 31, 2012 was \$1,508,618,659. SOL Capital Management Company also provides investment advice on an additional \$239,983,698 as of December 31, 2012, making the total assets under advisement \$1,748,602,357.

Item 5: Fees and Compensation

The fees for providing services are paid to SOL Capital Management Company by clients on the basis of the average monthly funds under management. As a company policy, SOL Capital Management Company does not receive or accept commissions or fees from any source other than clients.

The basic fee charged by SOL for its advisory services is a percentage of the average monthly capital under management as follows:

<i>\$0 up to</i>	\$5,000,000	1.00%
<i>on the next</i>	\$15,000,000	0.60%
<i>on the next</i>	\$80,000,000	0.50%
<i>amounts over</i>	\$100,000,000	negotiable

Notwithstanding the above table, the fees for advisory services charged by SOL Capital Management Company are negotiable.

The fee is payable monthly, in arrears. The fees incurred are deducted directly from the clients' account with the custodian, unless the client wishes to pay the fee directly, by check.

In addition to the advisory fees paid to SOL Capital Management Company, clients whose assets are invested in mutual funds or exchange traded funds will, like other shareholders of those funds, be subject to fees charged by those funds. These fees are built into the pricing structure of the funds and are not paid directly from the client's managed account, and SOL Capital Management Company receives no part of those fees. In general, SOL Capital Management Company seeks to invest clients' assets in mutual funds which have no front or back end sales charges and which it believes to have reasonable fee structures.

In addition to the advisory fees paid to SOL Capital Management Company, clients will also incur fees from custodians for the execution of securities transactions and other transaction services, custody and related services. Please see SOL's brochure, Item 12 – Brokerage Practices for more information on expenses incurred in relation to fees charged to clients by custodians.

Item 6: Performance–Based Fees and Side by Side Management

In the past, SOL Capital Management Company offered a fee schedule to certain clients that included a performance based fee. For some clients who are neither citizens of, nor residents in, the United States, a separate performance based fee schedule, that SOL believed reflected the preferences of those clients, applies. The basic fee is an annual charge of 0.50% of the average weighted monthly capital under management, subject to a minimum fee of \$2,000 annually. This basic fee is payable monthly in arrears, as are all management fees charged by SOL. For clients with a performance based fee schedule, SOL will adjust the fee at the end of each year if the annual return exceeds the one-year weighted prime rate for the period under consideration. The incremental change will be 10% of such excess return over the weighted prime rate. Since October 30, 1995, this fee schedule has not been offered to any new or prospective clients of SOL Capital Management Company.

The general concern regarding performance based fees is that an investment adviser has an incentive to invest clients' assets in securities that are riskier in nature in hopes of a greater return. This greater return would, in turn, result in a larger fee at the end of the anniversary year of the client. SOL is very cognizant of this risk and makes a very diligent effort to routinely monitor the asset allocation of accounts subject to a performance fee to make sure they are in line with the stated investment policy statement that is reviewed and agreed upon by the client.

The members of the SOL Investment Committee are responsible for reviewing and managing accounts that have performance based fee schedules and those that do not have performance based fee schedules simultaneously. SOL is cognizant of the potential risk of favoring accounts with performance based fees (e.g. with new investment opportunities). In order to address this risk, SOL has a procedure in place whereby accounts are not reviewed in the same order in the regular bi-monthly review cycle. Within the two-month review cycle, we randomize the order that clients are reviewed so that if we are making a tactical asset allocation change or introducing a new manager or investment vehicle the order in which our clients are invested is random each time.

Item 7: Types of Clients

The types of clients that SOL Capital Management Company provides investment advice to are as follows:

- Individuals
- Pension and profit sharing plans
- Trusts, estates and charitable organizations
- Corporations
- Off-shore corporations

At present, SOL's business is limited to providing investment advice for clients generally with a minimum net worth of US\$5,000,000 who establish accounts generally of at least US\$5,000,000. We may consider clients with less than US\$5,000,000 where the services performed by SOL are of a special nature or in other circumstances as determined at the discretion of SOL.

As of December 31, 2012, SOL provided securities related advice to 308 clients: 143 corporations, 156 individuals, and 9 pension plans, profit sharing plans or charitable organizations.

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

INVESTMENT MANAGER SELECTION PROCESS

When constructing client portfolios, SOL generally invests in a combination of actively managed mutual funds, index and passively managed funds, and exchange-traded funds (ETFs). We will add individual equities to portfolios of clients who want more concentration, volatility, or both. However, our focus is on mutual funds, which makes manager selection a top priority for our firm. It is important to note that a client could lose money by investing in mutual funds, and mutual funds can underperform other investments. A mutual fund's share price and total return may fluctuate due to risk factors including, but not limited to issuer risk, management risk, equity risk, market risk, liquidity risk, non-U.S. issuer risk, interest rate risk, credit risk and prepayment risk of the securities purchased by the mutual funds.

A RIGOROUS PROCESS

SOL follows a four-step process when selecting fund managers. Our goal is to identify what we believe to be the best-in-class managers with proven strategies that align with our clients' objectives.



We describe our manager selection process for actively managed funds below. Please note that our process is similar for index and passively managed funds and ETFs, where applicable.

1. Needs Analysis

Our process begins with a top-down assessment of our existing managers by asset class. We generally look for gaps in our product line-up or for managers we would like to replace.

2. Due Diligence

Screening

Once we have identified a product area of interest, we screen the universe of funds within that product area using tools such as Morningstar and Bloomberg. We evaluate a number of metrics, including performance, volatility, and downside risk relative to benchmarks and peer groups.

Quantitative and Qualitative Analysis

If a fund looks promising, we perform a detailed analysis of both the fund and the manager. We scrutinize the manager's track record, investment style and process, portfolio holdings, and approach to risk management, among other factors. We examine the fund's structure and fees.

We augment information from databases with information that we gather directly from the fund company. As often as possible, we meet with the fund company and the portfolio manager(s).

Selection Criteria

In general, we favor managers and funds with these characteristics:

- At least a three year performance history, although we will consider newer funds if the manager has a proven track record with another fund of the same style.
- Performance history that was created by the current manager of the fund.
- A portfolio management team rather than a superstar manager, especially when the fund is part of a large mutual fund complex; however, funds managed by individual managers may also be selected.

3. Manager Approval

The lead SOL analyst researching the manager presents his or her findings to the Investment Committee. The Investment Committee meets formally each week and informally on a more frequent basis.

Multiple Perspectives

The discussion among the Investment Committee members may start at the beginning of the due diligence process or further along, perhaps even after the analyst has met with the manager. Regardless of when the Committee gets involved, the members debate the pros and cons of the manager and the fund. If there is a strong case for adding the manager to our roster, the Chief Investment Officer and other analysts will perform a review of the lead analyst's work. One or more of these professionals will also interview the manager. In our opinion, having several points of view supports well-informed selection decisions.

Approved and "Watch" Lists

Once this additional layer of due diligence is complete, the Investment Committee votes on adding the manager to our approved list. Manager approval requires a majority vote, although our Chief Investment Officer has the final say. We put rejected funds that are still interesting to us on our watch list and monitor them alongside approved managers.

4. Continuous Monitoring

Our due diligence process is ongoing. We review our managers to ensure they are adhering to their stated objectives for investment performance, style, and market capitalization. We meet with and talk with most of our managers, participate in many manager calls, and review fund commentary and other relevant information.

Removing a Manager

We are long-term investors who generally invest with a manager for many years. However, several factors might cause us to remove a manager from our approved list, such as poor performance, management changes, and style inconsistency.

In most instances, our decision to remove a manager is a gradual one. The members of the Investment Committee typically discuss the issue over the course of several weekly meetings. If a decision is made to remove a manager, we tend to sell the fund out of client portfolios on a gradual basis. Furthermore, a SOL investment analyst may choose to keep a “removed fund” in a client portfolio for numerous reasons, including the need to avoid an undesirable taxable event.

It is important to note that investing in securities involves risk of loss that clients should be prepared to bear.

The risks associated with the investment strategy indicated above are predominantly related to a mutual fund which would deviate significantly from the style or risk profile indicated in its prospectus. A fund may underperform its benchmark or realize a higher level of volatility than experienced in the past. Additional risks include the death or departure of a fund manager, if an insufficient legacy plan is in place.

Item 9: Disciplinary Information

Neither SOL Capital Management nor its management have been involved in any material legal or disciplinary action, including any criminal or civil action, any type of administrative proceeding before the SEC, or any proceeding by a self-regulatory agency (or SRO).

Item 10: Other Financial Industry Activities and Affiliations

Not applicable.

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

Investment advisers are fiduciaries that owe their clients a duty of care and loyalty. This fiduciary duty governs every aspect of an adviser's conduct and relationship with clients. The guiding principle for a fiduciary is to always put the client's interests ahead of his/her own interests and to provide full and fair disclosure to clients, including disclosure of all actual and potential material conflicts of interest. Similarly, investment advisers may not engage in or attempt to engage in fraudulent, deceptive, or manipulative conduct with respect to clients.

SOL Capital Management Company has a fiduciary responsibility to always act in the best interest of its clients. Accordingly, no employee of SOL may take any action, including, but not limited to, purchasing or selling a security, for personal gain that is contrary to the interests of the firm's clients. SOL's obligations to clients also requires the firm to maintain and enforce policies and procedures to prevent the misuse of material nonpublic information, which includes misuse of material nonpublic information about the adviser's securities recommendations, and client securities holdings and transactions. SOL's duty of care also requires that it safeguard this sensitive information.

SOL's policy requires all personnel to comply with all applicable federal and state securities laws, to perform their duties with complete propriety and to never take advantage of their position of trust with clients to their detriment. The Code of Ethics sets forth standards of conduct for its employees, establishes procedures to safeguard client information (including information concerning client securities transactions and portfolio holdings) and addresses conflicts that may arise from personal trading by the firm's personnel.

If any client or prospective client would like to see a copy of the SOL Capital Management Company Employee Code of Ethics, please write or e-mail:

Sandra G. Horne
VP/Chief Compliance Officer
SOL Capital Management Company
111 Rockville, Pike, Suite 750
Rockville, Maryland 20850
E-mail: shorne@sol-capital.com

As a policy, SOL Capital Management Company does not recommend or buy securities for client accounts in which SOL, or any related person of SOL, has a material financial interest. However, at times, officers or employees of SOL Capital Management Company may purchase or sell the same mutual funds, stocks, bonds or other securities that are purchased or sold for clients. In such cases, it is the policy of the firm to ensure that the clients' interests are given first priority.

As a fiduciary, SOL is prohibited from taking advantage of an investment opportunity at the expense of its clients. To ensure compliance with this requirement and to resolve conflicts of interest that may arise, SOL requires all employees to submit information regarding their personal securities transactions to the Compliance Officer. These records are reviewed by the Chief Compliance Officer for instances of trading practices that harm SOL's clients, such as scalping, front-running or taking an investment opportunity from a client for an employee's own benefit. When the investment committee gives an instruction to trade in a group of accounts that may include a supervised person's account, the trader has procedures in place to ensure that all trades are placed in client accounts before any trades are placed in any supervised person's account. Also, specific pending client orders are placed on a "restricted list" and employees of SOL may not trade in those securities until they are removed from the "restricted list". It is important to note that the majority of SOL's client's assets are invested in mutual funds and those particular securities are not at risk of front-running.

Securities purchased for clients will be held in the clients' names with the issuer and/or with a registered broker/dealer and/or custodian. Cash accounts may also be maintained for clients at banks. Neither SOL nor any of its officers or employees has the authority to gain access to client securities.

Item 12: Brokerage Practices

While SOL Capital Management Company does, in fact, recommend client accounts to particular custodians and/or brokers it does not receive any products, research or services from any of those institutions in exchange, nor does it receive any type of economic benefit in exchange. SOL recommends brokers who will execute transactions on behalf of its clients. We attempt to use brokers who obtain favorable pricing and efficient execution. Most of the trades placed involve mutual funds traded at the end of day NAV.

Process

SOL, on a periodic basis, evaluates the quality and cost of execution services received from all broker-dealers with whom client orders are placed. SOL recognizes that the analysis of execution quality involves a number of factors. To consider all of these factors, we follow an evaluative process in an attempt to ensure that we are seeking to obtain the most favorable execution under the circumstances when placing client orders.

Firm Involvement in the Investment Process

Investment Analysts

The Investment Analysts, along with the Lead Advisers, are responsible for managing client assets in conjunction with stated investment objectives. Orders are communicated to the trader(s) via the Investment Analysts.

Trader(s)

The trader is responsible for placing trades as well as communicating with the portfolio managers any price changes that could adversely affect any predetermined price targets.

The trader randomly selects 10% of all equity trades placed during the calendar quarter at each custodian used by SOL clients during the period. 30%, randomly selected, of fixed income trades, options trades and currency trades placed during the quarter are reviewed as well. Information collected for each trade include, as applicable: time of order placement; time of order fulfillment; custodian where trade is placed; type of order (e.g. buy or sell); security symbol; number of shares; order details; order fulfillment details and a comparison of price data from a data source such as Bloomberg.

Once the trader has gathered all appropriate information, he/she prepares a summary of all pertinent information and a review is conducted by the trader, an investment analyst and the CCO. Any issues noted during this review are documented and researched to provide further clarification and resolution. Consistent execution issues experienced with a particular custodian is reviewed by the CCO with the CIO and will be documented by the CCO.

Factors to Consider

The following factors, among others, are considered when performing SOL's periodic and systematic evaluation of its brokers and execution quality of client trades:

- Timeliness of execution
- Timeliness and accuracy of trade confirmations
- The ability of the broker to execute a trade for more thinly traded securities
- Ability to place trades in difficult market environments
- Record keeping services provided
- Custody services provided
- Frequency and correction of trading errors
- Ability to access a variety of investment products
- Intermediary compensation
- Financial Condition
- Business Reputation
- Price obtained in execution
- Past history of execution of orders

SOL works with a few different custodians in order to help clients achieve their overall objectives. We use general guidelines for deciding which broker we prefer to direct the client to, based on the client's objectives and account profile. We feel that by directing the client to a specific brokerage firm, we can help them access the products and services that we feel are best suited to their investment objectives, at favorable prices. SOL does not receive any commissions from the brokers in exchange for this practice.

At times, a client may come to us and request a particular broker in order to achieve global diversification. We are certainly willing to accommodate this need, but feel it is important for the client to be aware that they may be able to get a better commission schedule with another broker and the products that are available to them may not be as diverse. In these cases, it is imperative that the client understand that they may, in fact, pay higher commissions and be subject to additional account maintenance and transaction fees they would not be paying if they selected a broker we recommended.

From time to time, clients may direct the firm to use particular broker-dealers to execute their securities transactions. SOL will utilize broker-dealers identified by a client if such request is supported by a written request. It is imperative that clients are aware that directing the firm to use a particular broker-dealer to execute transactions for their account may result in: (1) higher transactions costs for the client; (2) reduce or eliminate the firm's ability to secure the most favorable execution for the client; (3) the client foregoing any benefits from savings on execution costs that SOL could obtain for its other clients by negotiating volume discounts on certain transactions; (4) the client not being able to participate in a new issue of securities; (5) SOL Capital Management Company not beginning to place client securities transactions with broker-dealers which have been directed by clients until all non-directed brokerage orders are completed; and (6) the client not obtaining returns equal to clients that do not direct brokerage.

SOL does not currently participate in any referral programs offered by certain broker dealers. We do not select brokers based on any obligation related to client referrals.

SOL trades mostly mutual funds at NAV. SOL seldom places block trades. When block trading is utilized, we allocate the shares purchased or sold based on average cost only.

Item 13: Review of Accounts

On the basis of the guidelines provided by the investment policy, SOL searches for and invests in what it considers to be appropriate investment vehicles to fund each of the asset classes incorporated into the client's investment program in order to try to achieve the client's investment objective.

Once the client's assets are invested, the portfolio is monitored regularly including the following aspects:

- Check current asset allocation vs. target allocation and ensure each asset class is within the range specified in the investment policy statement. Deviations from the ranges set forth in the client's investment policy are addressed as required including periodic rebalancing of the portfolio.
- Review portfolio holdings for consistency and appropriateness with client's objectives. Mutual funds and their managers are additionally reviewed for consistency with their stated objectives in terms of market capitalization and style focus. Individual securities, mutual funds, and overall portfolio performance are further reviewed against their relative benchmarks.
- Cash balances are reviewed in terms of the client's stated liquidity needs. Any excesses or shortages of cash are addressed as required. When clients contribute significant additional funds or request unexpected withdrawals, a detailed analysis of the portfolio is made in order to determine the most appropriate way to invest new funds or to generate the needed liquidity.

As economic and market conditions evolve, changes might be implemented in the structure of the portfolio within the guidelines allowed in each client's investment policy statement.

If and when any client experiences a substantial change in his/her overall situation that affects his/her overall investment objective, risk-tolerance, and/or liquidity needs, SOL and the client review the appropriate changes that may be required in the investment program and investment policy statement. SOL will then implement the agreed upon changes.

All portfolios are assigned an investment analyst who is responsible for monitoring and reviewing each account at least once within a 60-day review cycle, and more often if required. All portfolios are additionally assigned a lead reviewer who is also responsible for monitoring and reviewing each account. Investment analysts and lead reviewers meet periodically to review the accounts together, and at that time make any necessary changes to the portfolio.

Each client of SOL Capital Management Company receives quarterly reports on the performance and holdings in their account(s). The reports set forth the current portfolio and its current market value, charges and fees and performance for the year to date. Also, a management fee billing statement is provided on a monthly basis, where applicable. SOL Capital Management Company also has a password-protected reporting website where holdings and transactions are published daily. Clients who are interested in this service are provided details on how to obtain a user ID and password to this site and may review their accounts at their leisure.

Item 14: Client Referrals and Other Compensation

SOL Capital Management Company has entered into a solicitation agreement with Mr. Cal Klausner. Pursuant to the written agreement, he will refer prospective clients to SOL, and service and interact with those individuals once they become clients. He will not have a role with any other SOL clients and Mr. Klausner does not service client accounts on behalf of SOL. Clients referred to SOL by Mr. Klausner will be subject to the same terms and conditions, including services provided and fees assessed, as any other client of SOL. Mr. Klausner is compensated based upon the management fees generated from the clients he refers to SOL. Mr. Klausner is paid 33% of all management fees collected from the clients he has introduced to SOL, on a quarterly basis, in arrears.

In his separate capacity as a principal of a CPA firm, Mr. Klausner may provide advice about securities which is incidental to his CPA practice. However, the offering of investment advice by Mr. Klausner in this separate capacity is entirely separate and distinct from any securities advice offered by SOL Capital Management Company.

Item 15: Custody

SOL Capital Management Company is deemed to have custody of client funds because it deducts its management fees directly from client accounts. The client may choose to pay SOL directly for the management fees, but in most cases, the fees are deducted directly from the client's account at the custodian. Clients receive statements from qualified custodians on a monthly basis, and SOL urges each client to carefully inspect those statements and compare them to the statements that are sent to clients by SOL on a quarterly basis and the billing statements that are sent by SOL on a monthly basis, where applicable. Any discrepancies between the statements from SOL and the custodians should be reported to SOL immediately so that it can be investigated. A client can either call SOL at 301.881.3727 or they can email any of our team directly. All email addresses can be found on our website at www.sol-capital.com.

Item 16: Investment Discretion

SOL Capital Management Company manages both discretionary and non-discretionary accounts. Managing accounts on a discretionary basis means that we manage securities accounts on behalf of clients without asking for the client's permission for each transaction. Once we sit with a client and determine their investment objectives and risk tolerances, among other factors, and have drafted an appropriate investment policy statement, SOL chooses the securities that we believe are suited for the client's portfolio and trade in the client's account on their behalf. Some clients, based on their religious beliefs or social beliefs will give us restrictions on the types of securities they may want us to purchase on their behalf. We are very cognizant of the wishes of our clients when it comes to trade restrictions and, if reasonable, we accommodate those requests. These types of requests are generally stated in the investment policy statement that is signed by the client prior to our taking over management of the securities portfolio.

In order for SOL Capital Management Company to be able to trade in a client account on a discretionary basis, part of the account opening paperwork with most custodians that we deal with requires the client to grant a limited power of attorney over to SOL Capital Management Company. This power of attorney is "limited" in that it allows SOL to trade in the client's account on a discretionary basis and to move money between client accounts that have the same account registration, but it does NOT allow SOL to move money to accounts where there is an unlike registration or take other action on behalf of the client. These powers of attorney can, but do not always, allow SOL Capital Management Company to directly deduct their management fees from the client's account at the custodian. In the case where we are not allowed to take our management fees directly from the client account, the client pays our management fees directly to us, by check.

We also will manage accounts on a non-discretionary basis. In other words, we monitor and review an account and make securities recommendations to the client, when we act on a non-discretionary basis, but it is up to the client to decide whether to accept or reject our recommendations and if the client accepts our recommendations, we will place the trades with the custodian and ensure settlement of those trades.

Item 17: Voting Client Securities

SOL Capital Management Company generally votes proxy on behalf of its advisory clients. Our policy is to vote in the best interest of SOL's client. Each individual proxy is reviewed and assessed by the Trader and he/she makes a determination on how to vote based on specific guidelines. If the Trader cannot determine the best way to vote or if the vote regards content not addressed in our general guidelines, he/she will consult with the Chief Executive Officer and an Investment Analyst in order to determine how to vote. An electronic record is kept on how SOL Capital Management Company has voted for each individual proxy through a system that works directly with each custodian in order to register votes.

SOL Capital Management Company has specific guidelines regarding the following areas: Corporate Governance; Takeover Defense and Related Actions; Compensation Plans; Capital Structure; Social, Animal and Environmental Responsibility; Appointment of Outside Directors; Incentive Stock Award Programs; and Mergers, Acquisitions and Structural Changes.

Regarding conflicts of interest, due to the nature of SOL's advisory business, its small size and because it does not offer investment banking services or manage/advise public companies; it is unlikely that conflicts of interest will arise in voting the proxies of public companies. If it is decided that there is a conflict related to any of the above matters, the proxy will be voted strictly according to said guidelines. If this does not resolve the conflict of interest, then the conflict will be disclosed to the beneficial owner(s) of the account, and their consent will be obtained before the proxy is voted.

If a client approaches SOL about a particular vote and has an opinion on how they would like to vote on that particular proxy, we will honor their request and vote the way they have suggested. However, as a regular practice, we do not contact the clients when a proxy requires voting. In the absence of a client contacting us regarding the vote, SOL will make a decision on what it believes to be the best vote and will vote accordingly.

A letter is sent out annually to our clients that present the option to receive information on how we have voted on issues relating to their investments. Clients may obtain a copy of SOL's proxy voting policies and procedures upon request.

Item 18: Financial Information

Not applicable.