
Brown Capital Management, Inc.
IA Policies and Procedures Manual
7/1/2008 to Current

Proxy Voting

Policy

Where contractually obligated, Brown Capital Management, Inc., as a matter of policy and as a fiduciary to our clients, has responsibility for voting proxies for portfolio securities consistent with the best economic interests of the clients. Proxies are voted on a best efforts basis. Our firm maintains written policies and procedures as to the handling, research, voting and reporting of proxy voting and makes appropriate disclosures about our firm's proxy policies and practices. Our policy and practice includes the responsibility to monitor corporate actions, receive and vote client proxies and disclose any potential conflicts of interest as well as making information available to clients about the voting of proxies for their portfolio securities and maintaining relevant and required records.

In order to facilitate this proxy voting process, BCM utilizes Glass Lewis & Co. a recognized leader in proxy voting and corporate governance areas to assist in the due diligence process related to making appropriate proxy voting decisions related to client accounts. Corporate actions are monitored by the BCM operations team and investment staff through information received from Advent's corporate actions module.

Clients with separately managed accounts may request a copy of this policy or how proxies relating to their securities were voted by contacting BCM directly. Investors in the Brown Capital Management Family of Funds (individually "Fund" or collectively "Funds") may request a copy of this policy or the Fund's proxy voting record upon request, without charge, by calling NC Shareholder Services at 1-800-773-3863, by reviewing the Fund's website, if applicable, or by reviewing filings available on the SEC's website at <http://www.sec.gov>.

Glass Lewis & Co.

Glass Lewis & Co. is a leading research and professional services firm assisting institutions globally that have investment, financial or reputational exposure to public companies. The firm provides research and analysis that specializes in providing a variety of fiduciary level proxy related services to institutional investment managers, plan sponsors, custodians, consultants, and other institutional investors. BCM subscribes to the Glass Lewis Standard Voting Policy. These services, provided to BCM, include in-depth research, analysis, and voting recommendations.

Members of BCM's investment staff individually determine how each proxy ballot will be voted. Glass Lewis's research, analysis, and voting recommendations are used as a guideline only.

When specifically directed by a client with a separately managed account, BCM will vote as requested.

Background

Proxy voting is an important right of shareholders and reasonable care and diligence must be undertaken to ensure that such rights are properly and timely exercised.

Investment advisers registered with the SEC, and which exercise voting authority with respect to client securities, are required by Rule 206(4)-6 of the Advisers Act to (a) adopt and implement written policies and procedures that are reasonably designed to ensure that client securities are voted in the best interests of clients, which must include how an adviser addresses material conflicts that may arise between an adviser's interests and those of its clients; (b) to disclose to clients how they may obtain information from the adviser with respect to the voting of proxies for their securities; (c) to describe to clients a summary of its proxy voting policies and procedures and, upon request, furnish a copy to its clients; and (d) maintain certain records relating to the adviser's proxy voting activities when the adviser does have proxy voting authority.

Responsibility

Donna Courtney has the responsibility for the implementation and monitoring of our proxy voting, corporate action policies, practices, disclosures and record keeping, including outlining our voting and corporate action guidelines in our procedures. Kim Kratz is BCM's proxy voting coordinator and Joyce Braun and Kristine Lavin are BCM's corporate action coordinators.

Procedure

Brown Capital Management, Inc. has adopted procedures to implement the firm's policy and reviews to monitor and ensure the firm's policy is observed, implemented properly and amended or updated, as appropriate, which are as follows:

1. Voting Procedures

The physical voting process and recordkeeping of votes is carried out by BCM administrative staff at both the broader company and individual account levels through the Glass Lewis & Co.'s View Point system.

The proxy coordinator follows the following process in voting proxies:

- Daily holdings are sent to Glass Lewis for all accounts in the proxy group.
- Daily pulls pending proxy ballots from Glass Lewis website.
- Prints a security cross reference list in Axy's of all accounts in the proxy group that hold the security to be voted.
- Prints ballots to be voted from Glass Lewis.
- Matches Glass Lewis ballots to BCM's security cross reference list to ensure a ballot exists for each eligible client.
- For any ballots missing, contacts Glass Lewis requesting they investigate missing ballots.
- Distributes ballots to be voted to designated portfolio managers for voting.
- Votes ballots on-line according to designated portfolio managers' instructions.
- Generates voted ballot report and attaches it to all prior voting materials generated.
- Reviewed ballots are scanned to the network and then filed.
- Portfolio administrators notify proxy coordinator by e-mail of new and discontinued accounts. Proxy coordinator then completes Glass Lewis's custodian bank template and submits it to the custodian and Glass Lewis to set-up the new accounts. Proxy coordinator notifies Glass Lewis contact via e-mail of all discontinued accounts.
- Any account that Glass Lewis does not have a proxy for will be reported on the missing ballot form. The missing ballot form will be reviewed by CCO, filed with completed ballot and maintained in a missing ballot folder. Copy will be given to CCO.
- Quarterly reports detailing ballots voted are provided by Glass Lewis. These reports are sent to clients as requested or upon contractual agreement.
- Proxy coordinator shall distribute appropriate proxy voting reports to portfolio administrators upon request.

Monitoring:

- Ballots are given to CCO for review to ensure proper voting.
- Changes to the proxy group must be approved by DOA.

BCM votes most proxies for clients where voting authority has been given to BCM by the client. However, in some circumstances BCM may not vote some proxies.

- Shares in a stock loan program.
- Proxies for securities held in an unsupervised portion of a client's account.
- Proxies that are subject to blocking restrictions.
- Proxies that require BCM to travel overseas in order to vote.
- Proxies that are written in a language other than English.

2. Disclosure

- Brown Capital Management, Inc. will provide information in its disclosure document summarizing this proxy voting policy and procedures, including a statement that clients may request information regarding how Brown Capital Management, Inc. voted client's proxies, and that clients may request a copy of these policies and procedures.
- DOA will ensure that each new client receives the current proxy policy.

3. Client Requests for Information

- All client requests for information regarding proxy votes, or policies and procedures, received by any employee should be forwarded to proxy coordinator.
- Proxy coordinator saves the client proxy reports on the computer system and e-mails the reports to the appropriate portfolio administrator. If the report is sent in hard copy format, in response to a client request, the portfolio administrator will prepare a cover letter to send with the report.

4. Voting Guidelines

While BCM's policy is to review each proxy proposal on its individual merits, BCM has adopted guidelines for certain types of matters to assist the investment staff in the review and voting of proxies. These guidelines are set forth below:

Corporate Governance

- Election of Directors and Similar Matters

In an uncontested election, BCM will generally vote in favor of management's proposed directors. In a contested election, BCM will evaluate proposed directors on a case-by-case basis. With respect to proposals regarding the structure of a company's board of directors, BCM will review any contested proposal on its merits.

- Audit Committee Approvals

BCM generally supports proposals that help ensure that a company's auditors are independent and capable of delivering a fair and accurate opinion of a company's finances. BCM will generally vote to ratify management's recommendation and selection of auditors.

- Shareholder Rights

BCM may consider all proposals that will have a material effect on shareholder rights on a case-by-case basis.

- Anti-Takeover Measures, Corporate Restructuring's and Similar Matters

BCM may review any proposal to adopt an anti-takeover measure, to undergo a corporate restructuring (e.g., change of entity form or state of incorporation, mergers or acquisitions) or to take similar action by reviewing the potential short and long-term effects of the proposal on the company. These effects may include, without limitation, the economic and financial impact the proposal may have on the company, and the market impact that the proposal may have on the company stock.

- Capital Structure Proposals

BCM will seek to evaluate capital structure proposals on their own merits on a case-by-case basis.

Compensation

- General

BCM generally supports proposals that encourage the disclosure of a company's compensation policies. In addition, BCM generally supports proposals that fairly compensate executives, particularly those proposals that link executive compensation to performance. BCM may consider any contested proposal related to a company's compensation policies on a case-by-case basis.

- Stock Option Plans

BCM evaluates proposed stock option plans and issuances on a case-by-case basis. In reviewing proposals regarding stock option plans and issuances, BCM may consider, without limitation, the potential dilutive effect on shareholders' shares, the potential short and long-term economic effects on the company and shareholders and the actual terms of the proposed options.

Corporate Responsibility and Social Issues

The investment staff's review is intended to determine if a material conflict of interest exists that should be considered in the vote decision. The investment staff examines business, personal and familial relationships with the subject company and/or interested parties. If a conflict of interest is believed to exist, the investment staff will direct that the proxy issue BCM may vote against corporate responsibility and social issue proposals that BCM believes will have substantial adverse economic or other effects on a company, and BCM may vote for corporate responsibility and social issue proposals that BCM believes will have substantial positive economic or other effects on a company.

BCM reserves the right to amend and revise this policy without notice at any time.

5. Conflicts of Interest

The investment staff's review is intended to determine if a material conflict of interest exists that should be considered in the vote decision. The investment staff examines business, personal and familial relationships with the subject company and/or interested parties. If a conflict of interest is believed to exist, the

investment staff will direct that the proxy issue must be voted in accordance with Glass Lewis recommendations. In the event Glass Lewis is unable to make a recommendation on a proxy vote regarding an investment held by a Fund, the investment staff will defer the decision to the fund's proxy voting committee, which is made up of independent trustees. Decisions made by the fund's proxy voting committee will be used to vote proxies for the fund. For securities not held by a fund, if Glass Lewis is unable to make a recommendation then BCM will either disclose the conflict to the client and obtain its consent before voting or suggest that the client engage another party to determine how the proxies should be voted.

6. Recordkeeping

Proxy coordinator/portfolio administrator shall retain the following proxy records in accordance with the SEC's five-year retention requirement.

1. Proxy voting policies and procedures.
2. Proxy statements received for client securities.
3. Records of votes cast on behalf of clients.
4. Records of client requests for proxy voting information and written responses by BCM to such requests will be maintained in the client's correspondence folder.
5. Documents prepared by BCM that were material to making a proxy voting decision or memorialize the basis for the decisions.

All such records will be maintained as required by applicable laws and regulations.

Corporate Actions

The corporate action coordinators will respond to all corporate action changes necessary to be made to ensure that BCM has the proper securities, ticker symbols and cusip numbers in our portfolio accounting system. Information will be obtained from Advent's corporate action module (ACA), as our primary source. The client's custodian bank is our secondary source. For taxable accounts, due to 1099 reporting, we will change the process to match custodian numbers. If BCM becomes aware of a revision of the allocation by our source, we will revise our numbers when the change is greater than 1%.

1. BCM will update Axys using Advent's corporate action module. However, in certain circumstances due to system constraints, a manual posting may be necessary.
2. Print the trade blotter with all transactions before posting.
3. Spot check one account in each service to ascertain if the posting looks correct.
4. Request that the portfolio administrators notify her of any problems with the posting.
5. Resolve any issues with the posting of the corporate action.