COLUMBIA PARTNERS
INVESTMENT MANAGEMENT

SEC Form ADV Part 2A
"Brochure"

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This Brochure provides information about the qualifications and business practices of Columbia Partners, L.L.C. Investment Management. If you have any questions about the contents of this brochure, please contact us by telephone at (240) 482-0400 or by email at dscott@columbiaptrs.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.

Columbia Partners, L.L.C. Investment Management is a registered investment advisor. Registration as an investment advisor does not imply any level of skill or training.

Additional information about Columbia Partners, L.L.C. Investment Management is also available on the SEC's website at www.adviserinfo.sec.gov

March 30, 2017

ITEM 2 - MATERIAL CHANGES

Columbia Partners, L.L.C. Investment Management (“Columbia Partners," the "Firm", "us", "we" or "our") has revised the manner in which it reviews and monitors that its proxy voting service provider can make voting recommendations in an impartial manner and in the best interest of our clients.

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ITEM 4 - ADVISORY BUSINESS

Columbia Partners is an independent registered investment advisor headquartered in Chevy Chase, Maryland, just outside Washington, DC. The Firm was founded in 1995 by Robert von Pentz and Terry Collins, both of whom were then heads of significant investment advisory businesses housed within local financial institutions. Mr. von Pentz is the Chairman of the Firm's Management Committee in addition to his role as senior portfolio manager.

Columbia Partners serves a broad variety of clients with focused investment advisory services. We provide only investment management services and do not provide our clients with financial planning, consulting or any other services. No single person owns more than 20% of the company. Our business centers on delivering this advice for a fee based on assets under management, performance and/or a fixed rate fee. We generate no investment related revenues on any basis other than fees.

With the exception of one account, all of our investment business is conducted on a discretionary basis, whereby the clients enable us to provide advice on how their accounts are managed within strict guidelines established by the client and accepted by us. Client guidelines generally center on prohibited investments, since by electing a particular Firm strategy clients accept our sector diversification, tax sensitivity and market capitalization targets.

We manage assets in a variety of strategies designed to meet differing needs of our clients. Our clients choose among these strategies to meet their investment objectives.

We manage equity strategies and fixed income strategies which generally rely on the purchase and sale of securities managed within general parameters consistent with each underlying strategy. Several of the strategies are growth oriented; several are core strategies, which blend growth and value approaches. In a limited number of separate client accounts we augment the purchase and sale of securities with the use of options and short sales with the objective of reducing the variability, both up and down, of those accounts.

We also manage a family of pooled hedge funds ("Victor Funds") in what is termed a long/short manner. We purchase and sell publicly traded equity securities, and we use short sales of equity securities in our efforts to reduce the volatility of the returns in this fund. The fund employs leverage to enhance returns, as well. We also use options and ETFs from time to time.

For certain institutional clients, we advise them on private equity fund investments managed by other investment advisors.

On behalf of two large institutional clients, we invest directly in the senior debt securities of late stage venture backed companies, generally focused in the telecommunications, media and technology sectors. The objective of this strategy is to enable clients to participate in the venture investing sector with reduced risk relative to investing in the equity securities of the same companies.

We manage Columbia Partners Private Capital Holdings, LP, a Delaware limited partnership ("CPPC") launched in late 2014 focused on investing in a variety of alternative fund strategies, including investments in private equity, venture, mezzanine lending and related funds. We launched CPPC to allow investors to take advantage of our fund-of-funds strategy, which we separately manage for one large institutional investor in a separate account format. In addition to its separate account investment, such institutional investor has also invested in CPPC. As of the date of this brochure, CPPC has $188 million in commitments and we have begun investing those commitments in underlying funds.

Additional information about our investment strategies is found below in the "Methods of Analysis, Investment Strategies and Risks of Loss" section of this brochure.

A large portion of our advisory business is centered on serving institutional clients, who are directed by boards of trustees and who often employ professional investment consultants to assist them in making their investment allocation decisions. We generally receive an assignment to manage a portion of the clients' assets in a particular investment style and we are measured in terms of performance against pre-determined benchmarks and against the peer group of managers in that style. We also have high net worth clients whom we serve directly and retail clients whom we service through our participation in wrap fee programs as described below. Additional information about our types of clients is found below in the "Types of Clients" section of this brochure.

Columbia Partners also provides investment advisory services to clients who have entered into wrap fee or other similar programs with various brokers. In a wrap fee or similar program, a broker or dealer 1) recommends retention of Columbia Partners and/or other investment advisers, 2) monitors and evaluates Columbia Partners' performance (and all other investment advisers participating in the program), 3) executes the clients' portfolio transactions without transaction based commission charges; and 4) provides custodial services for the clients' assets, or provide any combination of these or other services, all for a single fee paid by the client to the broker-dealer. The broker-dealer pays a portion of that fee to Columbia Partners for its investment management services provided to the wrap fee clients' portfolios. Such fees are paid to Columbia Partners on a quarterly basis in arrears.

In evaluating such an arrangement, a client should recognize that brokerage commissions for the execution of transactions in the client's account are not negotiated by Columbia Partners. Transactions are effected without transaction based commissions, and a portion of the wrap fee is generally considered as being paid in lieu of commissions. Trades are generally expected to be executed only with the broker-dealer with which the client has entered into the wrap fee arrangement, and Columbia Partners is generally not free to seek best price and execution by placing transactions with other broker-dealers. Our experience indicates that certain broker-dealers under clients' wrap fee agreements generally can offer best price for transactions in listed equity securities but no assurance can be given that such will continue to be the case with those or other broker-dealers which may offer wrap fee arrangements, nor with respect to transactions in other types of securities. Accordingly, the client may wish to satisfy himself that the broker-dealer offering the wrap fee arrangement can provide adequate price and execution of most or all

transactions. The client should also consider that, depending upon the level of the wrap fee charged by the broker-dealer, the amount of portfolio activity in the client's account, the value of custodial, brokerage and other services which are provided under the arrangement, and other factors, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately and if Columbia Partners were free to negotiate commissions and seek best price and execution of transactions for the client's account. Finally, trades for wrap program accounts are sometimes executed separately from and subsequent to block trades executed by Columbia Partners, for its other clients through the client's designated wrap broker. This may cause the wrap fee clients to receive inferior trade execution and/or pay higher prices for the securities than Columbia Partners' other clients and miss certain investment opportunities that were available to Columbia Partners' clients that traded the security in the block trade. Please see additional disclosure regarding wrap fee clients in Item 12 below.

As of January 31, 2016, we managed $1.56 billion in assets for clients on a discretionary basis. We managed one institutional account of approximately $112 million on a non- discretionary basis.

ITEM 5 - FEES AND COMPENSATION

Columbia Partners utilizes more than one method for charging clients fees. Our charges may be based on a percentage of assets under management ("Basic Fees"), performance above a certain level ("Performance Fees"), and/or a fixed rate fee. Compensation is payable to Columbia Partners after services are rendered. Fees are negotiable and minimum fees may be waived.

Columbia Partners or the client may terminate an investment advisory contract at any time upon 30 days' prior written notice to the other party unless otherwise stated by the contract. Typically, termination is without the payment of any penalty and without liability of either party to the other, except for any compensation due for services provided.

Columbia Partners bills clients for investment management services rendered. Clients pay the fee to Columbia Partners based on bills submitted by the Firm. Columbia Partners does not deduct such fees from the clients' advisory accounts. Victor Fund investors' investment advisory fees are deducted by Columbia Partners from the investors' capital accounts.

Basic Fees

Basic Fees are assessed quarterly based on a percentage of the market value of the account on the last business day of the quarter, unless otherwise agreed and stated in the advisory agreement. Fees charged may be negotiable, but otherwise generally comport with the standard fees shown on the table further below. Columbia Partners will quote exact percentages to be charged each client, and include the fee schedule within its management agreement with the client. If the service is for less than the whole of any quarterly period, compensation will be calculated and payable on a pro rata basis for that portion of the period that the assets were in the account based on the amount of assets held in the account on the day the assets were withdrawn.

Performance Fees

As described below, the Victor Funds pay performance fees in addition to an asset based management fee payable at predetermined months for each fund. The performance fees for the Victor Equity Fund, L.P. and the Victor Equity Fund, Ltd. are 20% of profits for the period defined as the increase in value of each investor's account for that period. For Victor Equity Fund, L.P. partners, profits are measured over the twelve month period ending June 30. For Victor Equity Fund, Ltd., profits are measured quarterly. The fee is subject to a high water mark, which means that a performance fee is only paid on the amount of profit which exceeds the previously reached high point of each investor's investment in his account. Please see the Victor section of the fee table below.

Institutional Clients

Additionally, on behalf of two large institutional clients, we invest in senior debt securities of well-funded private companies. In these cases, we charge a base management fee of approximately 1.5% of the fair market value of the assets with fee step-downs after 6 years. We also have the ability to earn a performance fee on these investments equal to 20% of the excess proceeds, if any, generated after the client has realized a preferred internal rate of return of 7% net of all management fees. These performance fees are payable upon the successful exit from each investment in these accounts. We also manage a portfolio of private equity and venture capital fund investments for one large institutional client, which typically carries a base management fee equal to 0.50% of committed capital. We have the ability to earn a performance fee on these investments equal to 10% of the excess proceeds, if any, generated after the client has realized a preferred internal rate of return of 8% net of all management fees.

CPPC

With respect to CPPC, we are paid a management fee equal to 0.75% of committed capital in CPPC (other than capital invested by CPPC's general partner). Such management fee is payable quarterly in advance. CPPC pays its general partner (which is owned in minority part by us and the remainder by certain of our employees) a performance fee of 10% on net profits of CPPC above an 8% hurdle rate, calculated on an internal rate of return basis after the realized return of capital and all fees.

Performance-based fees create an incentive for Columbia Partners to recommend investments which are riskier or more speculative than those which would be recommended under a different fee arrangement. This is because we will receive a higher fee for good performance on a performance fee account than from strictly asset based fee accounts. Higher fees benefit our Firm as well as our employees because the asset-based fees and performance-based fees we receive are included in the pool from which we pay incentive bonuses to our employees and from which our owners draw their profits. Nevertheless, Columbia Partners has adopted policies and procedures to address this conflict and other conflicts of interest associated with performance fee accounts. See a description of additional conflicts of interest associated with performance fee

based accounts and the policies and procedures we have adopted to address such conflicts of interest in the "Performance-Based Fees and Side by Side Management" section of this brochure.

Wrap Fee Programs

As described in the "Advisory Business" section of this brochure, Columbia Partners provides investment advisory services to clients that have entered into wrap or other similar programs with various brokers. If you participate in a wrap fee program where Columbia Partners acts as your investment manager, your wrap fee sponsor's brochure will describe the amount or the range of fees the sponsor pays to Columbia Partners out of the wrap fees you pay.

Other Fees

Columbia Partners may invest a portion of clients' assets in Exchange Traded Funds ("ETF"). When Columbia Partners invests a client's assets in an ETF, that client indirectly bears a proportionate share of the fees and expenses paid by the shareholders of the ETF, in addition to the fees and expenses that the client directly bears in connection with the hiring of Columbia Partners. The specific fees and expenses paid by shareholders of an ETF are described in each ETF's offering documents. In addition, ETF shares potentially may trade at a discount or a premium and are subject to brokerage and other trading costs, which could result in additional expenses associated with investing in an ETF. A client could invest in an ETF directly, without the services of Columbia Partners. In that case, the client would not receive the services provided by Columbia Partners which are designed, among other things, to assist the client in determining which ETFs or other investments are most appropriate to each client's financial condition and objectives. Accordingly, a client investing in an ETF or other funds should review both the fees charged by the ETFs and the fees, if any, charged by Columbia Partners to fully understand the total amount of fees to be paid by the client and evaluate the advisory services provided.

Similarly, if we invest your assets in private investment funds you will pay the private investment fund fees in addition to the fees you pay Columbia Partners. However, clients who invest in one of the Victor Funds will only pay hedge fund fees for the portion of their assets invested in the hedge fund and will not pay a separate advisory fee to Columbia Partners for such portion of their assets.

Our fees for any given account are generally determined by the strategy used to manage the assets and by the size of the account. Our rate schedule is shown on the following table. All such fees are negotiable.

Investment Advisory Fee Schedules				
Investment Advisory Fee Schedule- Portfolios*				
Large Cap Equity & Large Cap Growth			**All Cap**	
First $10 Million	0.80%		First $10 Million	1.00%
Next $10 Million	0.65%		Thereafter	1.00%
Next $25 Million	0.55%		Minimum Fee*	$15,000
Next $25 Million	0.45%			
Thereafter	0.35%			
Minimum Fee*	$15,000			
Large Cap Value			**Balanced**	
First $10 Million	0.60%		First $5 Million	0.75%
Next $40 Million	0.50%		Next $10 Million	0.55%
Thereafter	0.45%		Next $25 Million	0.45%
Minimum Fee*	$15,000		Next $25 Million	0.30%
			Thereafter	0.30%
			Minimum Fee*	$15,000
Small Cap Equity & Small Cap Growth			**Fixed Income**	
First $25 Million	1.00%		First $10 Million	0.40%
Next $25 Million	0.80%		Next $40 Million	0.30%
Next $25 Million	0.65%		Next $100 Million	0.20%
Thereafter	0.55%		Thereafter	0.15%
Minimum Fee*	$15,000		Minimum Fee*	$15,000
Small-Mid Cap			**Blue Chip**	
First $10 Million	1.00%		First $5 Million	1.00%
Thereafter	1.00%		Next $10 Million	0.80%
Minimum Fee*	$15,000		Next $25 Million	0.60%
			Next $25 Million	0.50%
			Thereafter	0.40%
			Minimum Fee*	$15,000
***Fees are negotiable and minimum fees may be waived**				
Investment Advisory Fee Schedule – Private Investment Vehicles and Hedge Funds (Details about fees and expenses paid by limited partners are shown in fund documents, offering memorandum)				
Victor Equity Fund, L.P (Onshore)				
Management Fee	1.00%			
Performance Fee	20% of profits**			
Minimum Investment	$1 million			
Performance Fees- when paid	Performance fees paid annually			
Victor Equity Fund, Ltd. (Offshore)				
Management Fee	1.00%			
Performance Fee	20% of profits**			

Minimum Investment Performance Fees- when paid	$300,000 Performance fees paid quarterly			
Victor Equity Fund II, Ltd. (Closed to new investors)				
Management Fee Performance Fee Minimum Investment Performance Fees- when paid	1.00% 10% of profits** closed Performance fees paid annually			
Private Equity Funds				
Management Fee Performance Fee	0.50% 10% of profits**			
Private Capital Investments				
Management Fee Performance Fee	1.5% 20% of profits**			
Columbia Partners Private Capital GP, LLC				
Management Fee Performance Fee	0.75% thru investment period 10% of profits			
****As defined in the offering documents**				

Our separately managed account clients incur other fees associated with the management of client accounts in addition to the advisory fees described above. For example, account custodians charge a custodial fee and may also charge transaction fees or other administrative fees for services they provides. In addition, the broker-dealers that we select or recommend to execute transactions in your account charge brokerage or transaction fees that your account pays. Private equity funds, the Victor Funds and CPPC incur expenses that are disclosed in each of their prospectuses, offering documents or governing documents, including, among other expenses, custodial, brokerage and administrator fees which are in addition to our fees.

ITEM 6 - PERFORMANCE-BASED FEES AND SIDE BY SIDE MANAGEMENT

As noted previously, Columbia Partners manages a number of different investment strategies. Management of accounts according to different investment strategies can create conflicts of interest because investments for one strategy may negatively affect investments for another. For example, a short sale of a security for accounts that permit short selling could decrease the value of that security in other accounts that prohibit short selling.

In addition, Columbia Partners manages certain accounts ("Incentive Accounts") for which it has a greater incentive to achieve better performance relative to other managed accounts ("Regular Accounts"). Incentive Accounts include the following types of accounts: 1) employee accounts managed according to the same strategy as client accounts or a strategy being tested for possible future offering to clients; 2) Columbia Partners' proprietary accounts managed according to the same strategy as client accounts or a strategy being tested for possible future offering to clients; and 3) any account that pays a performance-based fee to Columbia Partners.

Columbia Partners' management of Incentive Accounts alongside Regular Accounts raises a number of conflicts of interest. For example, Columbia Partners may determine from time to time that a particular security is suitable for both its Incentive Accounts and Regular Accounts. In such circumstances, Columbia Partners has an incentive to allocate the best investment ideas to Incentive Accounts instead of to Regular Accounts, to allocate a greater percentage of an investment idea to Incentive Accounts than to Regular Accounts, to trade investment ideas for Incentive Accounts ahead of Regular Accounts, or take other actions which favor the Incentive Account.

Nonetheless, there are times when Columbia Partners makes investment decisions for various accounts that differ in substance, nature, timing and/or amount. Such differences may be due to, among other things, differences in investment objectives, size and makeup of the accounts, or other factors affecting the appropriateness or suitability of particular investments for specific accounts. Because of such differences, Columbia Partners may at times allocate the best investment ideas to Incentive Accounts instead of to Regular Accounts, allocate a greater percentage of an investment idea to an Incentive Account than to a Regular Account, or trade investment ideas for Incentive Accounts ahead of Regular Accounts. For example, a particular security that is not currently eligible for purchase by a Regular Account due to sector weight limitations may be eligible for purchase by an Incentive Account.

Columbia Partners has adopted policies and procedures with respect to side-by-side management of Incentive Accounts and Regular Accounts. Under these policies and procedures, all trades for all accounts must be made for investment management reasons and based on the Columbia Partners allocation policies described below in the "Brokerage Practices" section of this brochure. Thus, Columbia Partners' employees may not trade for one account specifically for the purpose of advantaging another account managed by Columbia Partners. The policies and procedures also require each portfolio manager under certain circumstances to record in an internal database the reasons why his or her trading has resulted in disparate trading for Incentive Accounts and Regular Accounts. Compliance within Columbia Partners periodically reviews trading for Incentive Accounts and Regular Accounts to monitor that portfolio managers are complying with the policies and procedures described above.

Another conflict of interest arises when there are limited investment opportunities eligible for both Incentive Accounts and Regular Accounts. Under such circumstances, both types of accounts will generally participate in such trades at the same time according to the allocation policies described in the "Brokerage Practices" section of this brochure below. If the Incentive Accounts were not to participate in such limited opportunities, the Regular Accounts may be able

to receive or sell a greater percentage of the security. Consequently, when Incentive Accounts participate in such trades, they reduce the opportunity available to Regular Accounts.

ITEM 7 - TYPES OF CLIENTS

Columbia Partners provides investment advisory services to institutions, individuals, employees of Columbia Partners, investment companies, unions, Taft-Hartley plans, pension and profit sharing plans, trusts, estates, charitable organizations and corporations. Columbia Partners is the sub-adviser to two mutual funds and is the general partner of a hedge fund. Account management is guided by the stated objectives and guidelines of each client. Guidelines may indicate such variables as capitalization ranges, degree of sector diversification, tax sensitivity, investment category, and prohibited investments. Investment categories Columbia Partners manages include Equity Management, Fixed Income Management, Balanced Management, and Private Hedge Fund and Alternative Assets.

We also provide investment advice to several wrap sponsors, whereby the wrap platform sponsors offer our investment advisory services in specific Columbia Partners' strategies to their clients. In these cases, contact with the client is generally handled by the wrap platform sponsor.

We act as fiduciary for all of our client business.

For our separately managed account business (other than private capital), our minimum investment size is $2 million. Our hedge funds have a minimum of $1 million, subject to review. Our direct private capital strategy requires a minimum investment of $10 million. Our private capital fund of fund offering requires a minimum investment of $2 million. Under certain circumstances we waive these minimums and we reserve the right to do so.

It has always been the policy and practice of Columbia Partners not to allow any person to direct Columbia Partners to make payments or transfers out of his or its managed account or investment with a hedge fund to third parties' accounts.

ITEM 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISKS OF LOSS

Introduction

We manage assets in a number of different investment strategies. Our clients choose from among those strategies based on how they wish the portion of their assets they entrust to our direction to be managed. In general, we manage only a portion of a client's total assets, which reflects the largely institutional nature of our client base.

We manage growth equities in large, small to mid and small market capitalization categories. We also manage core equities in the large and small market capitalization categories. We manage fixed income securities in core and intermediate strategies, with an emphasis on quality. See below for more detail on our products.

Methods of Analysis and Sources of Information.

We have a detailed set of investment analysis approaches we use for each investment strategy. Each strategy is run by a team leader who is overseen by the Firm's Investment Policy Committee, or in the case of our Private Capital and Private Equity investments, by the Firm's President.

Our methods of security analysis include economic and industry analysis, fundamental research concerning specific companies, securities and issuers, quantitative analysis, technical analysis including computerized screening, evaluation and optimization techniques, and any other method that one or more of our investment personnel may deem appropriate from time to time. Our investment professionals obtain information from a variety of sources, including:

- Meetings and discussions with securities industry analysts
- Discussion of publicly available information with issuers and company personnel, on-site inspections and corporate-sponsored meetings
- Discussion with a company's customers and competitors
- Computerized screening, evaluation, optimization studies and reports
- Trade journals and services, governmental publications, statistical summaries and analysis
- With respect to private placements, discussions with the issuer and the intermediary
- Rating agencies, analysts' reports and various news and industry sources, on-line sources and periodicals
- Other sources as one or more of our investment personnel deem appropriate from time to time.

Investing in securities involves risk of loss that clients should be prepared to bear.

<u>General Risks</u>

All of our strategies carry with them certain types of risk, including:

- General market conditions:
    - The levels of world markets can have an impact on investing in any strategy and if markets experience a general decline our investment strategies could be affected negatively;

- Market specific risk:
    - In general, our investments are focused on U.S. markets and companies which are traded in U.S. markets. If the U.S. experiences economic difficulties which reflect themselves in financial markets, our investment strategies could be affected negatively.

- Both equity and fixed income strategies can be negatively affected by changes in industry and company conditions.

- We have a particular approach to investing in each of our investing strategies and this introduces non-market-like risk into investment returns. Some of these risks include risks inherent in our ability to anticipate changes that can adversely affect the value of the strategy's holdings or the chance that focus on a particular sector or group of companies will cause the product to underperform relevant benchmarks. We and all other non-index based investment managers share this risk.

- **Disaster Recovery and Data Security**. Columbia Partners relies heavily on information technology and data management systems, which can fail or be subject to interruption or destruction caused by natural or man-made occurrences such as extreme weather, fires, earthquakes, power loss, telecommunications failures, terrorist attacks, hacking, break-ins, sabotage, intentional acts of destruction, vandalism, or similar events or misconduct. Any failure, interruption, or destruction of Columbia Partners' information technology systems or data could have a material adverse impact on Columbia Partners' operations and client accounts. In addition, a breach in the security of Columbia Partners' systems could result in the theft, disclosure, or loss of client, proprietary, and other sensitive information.

- Columbia Partners has in place information security, incident response, backup, and disaster recovery procedures intended to prevent or mitigate damage if such an event occurs. However, a breach could nevertheless occur, and such procedures could fail or be insufficient to avoid, mitigate, or remedy the breach. Moreover, the ever-changing methods and technologies used to obtain unauthorized access to systems through means such as third-party acts, computer error, malicious code, employee error, or malfeasance often are not known until used against a potential target. Therefore, Columbia Partners may be unable to anticipate the destructive or invasive methods and technologies that could be used against its systems or to implement adequate protections.

Risk factors specifically applicable to equity securities include:

- Equity markets may be more volatile than fixed income markets.
    - Historically, equity markets have shown more volatility than fixed income markets. It is also possible that investors in equity securities may experience more volatility than has been historically true.

Risk factors specifically applicable to fixed income include:

- Fixed income markets have displayed greater volatility in recent years than has been the case historically.
    - This recent phenomenon may continue in the future, given the unprecedented levels of international and domestic fiscal turmoil, and investors in fixed income strategies may experience more variability in the value of their principal than has

been the case in the past. Additionally, as an active manager, our portfolio durations, sector weightings and individual security holdings often differ from that of the benchmark index. As a result, there is a risk of underperformance relative to our benchmark. Specifically, the risks of investing in debt securities include (without limitation): (i) credit risk -- the issuer may not repay the loan created by the issuance of that debt security or a decline in the actual or perceived credit quality of the issuer of a bond held in the portfolio could result in a decline in the market value of the issuer's bonds; (ii) maturity risk -- a debt security with a longer maturity may fluctuate in value more than one with a shorter maturity; (iii) market risk -- low demand for debt securities may negatively impact their price; (iv) interest rate risk -- when interest rates go up, the value of a debt security goes down, and when interest rates go down, the value of a debt security goes up; (v) selection risk -- the securities that we select may underperform the market or other securities selected by other funds; and (vi) call risk -- during a period of falling interest rates, the issuer may redeem a security by repaying it early, which may reduce the strategy's income, if the proceeds are reinvested at lower interest rates. We try to mitigate these risks by maintaining a well-diversified portfolio with representation in all benchmark sectors and managing duration within a band that is generally 90% to 110% of the benchmark duration.

In addition to these general risks, some of the strategies discussed below carry with them risks specific to the strategy. These strategy specific risks are discussed along with the strategies below.

Large Cap Equity

This strategy combines our Large Cap Growth strategy (described below) and our value investing research approach.

Objective:

- Long term growth of capital with reduced risk and volatility.

Investment Process:

- Seek companies with capitalizations generally over $5 billion at the time of purchase.
- Seek to identify early catalysts for significant corporate change and increasing sustainable earnings.
- Seek to invest in companies with strong revenue or predictable growth outlook.
- Portfolio generally holds between 100 and 140 stocks.
- Reduce security risk by allocating generally no more than 5% of the portfolio's assets to any one security.
- Sector risk is reduced by generally holding between 50% and 150% of the S&P 500 Index sectors.

Risks

In addition to the applicable general risks described above, risks specific to this strategy are primarily centered on our ability to determine the appropriate blend of our growth and value

approaches for given market conditions. We could overweight growth or value at a time when the market favored the other strategy, which could adversely affect returns for our Large Cap Equity strategy.

Large Cap Growth Equity

Objective:

- Long term growth of capital with moderate risk and volatility.

Investment Process:

- Seek companies with capitalizations generally over $5 billion at the time of purchase but also buy small positions of smaller capitalization companies.
- Seek to identify early catalysts for significant corporate change and increasing sustainable earnings.
- Seek to invest in companies with strong revenue or predictable growth outlook.
- Portfolio generally holds between 50 and 60 stocks.
- Reduce security risk by holding generally no more than 5% in a security.
- Reduce sector risk through diversification.

Risks

In addition to the applicable general risks described above, in this approach, our focus on identifying growth companies causes us to have a smaller than index market capitalization characteristic to the portfolio, which may introduce above market volatility.

Large Cap Value

Objective:

Long term growth of capital with moderate risk and volatility.

Investment Process:

- Use our well developed screening models and tools in selecting large cap value stocks.
- Apply our quantitative models and screens to select securities, without interference from the Portfolio Manager at time of portfolio creation.
- Reduce market risk through diversification and by holding 80-plus stocks.
- Reduce risk through sector diversification.
- Selected securities will generally be equal weighted at time of purchase; rebalance the portfolio quarterly based on new results of our models and screens.

Risks

In addition to the general risks of investing outlined above, our models and screens, while they have been historically very effective in identifying securities, may not continue to perform in the future. Additionally, other firms may over time identify similar screens and models and compete away some of our historical performance advantage.

Small Cap Equity

Objective:

- Long term growth of capital with lower than market risk and volatility.

Investment Process:

- Seek companies in small capitalizations generally between $250 million and $2 billion at the time of purchase.
- Seek to identify early catalysts for significant corporate change and increasing, sustainable earnings.
- Seek to invest in companies with strong revenue or predictable growth outlook.
- Portfolio generally holds between 60 and 70 stocks.
- Reduce security risk by holding generally no more than 5% in a security.
- Reduce sector risk by holding generally between 50% and 150% of the Russell 2000 Index.

Risks

In addition to the applicable general risks described above, this strategy generally has a larger than index market capitalization which may cause us to have more or less volatility than the indices.

Small Cap Growth Equity

Objective:

- Long term growth of capital with reduced risk and volatility.

Investment Process:

- Seek to identify companies in small capitalizations generally between $250 million and $2 billion at the time of purchase.
- Seek to identify early catalysts for significant corporate change and increasing sustainable earnings.
- Seek to invest in companies with strong revenue or predictable growth outlook.
- Portfolio generally holds between 60 and 70 stocks.
- Reduce security risk by holding generally no more than 5% in a security.
- Reduce sector risk by holding generally between 50% and 150% of the Russell 2000 Growth Index.

Risks

In addition to the applicable general risks described above, this strategy generally has a larger than index market capitalization which may cause us to have more or less volatility than the indices.

Core Fixed Income

Objective:

- Provide consistent returns, emphasizing total return- income production and preservation of principal.

Investment Process:

- Portfolio duration and yield curve distribution generally will deviate from the benchmark when our evaluation of economic fundamentals and market technical conditions suggest an impending change in interest rates.
- Portfolios typically are constructed from those market sectors (such as U.S. Treasury, Agency, Corporate, Mortgage-Backed and Asset-Backed Securities) that we believe provide the best risk/return profile.
- Diversification across sectors and securities are utilized to attempt to control risk.
- No more than 5% of the portfolio is comprised of any single issuer other than agencies, treasuries and agency mortgage-backed securities.

Risks

See the applicable general risks described above.

Intermediate Fixed Income

Objective:

- Provide consistent returns, emphasizing total return- income production and preservation of principal.

Investment Process:

- Portfolio duration and yield curve distribution generally will deviate from the benchmark when our evaluation of economic fundamentals and market technical conditions suggest an impending change in interest rates.
- Portfolios are typically constructed from those market sectors (such as U.S. Treasury, Agency, Corporate, Mortgage-Based and Asset-Backed Securities) that we believe provide the best risk/return profile.
- Diversification across sectors and securities are utilized to attempt to control risk.
- Generally, no more than 5% of the portfolio is comprised of any single issuer other than agencies, treasuries and agency mortgage-backed securities.

Risks

See the applicable general risks described above.

Hedge Fund Strategy

We also manage the Victor Funds, a family of hedge funds, for qualified investors. The Victor Funds invest in publicly traded equities and take both long and short positions to reduce risk relative to an unhedged portfolio. The Victor Funds invest in equity securities which are publicly traded, generally on a U.S. securities exchange or the NASDAQ National Market System. The Victor Funds may also invest in put and call options. The Victor Funds are managed in parallel to each other except that Victor Equity Fund, L.P. and the Victor Equity Fund, LTD. may invest up to 10% of their respective portfolios in any single security and Victor Equity Fund II, LTD., may only invest up to 5% of its portfolio in any single security. The Victor Funds are comprised of investments from all capitalization segments of the equity markets. The Victor Funds have the ability to use leverage on long positions and to establish short positions in stocks that Columbia Partners believes have deteriorating fundamentals.

Hedge Fund Risk Factors:

There are numerous risk factors associated with the Victor Funds, all of which are discussed in detail in the offering memoranda for the Victor Funds. In addition to the applicable general material risks discussed above in this section of the brochure, other applicable material risk factors include dependence on us as investment advisor to the Victor Funds; specific risks associated with trading instruments and options; the use of leverage; short selling and a number of other investment techniques inherent in hedge fund strategies. Below is a brief summary of the material risks of the Victor Funds significant investment strategies. We refer you to the Victor Fund documents for a complete description.

- Call Options - The seller (writer) of a call option that is covered (*e.g.*, the writer holds the underlying security) assumes the risk of a decline in the market price of the underlying security below the purchase price of the underlying security less the premium

received, and gives up the opportunity for gain on the underlying security above the exercise price of the option. The seller of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying security above the exercise price of the option. The buyer of a call option assumes the risk of losing his or its entire investment in the call option. If the buyer of the call also sells short the underlying security, the loss on the call will be offset in whole or in part by any gain on the short sale of the underlying security.

- Put Options -The seller (writer) of a put option that is covered (*e.g.*, the writer has a short position in the underlying security) assumes the risk of an increase in the market price of the underlying security above the sales price of the underlying security (in establishing the short position) plus the premium received, and gives up the opportunity for gain on the underlying security below the exercise price of the option. The seller of an uncovered put option assumes the risk of a decline in the market price of the underlying security below the exercise price of the option to zero. The buyer of a put option assumes the risk of losing his or its entire investment in the put option. If the buyer of the put holds the underlying security, the loss on the put will be offset in whole or in part by any gain on the underlying security.
- Diversification - The Victor Funds may be subject to specific diversification limits in connection with its investment of net assets in a particular security which are set forth in more detail in Victor Fund's offering memoranda.
- Short Sales – The Victor Funds may engage in short sales from time to time for both hedging and speculative purposes. The Victor Funds may invest in securities with relatively low prices, which are subject to greater percentage price fluctuations than higher-priced securities. A short sale will result in a gain if the price of the securities sold short declines between the date of the short sale and the date on which securities are purchased to replace those borrowed. A short sale will result in a loss if the price of the securities sold short increases. Any gain is decreased, and any loss is increased, by the amount of any payment, dividend or interest that the client may be required to pay with respect to the borrowed securities, offset (wholly or partly) by short interest credits. In a generally rising market, a client's short position is more likely to result in losses because securities sold short may be more likely to increase in value. A short sale involves a finite opportunity for appreciation, but a theoretically unlimited risk of loss.
- Leverage – The Victor Funds may utilize leverage in their investment program. The use of leverage generally would increase the adverse impact of a decline in the value of a Victor Fund's investment portfolio.
- Financing Arrangements; Availability of Credit – The Columbia Partners may borrow funds, and enter into other financing arrangements, on behalf of the Victor Funds. Such borrowings will include the use of margin in securities investing and are an integral part of the Victor Funds' strategy. There can be no assurance that the Victor Funds will be able to maintain adequate financing arrangements under all market circumstances. As a general matter, the banks and dealers that provide financing to the Victor Funds can apply essentially discretionary margin, haircut, financing and security and collateral valuation policies. Changes by banks and dealers in margin, haircut, financing and valuation policies, or the imposition of other credit limitations or restrictions, whether

due to market circumstances or government regulatory or judicial action, may result in large margin calls, loss of financing, and forced liquidations of positions at disadvantageous prices. The imposition of any such limitations or restrictions could compel the Victor Funds to liquidate all or part of its portfolio at disadvantageous prices, perhaps leading to a complete loss of the Victor Funds' equity.

Private Capital Strategy

Separate Account Strategies

For two large institutional clients, we invest in the debt securities of late stage venture-backed private companies. Columbia Partners' proprietary structured finance product utilizes a unique strategy to attempt to control risk. Through the use of collateralized senior debt and senior subordinated debt instruments in our investment strategy, we believe the risk profile is considerably lower than venture capital or private equity.

We seek to make structured finance investments ranging from $10 to $40 million in mid to later stage venture and private equity backed companies in high growth markets. We seek companies that have raised substantial amounts of capital from sophisticated institutional investors prior to our involvement. We are flexible as to investment structure but investments will typically be highly structured senior secured loans with maturities of 2 to 5 years.

In addition to the risks of general market and economic conditions, risk in this strategy is centered on our ability to select companies which have positive prospects for revenue and profit growth enables these companies to find alternative sources of financing to our debt capital. If we are not successful in identifying companies which create value above the levels at which our capital is invested, there is the risk of loss of accrued interest or principal. We seek to manage risk in these private capital investments through an Investment Committee comprised of the Firm's President and the two principal portfolio managers in the Private Capital Unit.

Investment in Private Funds

On behalf of one institutional investor, we invest in underlying funds managed by other investment advisers that utilize private equity, venture mezzanine and buy strategies that are generally not available through public market investing. We have also launched a pooled vehicle, CPPC, to implement this fund-of-funds strategy. The institutional investor has also invested in CPPC. As of the date of this brochure we manage approximately $188 million in committed capital and have undertaken marketing efforts to attract additional investor capital. The strategy we employ for selecting such underlying funds centers on creating a portfolio of investments in a diversified set of underlying strategies including Middle Market Buy-out, Growth Equity; Mezzanine and Venture funds. In addition, we reserve a portion of CPPC's capital for co-investments in those opportunities we determine to be most attractive to investors. Our process for selecting underlying funds for investment relies heavily on our experience in direct investing and our contacts in the private investing world.

Private Fund Investment Risk factors

The past performance of underlying funds or their investment advisers in which the separate account or CPPC invests has invested is not necessarily indicative of future results of such underlying fund or investment adviser. The success of CPPC or such separate account is dependent on the judgment and abilities of Columbia Partners in selecting and monitoring the performance of investment advisers of such underlying funds and on the ability of such investment advisers to generate positive performance. Investors in CPPC and the separate account investor do not have the opportunity to evaluate fully the relevant economic, financial, and other information regarding the underlying funds' investments and are dependent on the judgment and abilities of Columbia Partners and the underlying funds it selects for investment. There is no assurance that Columbia Partners or such underlying funds will be successful.

ITEM 9 - DISCIPLINARY INFORMATION

Neither Columbia Partners nor its employees not its management persons have been involved in any legal or disciplinary events that are material to a client's or a prospective client's evaluation of its advisory business or the integrity of its management.

ITEM 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

On a strictly non-discretionary basis for Pear Tree Advisors, we also perform certain services for the Pear Tree Quality Fund. We do not market the Pear Tree Fund to any of our investors.

Columbia Partners is the General Partner of and investment adviser to Victor Equity Fund, L.P. and investment advisor to The Victor Equity Fund, LTD. These funds are successors to funds which began operations in April 1998. Columbia Partners is a member of the general partner of CPPC, formed in October of 2014. Columbia Partners has an incentive to recommend the Victor Funds and CPPC to potential clients over other strategies because the Victor Funds and CPPC pay Columbia Partners a performance fee. Nonetheless, Columbia Partners has a policy that its marketing efforts should be focused on offering the strategy that is most appropriate for the client's particular needs and investment objectives. If you are considering an investment in the Victor Funds or CPPC based on Columbia Partners' recommendation or otherwise you should consider whether any other investment strategies offered by Columbia Partners may be more appropriate for you in light of your investment needs.

Columbia Partners is approximately 20% owned by Galway Capital Management, L.L.C., a limited partnership created by Galway Partners, L.L.C.

ITEM 11 - CODE OF ETHICS

Columbia Partners has adopted a Code of Ethics (the "Code") to specify and control certain types of personal securities and other transactions deemed to create a potential or actual conflict

of interest. Every officer, director and employee of Columbia Partners must receive, read and follow the Code's procedures as well any amendments to its procedures.

The Code and Columbia Partners' Insider Trading Policy contains policies and procedures that are designed to prevent Columbia Partners from insider trading and violating their fiduciary duty towards investors.

- Prohibit directors, officers and employees from taking personal advantage of opportunities belonging to Clients;

- Prohibit trading on the basis of material nonpublic information;

- Place limitations on personal trading by directors, officers and employees and impose pre-clearance, blackout periods and reporting obligations with respect to personal trading unless the director, officer or employee has been specifically excused from such preclearance and reporting by the Chief Compliance Officer;

- Require initial, quarterly and annual reports of securities holdings and transaction reports by directors, officers and employees unless the director, officer or employee has been specifically excused from such reporting by the Chief Compliance Officer;

- Prohibit directors, officers and employees from violating Federal Securities Laws;

- Require directors, officers and employees to report promptly any violations of the Code to the Chief Compliance Officer; and require directors, officers and employees to annually certify that they have complied with the Code unless specifically excused by the Chief Compliance Officer.

Directors, officers and employees of Columbia Partners may open and retain personal trading accounts pursuant to the Code and may invest in the same securities as Columbia Partners. This practice creates certain conflicts of interest. For example, our employees could have an incentive to make a personal investment in a thinly-traded security and then invest large quantities of client assets in that same security in order to drive up the value of that security or our employees could have an incentive to sell a personal investment in a security in advance of selling clients' positions in such security if the selling of clients' positions in such security would drive the value of the security down. In addition, our employees could have an incentive trade ahead of client accounts which may enable the employees to obtain better prices than clients or take advantage of limited investment opportunities instead of clients. Such trading by Columbia Partners' employees is inconsistent with Columbia Partners' fiduciary obligations to its clients. Columbia Partners' policies and procedures on personal trading found in its code of ethics are designed to prevent Columbia Partners employees from trading contemporaneously with client transactions in a manner that causes Columbia Partners to breach its fiduciary obligations to its clients. Specifically, for personal accounts over which the employees have discretion, employees may not trade securities within 7 calendar days following trades in such securities by client accounts. However, in instances where the entire position in a security is being sold out of all client portfolios, it is acceptable for an Employee Account to sell that security one day after

the completion of the sale in the clients' portfolios. In addition, an employee, in certain instances, may be asked to disgorge profits of personal trades that were followed by trades in the same security by Columbia Partners for a client account within 5 days of such employee's personal trade in such security. Additionally, employees are required to certify annually that they have not violated Firm policies in regards to personal trading. Nonetheless, because the Code 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.

In addition, employees may have personal accounts that are managed by Columbia Partners. Under such circumstances, the trading in such accounts is not governed by the code of ethics but is subject to Columbia Partners policies on the management of Incentive Accounts alongside Regular Accounts as described above in the "Performance-Based Fees and Side By Side Management" section of this brochure.

Columbia Partners recommends to clients investments in the Victor Funds. As described above in the "Other Financial Industry Activities and Affiliations" section of this brochure that practice raises certain conflicts of interest.

Columbia Partners' Code and Insider Trading Policy are available upon request by contacting Columbia Partners' Chief Compliance Officer at (240) 482-0400.

ITEM 12 - BROKERAGE PRACTICES

Best Execution

In selecting a broker-dealer for any transaction or series of transactions, Columbia Partners does not adhere to any rigid formula but weighs a combination of factors ("Brokerage Factors") that it deems relevant, including: 1) net price; 2) settlement capabilities and error resolution; 3) electronic reconciliation capability; 4) special execution capabilities; 5) ability to execute large orders, to commit capital and to minimize trading costs associated with implementing investment decisions; 6) commission rates; 7) reputation, including regulatory issues; 8) financial strength and stability; 9) efficiency of execution of small lots; 10) on line access to computerized data regarding open orders; 11) the ability or inability of electronic trading networks ("ECNs") to handle trades instead of other broker-dealers; 12) value of research; 13) other matters involved in the receipt of brokerage services generally; and 14) third-party reports providing a quantitative analysis of Columbia Partners' execution. While Columbia Partners generally seeks reasonably competitive commission rates, it does not necessarily pay the lowest spread or commission available. Columbia Partners has generally negotiated a standard commission of $.04 per share with most brokers.

Best Execution for both Equity and Fixed Income are reviewed semi-annually by a Best Execution Committee. Some of the things the Best Execution Committee reviews or discusses where relevant include: 1) periodic third-party reports that quantitatively analyze Columbia Partners execution of equity securities trades ("Quantitative BE Reports"), 2) an analysis of a statistically meaningful amount of fixed income trades made by Columbia Partners by comparing the actual prices received against competitive bids or offers received on such securities by other broker-dealers ("Fixed-Income Information"), 3) any issues relating to a broker-dealer's

efficiency of execution, settlement and error resolution, financial stability, research, responsiveness, quality of service, reputation and any of the other Brokerage Factors that are relevant, and 4) the volume of trades directed to each broker-dealer, including ECNs. At times, the providers of Quantitative BE Reports will be brokers that executed trades for Columbia Partners during the period covered by a particular report. This creates a conflict of interest because the provider of the Quantitative BE Report has an incentive to favorably report its execution quality for Columbia Partners' trades in order to obtain additional brokerage from Columbia Partners. We believe this conflict is mitigated by the fact that such providers have a legal obligation not to misrepresent their execution quality and the fact that Columbia Partners generally uses such broker-dealers for a very small percentage of its trading.

The Best Execution Committee will analyze relevant data in light of the Brokerage Factors to determine semi-annually whether: 1) a broker should continue to be approved ("Approved Brokers"); 2) whether any limitations should be set on the volume of trades to be sent to a particular broker-dealer; 3) whether there should be heightened scrutiny over the coming two quarters of any broker-dealer; and 4) whether Columbia Partners is directing an appropriate volume of trades to ECNs. In analyzing the data, the Best Execution Committee may use subcommittees consisting of certain of the Best Execution Committee members to evaluate fixed income and/or equity transactions and rely on reports of the subcommittee's findings to make decisions.
Semi-annually the equity portfolio managers vote on the target amounts of brokerage to direct to each currently Approved Broker. Each portfolio manager takes a number of factors into consideration in determining the amount of brokerage it votes to allocate to a particular Approved Broker. Based on the votes of all the portfolio managers, target amounts are set for the amounts of brokerage to send to each Approved Broker over the following two quarters. Such target amounts may not exceed any explicit limitations established by the Best Execution Committee on the amount of brokerage that may be sent to an Approved Broker. In addition, the trading desk may not execute a trade with an Approved Broker in order to meet a target amount where a different Approved Broker will provide better overall execution on the trade. The target amounts are merely guides for the trading desk to determine where it should send brokerage trades consistent with Columbia Partners' duty to obtain best execution. However, where the trading desk or a portfolio manager believes that exceeding the target amounts for a particular broker-dealer is warranted for best execution considerations or for other reasons, the target amounts may be exceeded provided that Columbia Partners obtains best execution on such trades and such trades do not exceed any explicit limitations placed on using such broker-dealers by the Best Execution Committee.

Soft Dollars

Unless otherwise instructed by a client, Columbia Partners has discretionary authority to select brokerage firms used to execute trades. Columbia Partners uses commissions generated on client securities transactions ("soft dollars") to purchase research and brokerage products or services ("Research and Brokerage Services") eligible under the safe harbor of Section 28(e) of the Securities Exchange Act of 1934. Columbia Partners chooses Research and Brokerage Services based on the relative usefulness to portfolio managers and traders of the investment research, products or services provided by various brokers.

We received the following types of Research and Brokerage Services with client brokerage

commissions within our last fiscal year:

- Traditional written and/or oral research reports that analyze markets, companies, industries, business and economic factors, market trends, and/or portfolio strategy.
- Trading insight and intelligence from industry analysts and research services such as, FactSet, Dow Jones and other providers of research based on publicly available materials.
- Quotation equipment and exchange fees.
- Statistical collations.
- Market data and economic data, including stock quotes, last sale prices and trading volumes.
- Quantitative analytical software and software that provides analyses of securities portfolios.
- Invitations to research seminars or conferences (excluding the cost of travel, entertainment and meals).

Columbia Partners maintains a Soft Dollar Committee which is comprised of senior members of the Firm. In general, soft dollar arrangements are approved in advance by the Soft Dollar Committee. However, the Chief Investment Officer may make a decision on a soft dollar arrangement in his sole discretion with notification to the Soft Dollar Committee and the CCO. The Soft Dollar Committee meets at least annually to determine the usefulness and the reasonableness of the price of each research and brokerage service received, and approves/disapproves each service and the amounts of soft dollar credits to be used to obtain each of the Research and Brokerage Services. Between Soft Dollar Committee meetings the amount spent on a particular Research and Brokerage Service may exceed the amount budgeted at the last Soft Dollar Committee meeting provided 1) a member of the Soft Dollar Committee approves that extra amounts allocated to such Research and Brokerage Service; and 2) the Soft Dollar Committee considers the amount actually allocated to such Research and Brokerage Service in its next Soft Dollar Committee meeting.

The receipt and use of Research and Brokerage Services creates various conflicts of interest. When we use client brokerage commissions (or markups or markdowns) to obtain Research and Brokerage Services, we receive a benefit because we do not have to produce or pay for the research, products or services. Consequently, we have an incentive to select or recommend broker-dealers based on our interest in receiving research or other products or services, rather than on our clients' interest in receiving most favorable execution. When Research and Brokerage Services are received, clients may pay commissions (or markups or markdowns) higher than those charged by other brokers-dealers (from or through whom such Research and Brokerage Services were not received) in return for the soft dollar benefits received. Whenever possible, Columbia Partners negotiates substantial discounts on brokerage commissions, but these may be less than would be available without the soft dollar arrangement. Columbia Partners may use these Research and Brokerage Services to service all of its accounts and not just the accounts whose transactions paid for them. Moreover, it is possible that the accounts whose transactions generate brokerage commissions that are used to pay for Research and Brokerage Services may not benefit in any way from them while accounts that did not pay for the Research and Brokerage Services may benefit from such items.

Allocation of Equity Orders other than Initial Public Offerings

Generally, Columbia Partners determines prior to a trade the number of securities it wishes to

sell or purchase for client accounts. For all accounts managed according to the same investment strategy Columbia Partners will usually invest or divest uniform percentages of each account's total assets in or from identical securities ("target percentages"). Target percentages are generally decided prior to placing an order. For example, Columbia Partners could determine that for all accounts managed according to the Large Cap Equity investment strategy it wishes to invest 3% of the accounts' holdings in XYZ security while for all accounts managed according to the Large Cap Growth investment strategy it wishes to invest 1% of the accounts' holdings in XYZ security. Managers may consider some or all of the following factors in making decisions as to the amount of a security to purchase or sell for accounts held in a particular investment strategy:

- the strategy's investment objective
- policies
- restrictions
- risk tolerance
- time horizon
- portfolio construction
- tax sensitivity
- desired market capitalization range
- nature and size of accounts held in the strategy
- suitability
- tolerance for portfolio turnover
- availability of cash or buying power, and
- whether the strategy's accounts are eligible to participate in a trade pursuant to compliance regulations.

Sometimes specific accounts in the strategy will not be allocated the security or a lower amount of the security than the target percentage for the strategy because of the accounts' particular investment restrictions, risk tolerance, time horizon, tax sensitivity, nature and size, tolerance for portfolio turnover, liquidity and size limitations, availability of cash or buying power, and whether they are eligible to participate in a trade pursuant to compliance regulations. While Columbia Partners' goal with respect to allocations of publicly traded equity securities in the secondary markets is to be fundamentally fair on an overall basis with respect to all clients, there can be no assurance that on a trade-by-trade basis that any particular client will not be treated more favorably than another.

Allocations to client accounts will be made by the end of the day on which the trade took place, absent extraordinary circumstances

Columbia Partners has determined that accounts managed in wrap fee programs will not be eligible to participate in secondary offerings because of the administrative burdens of equitably allocating to those accounts.

Block Trading

When placing orders to purchase or sell the same security for more than one client, Columbia Partners seeks, but is not obligated, to aggregate, or group orders ("block trading") when Columbia Partners deems it appropriate and in the best interests of the client accounts. Columbia Partners may aggregate private client trades with fund trades and trades for associated persons. All eligible accounts generally participate pro rata in the block purchases or sales according to the target percentage established for each participating account and bear pro rata the commission cost. If partial sales or purchases are made, the allocation of securities to the accounts shall be on the same ratio as the actual transactions bear to the intended target percentages. Exceptions to this policy may occur. For example, if one or more accounts would be unable to meet an investment objective, of if a pro rata allocation results in a de minimis allocation to certain accounts, Columbia Partners may deviate from the preallocation formula.

All portions of a block trade executed through one or more broker-dealers will be allocated pro rata (subject to the exceptions discussed above) at the average price obtained by the broker-dealers on that day. If multiple broker-dealers were used to execute the entire block trade, then a separate pro rata allocation (subject to the exceptions discussed above) will be made for each portion of the trade obtained at different broker-dealers at the average price obtained from each of the broker-dealers. Circumstances under which Columbia Partners will not block trade include some directed brokerage trades (see below in this section of the brochure) and wrap fee program trades.

Directed Brokerage

Columbia Partners does not recommend, request or require its clients to direct their brokerage to a particular broker-dealer. However, clients are permitted to direct their brokerage. A significant portion of clients request that Columbia Partners direct brokerage transactions to particular brokers. In most cases, directed brokerage trades are included in a block trade together with clients that do not direct brokerage and then the directed brokerage trades are "stepped-out" to the directed brokers. Stepped-out trades generally pay the same commission rates as other trades in the block and receive the same quality of execution. One notable exception are those wrap fee clients whose trades are stepped-out to the broker-dealer that sponsors the wrap fee but are not charged any brokerage commission. Instead those wrap fee clients pay the wrap fee. See the Advisory Business section of this Form ADV above for a discussion of the possible conflicts related to wrap fee accounts. When directed accounts are not included in the block trade, they are executed after the non-directed accounts. Under these circumstances the directed brokerage clients may receive less favorable trade execution, pay higher prices for the securities and may miss limited opportunity investments that other clients took advantage of by participating in the block trade. In addition, in one directed brokerage arrangement that trades within the block and that is not stepped-out, the custodian charges a flat fee per trade in addition to the commission rate charged by the executing broker.

Wrap Fee Clients

As noted in Item 4 above, Columbia Partners' wrap fee account trades are sometimes executed separate from and subsequent to block trades at the client's designated wrap broker and may receive inferior executions compared to non-wrap fee accounts. See additional conflicts of interest regarding wrap fees in the "Advisory Business" section of this brochure above In addition, Columbia Partners participates in a wrap fee program sponsored by Morgan Stanley Smith Barney LLC called the UMA Select Program ("UMA Select"). In the UMA Select wrap fee program, Columbia Partners does not order the execution of trades that it recommends to UMA Select clients. Rather, Columbia Partners submits trades to the UMA Select sponsor (or its agent), who is responsible for actual execution of the trades. Therefore, Columbia Partners cannot include UMA Select client trades together with other Columbia Partners client trades that are managed according to the same strategy. In order to avoid systematically disadvantaging the UMA Select clients or Columbia Partners other clients that are managed according to the same strategy, Columbia Partners has adopted a rotational allocation procedure between UMA Select clients and other client accounts that are managed according to the same strategy. Under this rotational allocation method, Columbia Partners alternates on an investment idea by investment idea basis between giving priority to UMA Select clients and other clients managed according to the same strategy.

Allocations of Initial Public Offerings

From time to time, Columbia Partners may purchase shares in initial public offerings ("IPOs") of equity securities. An IPO may be deemed a scarce and valuable investment opportunity. Described below are the policies and procedures Columbia Partners has adopted with respect to allocating IPOs to its clients. Unless determined otherwise by the President, on behalf of the Investment Policy Committee, Columbia Partners' policies allows all equity investment strategies to purchase IPO securities. However, because of suitability and other constraints, Columbia Partners' team leaders may or may not believe it is appropriate to buy a particular IPO for some or all of its investment strategies

In determining the allocation of IPOs among the accounts of Columbia Partners, each of the team leaders of each of the Firm's investment strategies determines if they would like to participate in the offering for their strategies. In the event that more than one team leader chooses to participate, to the extent practicable, the IPO will be distributed pro rata among all accounts included in the strategies which the team leaders deem appropriate for the IPO. A team leader may decide in his or her sole discretion to accept less than a pro rata distribution of an IPO for any of his or her strategies if he or she determines that a pro rata allocation of the IPO to a particular strategy would cause the accounts in the strategy to have too high a concentration of the IPO security in light of the strategy's investment goals.

In the event that the IPO is 1) likely to have a market capitalization of above $150 million but below $2 billion; 2) the Small Cap/Small Growth/Hedge team leader is the only team leader choosing to participate; and 3) it is estimated that a pro rata allocation of the IPO to the accounts in the Small Cap, Small Growth and Hedge strategies will result in a significant number of accounts receiving an amount of the IPO security that is less than 0.25% of their total assets, the IPO will be distributed on a rotational basis to one of three pre-established groups made up of SmallCap, Small Growth and/or Hedge strategy accounts ("SmallCap/SmallGrowth/Hedge

Groups"). The SmallCap/Growth/Hedge Groups will be determined by taking the total dollar value of the Small Cap, Small Growth and Hedge accounts and dividing them by approximately three. Each of the SmallCap/SmallGrowth/Hedge Groups. will participate in IPO investments on a rotational basis to promote fair and equitable participation in IPO investments by all accounts invested in the Small Cap, Small Growth and Hedge strategies. To the extent practicable, within a given SmallCap/SmallGrowth/Hedge Group, each account will participate in an IPO investment pro-rata based on its account size.

The rotational allocation basis used by Columbia Partners for IPO allocations will cause variations in performance and holdings among the accounts in a given investment strategy since different accounts in the strategy will fall into different Groups, and, consequently, invest in different IPOs. From time to time, Columbia Partners may in its sole discretion reorganize which accounts fall into each Group and/or add or eliminate Groups. This may result in certain accounts receiving IPO allocations more frequently and other accounts receiving allocations less frequently than if such reorganizations, additions or eliminations had not occurred.

When making pro rata allocations among accounts, Columbia Partners may decide in its sole discretion that a particular account should not receive shares of a particular IPO or fewer shares than it would be entitled to based on a pro rata allocation because of 1) high transaction costs; 2) tax or regulatory considerations; 3) an anticipated redemption by the account; 4) a violation of the leverage limits of the account; 5) a violation of one of the investment restrictions or guidelines of the account; 6) inappropriateness of the IPO in light of the objectives of the account; 7) cash in the account available for investment; 8) company and industry concentrations in the account; 9) an account's directed brokerage arrangement either makes participation in the IPO logistically difficult for Columbia Partners to execute the trade on behalf of the account or does not allow for direct participation in the IPO, and/or 10) the account cannot be included in the block order for the IPO securities. If an account in a Group does not receive an allocation of a particular IPO for any of the foregoing reasons, it generally will not have another opportunity to receive allocations of an IPO security until its Group's next turn in the rotation to receive IPOs.

Columbia Partners may purchase for the wrap fee clients the same securities in the public secondary markets after participating in the initial public offering or secondary offering for other clients. As a result, the wrap fee clients may not pay prices as favorable as the Columbia Partners clients that purchased the shares in the initial public offering or secondary offering.

In addition to the suitability and other constraints discussed herein, certain persons may be otherwise restricted or prohibited from participating in IPOs in which Columbia Partners participates. For instance, those persons deemed to be "Restricted Persons" as defined by FINRA Rule 5130 of the Financial Regulatory Authority will not be allowed to invest in IPOs.

Although IPOs can be very valuable, they also carry a higher level of risk. Consequently, clients should consider whether they wish for their accounts to be exposed to those risks. To the extent a client does not want its account to be exposed to those risks, it may inform Columbia Partners

in writing that the client's account be deemed ineligible for participation in IPOs. You may also discuss whether IPOs are appropriate for you with your Columbia Partners Client Services representative.

Allocation of Publicly Traded Debt Securities

Fixed Income Management determines the allocation of all publicly traded fixed income trades. The target amounts for purchases and sales of bonds for each account generally will be established and documented prior to execution. Because Columbia Partners' goal is to maintain the same investment profile in accounts with identical benchmarks, Columbia Partners attempts to include as many accounts as possible in trades that are done for composite level investment decisions. For example, if a decision is made to swap one corporate bond for another, Columbia Partners looks at accounts that do not hold the sale candidate to determine if there is a similar bond that can be sold to fund the purchase. However, in many instances fixed income trades are not allocated across all accounts and are not allocated pro-rata across the accounts that are included in the trade. Some of the reasons for not allocating a specific trade across all accounts include but are not limited to: 1) accounts often hold different bonds; 2) it is not always possible to buy a bond held in existing accounts for a new account because it is not available; 3) accounts hold different position sizes due to account cash flows; 4) the trade would result in an increase in the variance of an account's sector weight and/or duration from its composite's sector weight and/or duration; 5) the trade is being executed only for those accounts that contain too large a variance from the their composite's desired duration and/or sector weight; and 6) account restrictions prevent the holding of the bond. Where an order is only partially filled, the allocation of securities to the accounts shall be on the same ratio as the actual transactions bear to the intended target percentages for each account. Exceptions to this policy may occur. For example, if the pro rata allocation would result in one or more accounts being unable to meet an investment objective, or if a pro rata allocation results in a de minimis allocation to certain accounts, Columbia Partners may deviate from the preallocation formula. While Columbia Partners' goal with respect to allocations of publicly traded debt is to be fundamentally fair on an overall basis with respect to all clients, there can be no assurance that on a trade-by-trade basis that any particular client will not be treated more favorably than another.

ITEM 13 - REVIEW OF ACCOUNTS

Compliance with Investment Guidelines

Columbia Partners uses an automated portfolio management review system that allows Columbia Partners' personnel to effectively monitor and test that client accounts are managed in accordance with certain client guidelines on a regular basis. These reports are reviewed periodically to monitor: (1) variance of cash positions in individual accounts from guidelines; (2) variance of individual accounts from the model account's guidelines; (3) adherence to "sin" restrictions imposed by particular accounts; (4) adherence to Sudan securities restrictions imposed by particular accounts; (5) adherence of fixed income accounts to credit rating guidelines; (6) variance from the model account for the investment strategy of the account; (7) sector weights vs. benchmark; (8) P/E vs. benchmark; and (9) maximum percentage security

weights. In addition, at least once a year, each account is reviewed formally by a Portfolio Review Committee for consistency with account guidelines, risk tolerance and specific constraints. The account is also compared against the model portfolio for the account's investment strategy. The members of the Portfolio Review Committee include the Columbia Partners' Chief Compliance Officer, the Director of Operations and the marketing/client services representatives assigned to the account that is being reviewed or his representative. In addition, on a regular basis, the Fixed Income Portfolio Manager reviews each fixed income portfolio to ensure compliance with guidelines.

Trade Errors

Columbia Partners generally will compensate clients for any material losses resulting from trading errors caused by Columbia Partners' negligence. Where a third-party's negligence results in a trading error that causes client losses, Columbia Partners will seek to recover the amount of the losses from the third-party, although Columbia Partners is not responsible for ensuring that third parties compensate clients in such cases. Columbia Partners will not compensate clients for losses resulting from trading errors where Columbia Partners concludes that those losses are immaterial. If a trade error should simultaneously result in a loss in one or more accounts and a gain windfall in one or more others, then before allocating the windfall gains, Columbia Partners will use as much of the gain as possible to ameliorate the losses.

Reports

Clients receive quarterly reports from Columbia Partners. The quarterly reports display the performance of the assets based upon time-weighted rates of return for the designated period of statement of assets. The quarterly report includes the following pertinent information: account portfolio at cost and market, sector classifications, account yield, accrued income, change in portfolio value, purchases and sales, time weighted returns compared to benchmark and performance composition (equity, shorts, fixed income and cash and cash equivalents).

ITEM 14 - CLIENT REFERRALS AND OTHER COMPENSATION

Columbia Partners receives fees from the private companies who issue senior debt securities to Columbia Partners' private capital managed account clients. Columbia Partners may have an incentive to choose to make private debt investments on behalf of private capital clients in those issuers that are willing to pay these fees. The private capital clients have been informed about Columbia Partners' receipt of these fees and have authorized Columbia Partners to receive such fees. Other than these fees and the benefits received from brokers described above in the "Brokerage Practices" section of this brochure, Columbia Partners does not receive any economic benefits from any person who is not a client.

Columbia Partners pays fees to a limited number of persons ("Solicitors") for referring clients ("Referred Clients") to Columbia Partners. Solicitors can be employees of Columbia Partners or independent third-parties. Columbia Partners uses a portion of the investment management fees and performance fees it receives from Referred Clients to pay the Solicitors for their referral activity. Columbia Partners does not charge Referred Clients higher advisory or

performance fees as a result of the solicitation fees it pays to Solicitors. Solicitors have an incentive to recommend Columbia Partners investment management services because of the ongoing fees they receive from Columbia Partners.

If Columbia Partners pays a cash fee to anyone for soliciting separate account clients on its behalf, Columbia Partners will comply with the requirements of the SEC's cash solicitation rule. This rule requires a written agreement between the investment adviser and the person soliciting clients on its behalf. The rule also requires that an unaffiliated solicitor provide a disclosure document to the potential client at the time that the solicitation is made. As required by the rule, Columbia Partners will not engage another person to solicit clients on its behalf if that person has been subject to securities regulatory or criminal action within the preceding ten years.

From time to time, one of Columbia Partners' portfolio managers makes loans to nonpublic companies owned by a client and solicitor for Columbia Partners. Columbia Partners does not believe that these loans are related to solicitation activities; accordingly, they have not been disclosed by the solicitor to prospective clients as part of the solicitor's compensation for his activities. Other clients of Columbia Partners do not have the opportunity to receive loans from portfolio managers either directly or indirectly as loans to companies they may own or control. This economic benefit has been offered only to one client. Although none of the companies to which the portfolio manager has loaned funds is currently held in client accounts, client accounts could acquire such companies in the future, creating a potential conflict of interest.

One of Columbia Partners' portfolio managers and a solicitor have invested in a foreign real estate investment. Also, a Columbia Partners portfolio manager and a solicitor have invested in two private investments. In each of these transactions, the Columbia Partners portfolio manager is a silent investor. Columbia Partners does not believe that these private investments are related to solicitation activities. Other clients of Columbia Partners do not have the opportunity to invest in these private investments. Columbia Partners does not believe that there is a conflict of interest.

ITEM 15 - CUSTODY

We or an affiliate may, among other things, act as general partner to private investment funds for which we serve as investment adviser. Such powers may cause us to be deemed to have custody of the private investment fund's assets for purposes of the SEC's custody rule. Accordingly, to meet the requirements of the custody rule, private investment funds for which we serve as investment adviser are subject to an annual audit in accordance with generally accepted accounting

principles conducted by an independent public accountant registered with the Public Company Accounting Oversight Board and the audited financial statements are distributed to investors in the private investment funds within 120 days of the end of the funds' fiscal year.

With respect to separate accounts, we do not have custody of funds or securities, except for one of the accounts in our Private Capital strategy. Clients select their own qualified custodians, such as banks or broker-dealers, to maintain client funds or securities. Clients receive account statements directly from their custodians and/or from their custodian banks' accounting departments. Clients should carefully review those statements. In addition, clients receive account statements from us. When you receive account statements from us, we encourage you to compare them to the account statements you received from your custodian and/or custodian bank accounting department. There may be differences in market values between our account statements and the custodian's account statement for various reasons. For example, we and your custodian may use different pricing sources to value securities held in your portfolio. Other differences can be because we and the custodian may generate account statements on different dates (such as on a trade date versus settlement date basis) or may be due to the custodian's policies for handling certain assets or changes in the values of certain assets. To the extent you find such discrepancies and would like to obtain an explanation, we encourage you to call us to obtain such information.

ITEM 16 - INVESTMENT DISCRETION

With the exception of one institutional account, all portfolios are managed on a discretionary basis. Discretionary authority is granted to Columbia Partners in the client's investment management agreement with Columbia Partners. During the initial structuring of each client account, Columbia Partners' investment professionals and the client jointly determine an optimal investment strategy given the client's investment objectives. In some cases clients impose investment restrictions on their accounts.

As a policy, Columbia Partners will not elect on behalf of a client to become member of a class to participate in a class action suit. When Columbia Partners receives class action notices or materials in the mail relevant to clients, Columbia Partners will pass such notice or materials on to the client or its representative.

ITEM 17 - VOTING CLIENT SECURITIES

Columbia Partners has adopted guidelines for voting proxies of publicly traded companies ("Proxy Voting Guidelines"). The Firm uses ISS, a subsidiary of MSCI, Inc., a well-known third party proxy voting service, to vote the Firm's proxies. Columbia Partners, with the assistance of ISS, has developed a custom set of guidelines ("the Proxy Voting Guidelines") which the Firm believes best represents the interests of its clients and are designed to promote long term shareholder value. Under the Proxy Voting Guidelines, Columbia Partners generally votes client proxies in accordance with what is commonly known as Taft-Hartley proxy voting

policies, although Columbia Partners does not follow the Taft-Hartley policies in all cases. Columbia Partners has chosen these policies because we believe them to be most shareholder friendly and in the best interest of all of our clients. The Proxy Voting Guidelines incorporate ISS' U.S. Proxy Advisory guidelines policies when Columbia Partners believes that all of its clients' interests are best served by such variances from the Taft-Hartley policies.

Columbia Partners manages money for numerous clients including many Taft-Hartley and union plans. The Firm also participates at the request of numerous clients in the AFL-CIO survey of proxy voting by money managers. The possibility of conflict of interest could be deemed to exist between the Columbia Partners efforts to attract and retain union pension plan clients and its proxy voting policies. Columbia Partners believes, however, that the Proxy Voting Guidelines serve the best interests of all of its clients because they are designed to cause Columbia Partners to vote in the economic best interests of its clients and are based on sound theories of corporate governance which promote long term shareholder value. If a client wants to vote the proxies of a publicly traded company differently than the manner in which Columbia Partners votes under the Columbia Partners Proxy Voting Guidelines, it must contact Columbia Partners to arrange procedures to vote differently than such guidelines.

Columbia Partners has a fiduciary obligation to determine that ISS can make voting recommendations in an impartial manner and in the best interests of Columbia Partners' clients. To that end, on an annual basis, the CCO reviews ISS's Due Diligence Compliance Package including ISS's Policies, Procedures and Practices Regarding Potential Conflicts of Interest to obtain an understanding of ISS's capacity and competency to adequately analyze proxy issues. In conducting this this review, the CCO considers (1) the adequacy and quality of ISS's staffing and personnel; and (2) the robustness of ISS's policies and procedures regarding its ability to (i) ensure that its proxy voting recommendations are based on current and accurate information and (ii) identify and address any conflicts of interest. To the extent the CCO believes he needs additional information to make the foregoing determinations, he reviews such other information as he deems necessary on the ISS website and/or conducts a due diligence call or meeting with the Columbia Partners' ISS account manager.

Where ISS does not vote on a particular issue or on the proxies of a company or Columbia Partners plans on deviating from the manner in which ISS intends to vote, the manner in which Columbia Partners will vote for such proxies will be determined by Columbia Partners' Chief Investment Officer. Columbia Partners also maintains a proxy voting committee for those situations where Columbia Partners votes the proxies instead of ISS and the Chief Investment Officer determines that a conflict of interest exists between Columbia Partners and its clients. In such situations, at least two members of Columbia Partners' proxy voting committee must determine the position that is in the best interests of the Columbia Partners' client whose account owns the underlying security and vote the proxy in favor of that position.

Columbia Partners may choose to not vote a proxy if it is not practicable to do so or if Columbia Partners determines that the potential costs involved with voting a proxy outweigh the potential

benefits to the client whose account owns the underlying security. Furthermore, there may be times when refraining from voting a proxy is in a client's best interest.

The Columbia Partners proxy voting policies and procedures including its Proxy Voting Guidelines and its proxy voting record are available upon request by contacting the Chief Compliance Officer at (240) 482-0408.

ITEM 18 - FINANCIAL INFORMATION

This item requires disclosure of any financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Currently, there is no financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients

K. Dunlop Scott

Columbia Partners, L.L.C. Investment Management
5425 Wisconsin Avenue, Suite 700
Chevy Chase, MD 20815
(240) 482-0408

March 31, 2017

This brochure supplement provides information about K. Dunlop Scott that supplements the Columbia Partners, L.L.C. Investment Management ("Columbia Partners") brochure. You should have received a copy of that brochure. Please contact Robert A. von Pentz, Chairman of the Management Committee, at (240) 482-0410 if you did not receive Columbia Partners' brochure or if you have any questions about the contents of this supplement.

Item 2- Educational Background and Business Experience
Name: K. Dunlop Scott
Year of Birth: 1952
Formal Education (after high school):

Lehigh University, Bachelor of Arts, Majors in Economics and German Literature

The Wharton School of Finance and Commerce, The University of Pennsylvania, Masters of Business Administration, Major in International Finance

Business Background (previous 5 years):
K. Dunlop (Dun) Scott serves as the President, Chief Compliance Officer and Chief Operating Officer of Columbia Partners. He is responsible for day-to-day operations and the strategic growth of the firm. He also serves on the Management Committee and Executive Committee for Columbia Partners. He is also the Chief Compliance Officer for Columbia Partners.

Mr. Scott has held these positions at Columbia Partners for the past five years. He joined the Firm in 2002. He also serves as a member of the investment committee for the Firm's privately held securities business.

Item 3- Disciplinary Information
Mr. Scott has not been involved in any legal or disciplinary events that are material to a client's or a prospective client's evaluation of him.

Item 4-Other Business Activities
Mr. Scott is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of Columbia Partners.

Item 5-Additional Compensation
Mr. Scott does not receive any economic benefits from any person other than Columbia Partners in connection with the provision of investment advice to clients.

Item 6-Supervision
Mr. Scott is supervised by the Executive Committee of Columbia Partners and by the Management Committee. He oversees investments in the Firm's Private Equity and Private Capital strategies, described below.

Due Diligence Process for Private Debt Investments
Prior to any private debt investments, the Private Debt Investment Committee must apply the Risk Asset Acceptance Criteria ("RAAC") which outline the direct investment risk underwriting guidelines for private debt investments in individual companies. An investment will not be made unless it has been determined by the Private Debt Investment Committee that the investment is RAAC compliant. The Private Debt Investment Committee consists of the principal managers to the Private Debt Group and the President of the Firm. Once an investment is made it is monitored by the Private Debt Investment Committee which meets formally each quarter to review developments and performance or as required by changing circumstances at any investment.

Due Diligence Process for Private Equity Securities
Prior to any investment in any private equity securities, the Firm seeks to inform itself to the extent possible about the quality of the managers of any private equity fund and the management of any direct issuer, the historical track record of the fund or direct issuer and the future projections for the private equity fund or direct issuer. Where appropriate, Columbia Partners will involve outside experts to assist in the evaluation of the investment and potential returns. These potential returns and the likely risk inherent in the investment are assessed by the Investment Committee (see above) and the appropriateness for the client on whose behalf the investment will be made. Ongoing monitoring occurs formally at least once each quarter and more frequently as required.

Rhys H. Williams is responsible for supervising Mr. Scott's investment advisory activities. Any comments or complaints on the activities of Mr. Scott should be reported to Rhys H. Williams at (240) 482-0400.

Robert A. von Pentz
Columbia Partners, L.L.C. Investment Management
5425 Wisconsin Avenue, Suite 700
Chevy Chase, MD 20815
(240) 482-0410

March 31, 2017

This brochure supplement provides information about Robert A. von Pentz that supplements the Columbia Partners, L.L.C. Investment Management ("Columbia Partners") brochure. You should have received a copy of that brochure. Please contact K. Dunlop Scott, Chief Compliance Officer, at (240) 482-0408 if you did not receive Columbia Partners' brochure or if you have any questions about the contents of this supplement.

Item 2- Educational Background and Business Experience
Name: Robert A. von Pentz
Year of Birth: 1955
Formal Education (after high school):

University of New Mexico, Bachelor of Arts, concentration in Economics; Masters of Business Administration, concentration in Finance.

Business Background (previous 5 years):
Robert A. von Pentz serves as Senior Portfolio Manager for the Firm's Growth Strategies. He is responsible for general direction of the strategies. He also serves as Chairman of the Management Committee of the Firm.

With the exception of Chairman of the Management Committee, Mr. von Pentz has held these positions at Columbia Partners since he founded the Firm in 1995. He was elected Chairman of the Management Committee in 2004.

Item 3- Disciplinary Information
Mr. von Pentz has not been involved in any legal or disciplinary events that are material to a client's or a prospective client's evaluation of him.

Item 4-Other Business Activities
Mr. von Pentz is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of Columbia Partners.

Item 5-Additional Compensation
Mr. von Pentz does not receive any economic benefits from any person other than Columbia Partners in connection with the provision of investment advice to clients.

Item 6-Supervision
Mr. von Pentz is supervised by K. Dunlop Scott, President, Chief Operating Officer and Chief Compliance Officer, and by the Management Committee.

Rhys H. Williams
Columbia Partners, L.L.C. Investment Management
5425 Wisconsin Avenue, Suite 700
Chevy Chase, MD 20815
(610) 658-8684

March 31, 2017

This brochure supplement provides information about Rhys H. Williams that supplements the Columbia Partners, L.L.C. Investment Management ("Columbia Partners") brochure. You should have received a copy of that brochure. Please contact K. Dunlop Scott, Chief Compliance Officer, at (240) 482-0400 if you did not receive Columbia Partners' brochure or if you have any questions about the contents of this supplement.

Item 2- Educational Background and Business Experience
Name: Rhys H. Williams
Year of Birth: 1961
Formal Education (after high school):

Duke University, Bachelor of Arts, Major in International Economics

Johns Hopkins School of Advanced International Service, Master of Arts, Major in International Economics

Business Background (previous 5 years):
Rhys H. Williams serves as Acting Chief Investment Officer as well as Senior Portfolio Manager for the Firm's Growth Strategies. He is responsible for overall direction of the strategies and day-to-day portfolio decisions. He serves as Portfolio Manager for the Victor Equity funds, of which Columbia Partners is the General Partner. He also serves on the Management Committee of the Firm. Mr. Williams is assisted in his investment management by other members of the Columba Partners' investment team, including, Mark Tindall, and Mark Iong.

Mr. Williams has held these positions at Columbia Partners since he joined the Firm in 1998.

Item 3- Disciplinary Information
Mr. Williams has not been involved in any legal or disciplinary events that are material to a client's or a prospective client's evaluation of him.

Item 4-Other Business Activities
Mr. Williams is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of Columbia Partners.

Item 5-Additional Compensation
Mr. Williams does not receive any economic benefits from any person other than Columbia Partners in connection with the provision of investment advice to clients.

Item 6-Supervision
Mr. Williams is supervised by K. Dunlop Scott, President, Chief Operating Officer and Chief Compliance Officer and Robert A. von Pentz, Chairman of the Management Committee.

Columbia Partners' Chief Investment Officer is responsible for overseeing all investment management policies and processes as they relate to Columbia Partners' long only portfolios and its Victor Equity hedge fund.

Columbia Partners maintains a database (the "Securities Database"), which is updated regularly, of each public equity investment held in its long only accounts that includes the rationale, date and price of the investment, as well as the target price for future sale of the investment. For its Victor Equity Hedge Funds, the firm tracks core holdings ("Core Holdings") in the Securities Database, which are defined as those holdings constituting 2% or more of a Victor Equity Hedge Fund portfolio. The firm tracks trading and hedging positions around these Core Holdings through its portfolio accounting system. The Chief Compliance Officer periodically checks the completeness of the system.

All trades for all long only accounts and for the Victor Equity Hedge Funds are recorded in the Firm's portfolio accounting system. Each portfolio manager reviews a daily report from the portfolio accounting system to determine that the manager's previous day's trade instructions were correctly executed. In addition, the Chief Investment Officer regularly speaks with all portfolio managers and periodically reviews select daily portfolio reports for the various long only strategies and Victor Equity Hedge Funds to identify issues or concerns with respect to the portfolios and to determine whether any investments raise issues requiring closer examination. Each day, the prior day's trades recorded in the portfolio accounting system are reconciled with statements from executing brokers.

Columbia Partners uses an automated portfolio management review system that allows Columbia Partners personnel to effectively monitor and test that client accounts are managed in accordance with certain client guidelines on a regular basis. These reports are reviewed monthly to monitor, among other items, (1) variances of cash positions and in individual accounts from guidelines and individual holdings and strategies from model accounts and strategies; (2) adherence to investment restrictions and credit rating weights (in relation to fixed income accounts) imposed by particular accounts and (3) variances in sector weights and P/E ratios vs. benchmarks. In addition, at least once a year, each account is reviewed formally by a Portfolio Review Committee for consistency with account guidelines, risk tolerance and specific constraints. Each account is also compared against the model portfolio for the account's investment strategy. The members of the Portfolio Review Committee include the Columbia Partners Chief Compliance Officer, the Director of Client Services and Marketing and the marketing/client services representatives assigned to the account that is being reviewed or his representative.

K. Dunlop Scott, President, Chief Operating Officer and Chief Compliance Officer is responsible for supervising Mr. William's investment advisory activities. Any comments or complaints on the activities of Mr. Williams should be reported to K. Dunlop Scott at (240) 482–0408.

Mark Tindall
Columbia Partners, L.L.C. Investment Management
5425 Wisconsin Avenue, Suite 700
Chevy Chase, MD 20815
(240) 482-0418

March 31, 2017

This brochure supplement provides information about Mark Tindall that supplements the Columbia Partners, L.L.C. Investment Management ("Columbia Partners") brochure. You should have received a copy of that brochure. Please contact K. Dunlop Scott, Chief Compliance Officer, at (240) 482-0408 if you did not receive Columbia Partners' brochure or if you have any questions about the contents of this supplement.

Item 2- Educational Background and Business Experience
Name: Mark Tindall
Year of Birth: 1970
Formal Education (after high school):

Swarthmore College, Bachelor of Arts, Major in Economics

Amos Tuck School, Dartmouth College, Master of Business Administration

Business Background (previous 5 years):
Mr. Tindall serves as a Senior Portfolio Manager for the Firm's Growth Strategies. He participates in day-to-day portfolio decisions.

Mr. Tindall has held these positions at Columbia Partners for the past five years. He joined the Firm in 2003.

Item 3- Disciplinary Information
Mr. Tindall has not been involved in any legal or disciplinary events that are material to a client's or a prospective client's evaluation of.

Item 4- Other Business Activities
Mr. Tindall is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of Columbia Partners.

Item 5-Additional Compensation
Mr. Tindall does not receive any economic benefits from any person other than Columbia Partners in connection with the provision of investment advice to clients.

Item 6-Supervision
Mr. Tindall is supervised by Rhys H. Williams, Senior Portfolio Manager and Acting Chief Investment Officer.

Columbia Partners' Chief Investment Officer is responsible for overseeing all investment management policies and processes as they relate to Columbia Partners' long only portfolios and its Victor Equity hedge fund.

Columbia Partners maintains a database (the "Securities Database"), which is updated regularly, of each public equity investment held in its long only accounts that includes the rationale, date and price of the investment, as well as the target price for future sale of the investment. For its Victor Equity Hedge Funds, the firm tracks core holdings ("Core Holdings") in the Securities Database, which are defined as those holdings constituting 2% or more of a Victor Equity Hedge Fund portfolio. The firm tracks trading and hedging positions around these Core Holdings through its portfolio accounting system. The Chief Compliance Officer periodically checks the completeness of the system.

All trades for all long only accounts and for the Victor Equity Hedge Funds are recorded in the Firm's portfolio accounting system. Each portfolio manager reviews a daily report from the portfolio accounting system to determine that the manager's previous day's trade instructions were correctly executed. In addition, the Chief Investment Officer regularly speaks with all portfolio managers and periodically reviews select daily portfolio reports for the various long only strategies and Victor Equity Hedge Funds to identify issues or concerns with respect to the portfolios and to determine whether any investments raise issues requiring closer examination. Each day an administrator reconciles the prior day's trades recorded in the portfolio accounting system with statements from executing brokers.

Columbia Partners uses an automated portfolio management review system that allows Columbia Partners' personnel to effectively monitor and test that client accounts are managed in accordance with certain client guidelines on a regular basis. These reports are reviewed monthly to monitor, among other items, (1) variances of cash positions and in individual accounts from guidelines and individual holdings and strategies from model accounts and strategies; (2) adherence to investment restrictions and credit rating weights (in relation to fixed income accounts) imposed by particular accounts and (3) variances in sector weights and P/E ratios vs. benchmarks. In addition, at least once a year, each account is reviewed formally by the Portfolio Review Committee for consistency with account guidelines, risk tolerance and specific constraints. Each account is also compared against the model portfolio for the account's investment strategy. The members of the Portfolio Review Committee include the Columbia Partners Chief Compliance Officer, the Director of Client Services and Marketing, the Director of Operations and the marketing/client services representatives assigned to the account that is being reviewed or his representative.

Any comments or complaints on the activities of Mr. Tindall should be reported to Rhys H. Williams, Acting Chief Investment Officer of the Firm at (240) 482–0400.

Mark Iong

Columbia Partners, L.L.C. Investment Management
5425 Wisconsin Avenue, Suite 700
Chevy Chase, MD 20815
(240) 482-0456

March 31, 2017

This brochure supplement provides information about Mark Iong that supplements the Columbia Partners, L.L.C. Investment Management ("Columbia Partners") brochure. You should have received a copy of that brochure. Please contact K. Dunlop Scott, Chief Compliance Officer, at (240) 482-0408 if you did not receive Columbia Partners' brochure or if you have any questions about the contents of this supplement.

Item 2- Educational Background and Business Experience
Name: Mark Iong
Year of Birth: 1987
Formal Education (after high school):

Cornell University, Bachelor of Science, Major in Operations Research and Information Engineering

Business Background (previous 5 years):
Mr. Iong serves as an Equity Analyst for the Firm's Large Cap, Small Cap and Small Cap Growth portfolios. He participates in day-to-day portfolio decisions.

Mr. Iong joined the Firm in February 2014.

Item 3- Disciplinary Information
Mr. Iong has not been involved in any legal or disciplinary events that are material to a client's or a prospective client's evaluation of.

Item 4- Other Business Activities
Mr. Iong is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of Columbia Partners.

Item 5-Additional Compensation
Mr. Iong does not receive any economic benefits from any person other than Columbia Partners in connection with the provision of investment advice to clients.

Item 6-Supervision
Mr. Iong is supervised by Mark Tindall, Senior Portfolio Manager.

Columbia Partners' Chief Investment Officer is responsible for overseeing all investment management policies and processes as they relate to Columbia Partners' long only portfolios and its Victor Equity hedge fund.

Columbia Partners maintains a database (the "Securities Database"), which is updated regularly, of each public equity investment held in its long only accounts that includes the rationale, date and price of the

investment, as well as the target price for future sale of the investment. For its Victor Equity Hedge Funds, the firm tracks core holdings ("Core Holdings") in the Securities Database, which are defined as those holdings constituting 2% or more of a Victor Equity Hedge Fund portfolio. The firm tracks trading and hedging positions around these Core Holdings through its portfolio accounting system. The Chief Compliance Officer periodically checks the completeness of the system.

All trades for all long only accounts and for the Victor Equity Hedge Funds are recorded in the Firm's portfolio accounting system. Each portfolio manager reviews a daily report from the portfolio accounting system to determine that the manager's previous day's trade instructions were correctly executed. In addition, the Chief Investment Officer regularly speaks with all portfolio managers and periodically reviews select daily portfolio reports for the various long only strategies and Victor Equity Hedge Funds to identify issues or concerns with respect to the portfolios and to determine whether any investments raise issues requiring closer examination. Each day an administrator reconciles the prior day's trades recorded in the portfolio accounting system with statements from executing brokers.

Columbia Partners uses an automated portfolio management review system that allows Columbia Partners' personnel to effectively monitor and test that client accounts are managed in accordance with certain client guidelines on a regular basis. These reports are reviewed monthly to monitor, among other items, (1) variances of cash positions and in individual accounts from guidelines and individual holdings and strategies from model accounts and strategies; (2) adherence to investment restrictions and credit rating weights (in relation to fixed income accounts) imposed by particular accounts and (3) variances in sector weights and P/E ratios vs. benchmarks. In addition, at least once a year, each account is reviewed formally by the Portfolio Review Committee for consistency with account guidelines, risk tolerance and specific constraints. Each account is also compared against the model portfolio for the account's investment strategy. The members of the Portfolio Review Committee include the Columbia Partners Chief Compliance Officer, the Director of Client Services and Marketing, the Director of Operations and the marketing/client services representatives assigned to the account that is being reviewed or his representative.

Any comments or complaints on the activities of Mr. Iong should be reported to Mark Tindall, Senior Portfolio Manager at (240) 482-0418.

Jennie Tian
Columbia Partners, L.L.C. Investment Management
5425 Wisconsin Avenue, Suite 700
Chevy Chase, MD 20815
(240) 482-0415

March 28, 2017

This brochure supplement provides information about Jennie Tian that supplements the Columbia Partners, L.L.C. Investment Management ("Columbia Partners") brochure. You should have received a copy of that brochure. Please contact K. Dunlop Scott, Chief Compliance Officer, at (240) 482-0408 if you did not receive Columbia Partners' brochure or if you have any questions about the contents of this supplement.

Item 2- Educational Background and Business Experience
Name: Jennie Tian
Year of Birth: 1991
Formal Education (after high school):

B.S., University of California, Berkeley
M.S., Georgetown University School of Foreign Service

Business Background (previous 5 years):
Ms. Tian serves as Equity Analyst for the Firm's Premier Equity investment portfolios. She participates in fundamental research, identifying investments, and conducting due diligence.

Ms. Tian has held this position at Columbia Partners since 2016, when she joined the Firm. Prior to that time she was a consultant and VP of Publicity for the D.C. branch of the InSITE Fellowship, a startup and venture capital consulting group based in New York City.

Item 3- Disciplinary Information
Ms. Tian has not been involved in any legal or disciplinary events that are material to a client's or a prospective client's evaluation of her.

Item 4- Other Business Activities
Prior to joining Columbia Partners, Ms. Tian became a consultant to Ogma Scientific, Inc., an early stage biotechnology startup that produces high throughput screens for industrial ecosystems. Her role includes assisting in strategic advisory, marketing, and financial analysis functions for the company. Columbia Partners has reviewed this work and does not consider Ms. Tian's role at Ogma Scientific in conflict with her role at Columbia Partners.

Item 5-Additional Compensation
Ms. Tian does not receive any economic benefits from any person other than Columbia Partners in connection with the provision of investment advice to clients.

Item 6-Supervision
Ms. Tian is supervised by Mark Tindall, Managing Director of the Firm's Premier Equity group.

Columbia Partners has in place a series of due diligence, investment monitoring and personal ethics monitoring mechanisms. All investments made by Premier Equity on behalf of clients are subjected to a due diligence process and are presented to the Investment Committee for the group. The President of the Firm is a member of the Investment Committee and all decisions must be unanimous.

Any comments or complaints on the activities of Ms. Tian should be reported to K. Dunlop Scott, President, Chief Operating Officer and Chief Compliance Officer of the Firm at (240) 482-0408.

Robert D. Eberhardt

Columbia Partners, L.L.C. Investment Management
5425 Wisconsin Avenue, Suite 700
Chevy Chase, MD 20815
(240) 482-0417

March 31, 2017

This brochure supplement provides information about Robert Eberhardt that supplements the Columbia Partners, L.L.C. Investment Management ("Columbia Partners") brochure. You should have received a copy of that brochure. Please contact K. Dunlop Scott, Chief Compliance Officer, at (240) 482-0400 if you did not receive Columbia Partners' brochure or if you have any questions about the contents of this supplement.

Item 2- Educational Background and Business Experience

Name: Robert D. Eberhardt
Year of Birth: 1983
Formal Education (after high school):

Bryant University, Bachelor of Business Administration

Business Background (previous 5 years):
Mr. Eberhardt serves as Senior Portfolio Manager for the Firm's Fixed Income investment portfolios. He participates in day-to-day portfolio decisions and sets direction for the strategies.

Mr. Eberhardt has held these positions at Columbia Partners for the past five years. He joined the Firm in 2008. Prior to that time, Mr. Eberhardt was a fixed income trader and specialist at G.X. Clarke, a fixed income broker/dealer engaged in fixed income securities trading.

Item 3- Disciplinary Information
Mr. Eberhardt has not been involved in any legal or disciplinary events that are material to a client's or a prospective client's evaluation of him.

Item 4- Other Business Activities
Mr. Eberhardt is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of Columbia Partners.

Item 5-Additional Compensation
Mr. Eberhardt does not receive any economic benefits from any person other than Columbia Partners in connection with the provision of investment advice to clients.

Item 6-Supervision
Mr. Eberhardt is supervised by Rhys Williams, Senior Portfolio Manager and Acting Chief Investment Officer.

Columbia Partners' Chief Investment Officer is responsible for overseeing all investment management policies and processes as they relate to Columbia Partners' long only portfolios, including fixed income all trades for all long only accounts are recorded in the firm's portfolio accounting system. Each portfolio manager reviews a daily report from the portfolio accounting system to determine that the manager's previous day's trade instructions were correctly executed.

The Chief Investment Officer periodically reviews select daily portfolio accounting system reports for the various long only strategies to determine whether any investments recorded in those reports raise on their face any questions or issues that need to be examined more closely.

The Chief Investment Officer regularly speaks to all the portfolio managers of the long only portfolios to learn whether there are any issues or concerns regarding their respective portfolios.

The Firm has extensive policies and procedures in place, as spelled out in the Firm's Compliance Manual, which are designed to monitor that portfolios are managed to client guidelines and to monitor that clients' interests are always placed first. In addition to investment supervision, Firm personnel are governed by policies and procedures and compliance with the procedures are tracked on a regular basis through a number of automated tests to provide assurance that Firm processes are adhered to.

Columbia Partners uses an automated portfolio management review system that allows Columbia Partners personnel to effectively monitor and test that client accounts are managed in accordance with certain client guidelines on a regular basis. These reports are reviewed monthly to monitor, among other items, (1) variances of cash positions and in individual accounts from guidelines and individual holdings and strategies from model accounts and strategies; (2) adherence to investment restrictions and credit rating weights (in relation to fixed income accounts) imposed by particular accounts and (3) variances in sector weights and P/E ratios vs. benchmarks. In addition, at least once a year, each account is reviewed formally by a Portfolio Review Committee for consistency with account guidelines, risk tolerance and specific constraints. Each account is also compared against the model portfolio for the account's investment strategy. The members of the Portfolio Review Committee include the Columbia Partners Chief Compliance Officer, the Director of Client Services and Marketing and the marketing/client services representatives assigned to the account that is being reviewed or his representative.

On a weekly basis, the Fixed Income Portfolio Manager reviews each fixed income portfolio to monitor that no more than 5% of the portfolio is comprised of any single issuer other than agencies, treasuries and agency mortgage-backed securities

Any comments or complaints on the activities of Mr. Eberhardt should be reported to Rhys H. Williams, Senior Portfolio Manager and Acting Chief Investment Officer of the Firm at (240) 482-0400.

Jessica DuRousseau

Columbia Partners, L.L.C. Investment Management
5425 Wisconsin Avenue, Suite 700
Chevy Chase, MD 20815
(240) 482-0419

March 31, 2017

This brochure supplement provides information about Jessica DuRousseau that supplements the Columbia Partners, L.L.C. Investment Management ("Columbia Partners") brochure. You should have received a copy of that brochure. Please contact K. Dunlop Scott, Chief Compliance Officer, at (240) 482-0400 if you did not receive Columbia Partners' brochure or if you have any questions about the contents of this supplement.

Item 2- Educational Background and Business Experience

Name: Jessica DuRousseau
Year of Birth: 1989
Formal Education (after high school):

George Washington University, Bachelor of Arts in International Affairs, Minor in Economics

Business Background (previous 5 years):
Miss DuRousseau serves as Assistant Portfolio Manager for the Firm's Fixed Income investment portfolios. She participates in day-to-day portfolio decisions and assists in setting direction for the strategies.

Prior to this position, Miss DuRousseau has held a number of positions of increasing responsibilities within the Firm. She joined the Firm in January 2012 after graduating from the George Washington University.

Item 3- Disciplinary Information
Miss DuRousseau has not been involved in any legal or disciplinary events that are material to a client's or a prospective client's evaluation of him.

Item 4- Other Business Activities
Miss DuRousseau is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of Columbia Partners.

Item 5-Additional Compensation
Miss DuRousseau does not receive any economic benefits from any person other than Columbia Partners in connection with the provision of investment advice to clients.

Item 6-Supervision
Miss DuRousseau is supervised by Robert D. Eberhardt, Senior Portfolio Manager for the Firm's Fixed Income investment portfolios.

The Firm has extensive policies and procedures in place, as spelled out in the Firm's Compliance Manual, which are designed to monitor that portfolios are managed to client guidelines and to monitor that clients' interests are always placed first. In addition to investment supervision, Firm personnel are governed by policies and procedures and compliance with the procedures are tracked on a regular basis through a number of automated tests to provide assurance that Firm processes are adhered to.

Columbia Partners uses an automated portfolio management review system that allows Columbia Partners personnel to effectively monitor and test that client accounts are managed in accordance with certain client guidelines on a regular basis. These reports are reviewed monthly to monitor, among other items, (1) variances of cash positions and in individual accounts from guidelines and individual holdings and strategies from model accounts and strategies; (2) adherence to investment restrictions and credit rating weights (in relation to fixed income accounts) imposed by particular accounts and (3) variances in sector weights and P/E ratios vs. benchmarks. In addition, at least once a year, each account is reviewed formally by a Portfolio Review Committee for consistency with account guidelines, risk tolerance and specific constraints. Each account is also compared against the model portfolio for the account's investment strategy. The members of the Portfolio Review Committee include the Columbia Partners Chief Compliance Officer, the Director of Client Services and Marketing and the marketing/client services representatives assigned to the account that is being reviewed or his representative.

On a weekly basis, the Fixed Income Portfolio Manager reviews each fixed income portfolio to monitor that no more than 5% of the portfolio is comprised of any single issuer other than agencies, treasuries and agency mortgage-backed securities

Any comments or complaints on the activities of Miss DuRousseau should be reported to Robert D. Eberhardt, Senior Portfolio Manager for the Firm's Fixed Income investment portfolios at (240) 482-0400.

Christopher Doherty
Columbia Partners, L.L.C. Investment Management
5425 Wisconsin Avenue, Suite 700
Chevy Chase, MD 20815
(240) 482-0413

March 31, 2017

This brochure supplement provides information about Christopher Doherty that supplements the Columbia Partners, L.L.C. Investment Management ("Columbia Partners") brochure. You should have received a copy of that brochure. Please contact K. Dunlop Scott, Chief Compliance Officer, at (240) 482-0408 if you did not receive Columbia Partners' brochure or if you have any questions about the contents of this supplement.

Item 2- Educational Background and Business Experience
Name: Christopher Doherty
Year of Birth: 1955
Formal Education (after high school):

Harvard College, Bachelor of Arts

Georgetown University, Doctor of Law

Business Background (previous 5 years):
Mr. Doherty serves as Managing Director for the Firm's Private Capital investment portfolios. He participates in day-to-day portfolio decisions and sets direction for the strategies. He is also member of the General Partnership for Columbia Partners Private Capital Holdings, LP, the firms' fund of funds.

Mr. Doherty has held these positions at Columbia Partners since he joined the Firm in 2004.

Item 3- Disciplinary Information
Mr. Doherty has not been involved in any legal or disciplinary events that are material to a client's or a prospective client's evaluation of him.

Item 4- Other Business Activities
Mr. Doherty is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of Columbia Partners.

Item 5-Additional Compensation
Mr. Doherty does not receive any economic benefits from any person other than Columbia Partners in connection with the provision of investment advice to clients.

Item 6-Supervision
Mr. Doherty is supervised by K. Dunlop Scott, President, Chief Operating Officer and Chief Compliance Officer of the Firm.

Columbia Partners has in place a series of due diligence, investment monitoring and personal ethics monitoring mechanisms. All investments made by Private Capital on behalf of clients are subjected to a due diligence process and are presented to the Investment Committee for the group. The President of the Firm is a member of the Investment Committee and all decisions must be unanimous.

Due Diligence Process for Private Debt Investments

Prior to any private debt investments, the Private Debt Investment Committee must apply the Risk Asset Acceptance Criteria ("RAAC") which outline the direct investment risk underwriting guidelines for private debt investments in individual companies. An investment will not be made unless it has been determined by the Private Debt Investment Committee that the investment is RAAC compliant. The Private Debt Investment Committee consists of the principal managers to the Private Debt Group and the President of the Firm. Once an investment is made it is monitored by the Private Debt Investment Committee which meets formally each quarter to review developments and performance or as required by changing circumstances at any investment.

Due Diligence Process for Private Equity Securities

Prior to any investment in any private equity securities, the Firm seeks to inform itself to the extent possible about the quality of the managers of any private equity fund and the management of any direct issuer, the historical track record of the fund or direct issuer and the future projections for the private equity fund or direct issuer. Where appropriate, Columbia Partners will involve outside experts to assist in the evaluation of the investment and potential returns. These potential returns and the likely risk inherent in the investment are assessed by the Investment Committee (see above) and the appropriateness for the client on whose behalf the investment will be made. Ongoing monitoring occurs formally at least once each quarter and more frequently as required.

Any comments or complaints on the activities of Mr. Doherty should be reported to K. Dunlop Scott, President, Chief Operating Officer and Chief Compliance Officer of the Firm at (240) 482–0408.

Jason Crist
Columbia Partners, L.L.C. Investment Management
5425 Wisconsin Avenue, Suite 700
Chevy Chase, MD 20815
(240) 482-0411

March 31, 2017

This brochure supplement provides information about Jason Crist that supplements the Columbia Partners, L.L.C. Investment Management ("Columbia Partners") brochure. You should have received a copy of that brochure. Please contact K. Dunlop Scott, Chief Compliance Officer, at (240) 482-0408 if you did not receive Columbia Partners' brochure or if you have any questions about the contents of this supplement.

Item 2- Educational Background and Business Experience
Name: Jason Crist
Year of Birth: 1962
Formal Education (after high school):

University of Virginia, Bachelor of Arts

George Washington University, graduate work in Business Administration

Business Background (previous 5 years):
Mr. Crist serves as Managing Director for the Firm's Private Capital investment portfolios. He participates in day-to-day portfolio decisions and sets direction for the strategies. He is also member of the General Partnership for Columbia Partners Private Capital Holdings, LP, the firms' fund of funds.

Mr. Crist has held this position at Columbia Partners since he joined the Firm in 2004.

Item 3- Disciplinary Information
Mr. Crist has not been involved in any legal or disciplinary events that are material to a client's or a prospective client's evaluation of him.

Item 4- Other Business Activities
Mr. Crist is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of Columbia Partners.

Item 5-Additional Compensation
Mr. Crist does not receive any economic benefits from any person other than Columbia Partners in connection with the provision of investment advice to clients.

Item 6-Supervision
Mr. Crist is supervised by K. Dunlop Scott, President, Chief Operating Officer and Chief Compliance Officer of the Firm.

Columbia Partners has in place a series of due diligence, investment monitoring and personal ethics monitoring mechanisms. All investments made by Private Capital on behalf of clients are subjected to a due diligence process and are presented to the Investment Committee for the group. The President of the Firm is a member of the Investment Committee and all decisions must be unanimous.

Due Diligence Process for Private Debt Investments

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Due Diligence Process for Private Equity Securities

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Any comments or complaints on the activities of Mr. Crist should be reported to K. Dunlop Scott, President, Chief Operating Officer and Chief Compliance Officer of the Firm at (240) 482-0408.

Thomas Bain

Columbia Partners, L.L.C. Investment Management
5425 Wisconsin Avenue, Suite 700
Chevy Chase, MD 20815
(240) 482-0420

March 31, 2017

This brochure supplement provides information about Thomas Bain that supplements the Columbia Partners, L.L.C. Investment Management ("Columbia Partners") brochure. You should have received a copy of that brochure. Please contact K. Dunlop Scott, Chief Compliance Officer, at (240) 482-0408 if you did not receive Columbia Partners' brochure or if you have any questions about the contents of this supplement.

Item 2- Educational Background and Business Experience
Name: Thomas Bain
Year of Birth: 1972
Formal Education (after high school):

Cornell University, Bachelor of Science, Electrical Engineering

Business Background (previous 5 years):
Mr. Bain serves as Managing Director for the Firm's Private Capital investment portfolios. He participates in day-to-day portfolio decisions and sets direction for the strategies. He is also member of the General Partnership for Columbia Partners Private Capital Holdings, LP, the firms' fund of funds.

Mr. Bain has held this position at Columbia Partners since 2008, when he joined the Firm. Prior to that time he was an associate of Columbia Capital, a prominent Washington-based venture capital firm, where he participated in numerous venture investments.

Item 3- Disciplinary Information
Mr. Bain has not been involved in any legal or disciplinary events that are material to a client's or a prospective client's evaluation of him.

Item 4- Other Business Activities
Mr. Bain is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of Columbia Partners.

Item 5-Additional Compensation
Mr. Bain does not receive any economic benefits from any person other than Columbia Partners in connection with the provision of investment advice to clients.

Item 6-Supervision
Mr. Bain is supervised by Christopher Doherty, Managing Director of the Firm's Private Capital group.

Columbia Partners has in place a series of due diligence, investment monitoring and personal ethics monitoring mechanisms. All investments made by Private Capital on behalf of clients are subjected to a

due diligence process and are presented to the Investment Committee for the group. The President of the Firm is a member of the Investment Committee and all decisions must be unanimous.

Due Diligence Process for Private Debt Investments

Prior to any private debt investments, the Private Debt Investment Committee must apply the Risk Asset Acceptance Criteria ("RAAC") which outline the direct investment risk underwriting guidelines for private debt investments in individual companies. An investment will not be made unless it has been determined by the Private Debt Investment Committee that the investment is RAAC compliant. The Private Debt Investment Committee consists of the principal managers to the Private Debt Group and the President of the Firm. Once an investment is made it is monitored by the Private Debt Investment Committee which meets formally each quarter to review developments and performance or as required by changing circumstances at any investment.

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Any comments or complaints on the activities of Mr. Bain should be reported to K. Dunlop Scott, President, Chief Operating Officer and Chief Compliance Officer of the Firm at (240) 482-0408.

Saul Waller

Columbia Partners, L.L.C. Investment Management
5425 Wisconsin Avenue, Suite 700
Chevy Chase, MD 20815
(240) 482-0420

March 31, 2017

This brochure supplement provides information about Thomas Bain that supplements the Columbia Partners, L.L.C. Investment Management ("Columbia Partners") brochure. You should have received a copy of that brochure. Please contact K. Dunlop Scott, Chief Compliance Officer, at (240) 482-0408 if you did not receive Columbia Partners' brochure or if you have any questions about the contents of this supplement.

Item 2- Educational Background and Business Experience
Name: Saul Waller
Year of Birth: 1983
Formal Education (after high school):

BA, Colgate University
MBA, University of Virginia Darden Graduate School of Business

Business Background (previous 5 years):
Mr. Waller serves as Vice President for the Firm's Private Capital investment portfolios. He participates in day-to-day portfolio decisions, identifying investments, and conducting due diligence.

Mr. Waller has held this position at Columbia Partners since 2016, when he joined the Firm. Prior to that time he was VP, Director of Financial Planning & Analysis at Grey Healthcare Group, an advertising agency based in New York City.

Item 3- Disciplinary Information
Mr. Waller has not been involved in any legal or disciplinary events that are material to a client's or a prospective client's evaluation of him.

Item 4- Other Business Activities
Mr. Waller is not engaged in any other investment related business, and does not receive compensation in connection with any business activity outside of Columbia Partners.

Item 5-Additional Compensation
Mr. Waller does not receive any economic benefits from any person other than Columbia Partners in connection with the provision of investment advice to clients.

Item 6-Supervision
Mr. Waller is supervised by Tom Bain, Managing Director of the Firm's Private Capital group.

Columbia Partners has in place a series of due diligence, investment monitoring and personal ethics monitoring mechanisms. All investments made by Private Capital on behalf of clients are subjected to a

due diligence process and are presented to the Investment Committee for the group. The President of the Firm is a member of the Investment Committee and all decisions must be unanimous.

Due Diligence Process for Private Debt Investments

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Prior to any investment in any private equity securities, the Firm seeks to inform itself to the extent possible about the quality of the managers of any private equity fund and the management of any direct issuer, the historical track record of the fund or direct issuer and the future projections for the private equity fund or direct issuer. Where appropriate, Columbia Partners will involve outside experts to assist in the evaluation of the investment and potential returns. These potential returns and the likely risk inherent in the investment are assessed by the Investment Committee (see above) and the appropriateness for the client on whose behalf the investment will be made. Ongoing monitoring occurs formally at least once each quarter and more frequently as required.

Any comments or complaints on the activities of Mr. Waller should be reported to K. Dunlop Scott, President, Chief Operating Officer and Chief Compliance Officer of the Firm at (240) 482-0408.

COLUMBIA PARTNERS

PROXY VOTING GUIDELINES

Updated March 2016

COLUMBIA PARTNERS
PROXY VOTING GUIDELINES

PROXY VOTING POLICY STATEMENT AND GUIDELINES

This statement sets forth the proxy voting policy of Columbia Partners. The U.S. Department of Labor (DOL) has stated that the fiduciary act of managing plan assets that are shares of corporate stock includes the voting of proxies appurtenant to those shares of stock and that trustees may delegate this duty to an investment manager. ERISA section 3(38) defines an investment manager as any fiduciary who is registered as an investment adviser under the Investment Advisor Act of 1940. Columbia Partners is a registered investment adviser under the Investment Advisor Act of 1940.

Columbia Partners will vote the proxies of its clients solely in the interest of their participants and beneficiaries and for the exclusive purpose of providing benefits to them. The interests of participants and beneficiaries will not be subordinated to unrelated objectives. Columbia Partners shall act with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. When proxies due to Columbia Partners' clients have not been received, Columbia Partners will make reasonable efforts to obtain missing proxies. Columbia Partners is not responsible for voting proxies it does not receive.

Columbia Partners shall analyze each proxy on a case-by-case basis, informed by the guidelines elaborated below, subject to the requirement that all votes shall be cast solely in the long-term interest of the participants and beneficiaries of the plans. Columbia Partners does not intend for these guidelines to be exhaustive. Hundreds of issues appear on proxy ballots every year, and it is neither practical nor productive to fashion voting guidelines and policies which attempt to address every eventuality. Rather, Columbia Partners' guidelines are intended to cover the most significant and frequent proxy issues that arise. Issues not covered by the guidelines shall be voted in the interest of plan participants and beneficiaries of the plan based on a worker-owner view of long-term corporate value. Columbia Partners shall revise its guidelines as events warrant.

Columbia Partners will evaluate global governance issues on a case-by-case basis, using the Columbia Partners Proxy Voting Guidelines but taking into account the variances across markets in regulatory and legal frameworks, best practices, actual market practices, and disclosure regimes.

Columbia Partners shall report annually to its clients on proxy votes cast on their behalf. These proxy voting reports will demonstrate Columbia Partners' compliance with its responsibilities and will facilitate clients' monitoring of Columbia Partners. A copy of this Proxy Voting Policy Statement and Guidelines will be provided to each client upon request.

MISCELLANEOUS/ROUTINE

Adjourn Meeting

• Generally vote AGAINST proposals to provide management with the authority to adjourn an annual or special meeting absent compelling reasons to support the proposal.

• Vote FOR proposals that relate specifically to soliciting votes for a merger or transaction if supporting that merger or transaction.

• Vote AGAINST proposals if the wording is too vague or if the proposal includes "other business."

Amend Quorum Requirements

• Vote AGAINST proposals to reduce quorum requirements for shareholder meetings below a majority of the shares outstanding unless there are compelling reasons to support the proposal.

Enhanced Shareholder Meeting Quorum

• Generally vote against new By-Laws or amended By-Laws that would establish two different quorum levels which would result in implementing a higher quorum solely for those shareholder meetings where common share investors seek to replace the majority of current board members

Change Date, Time or Location of Annual Meeting

• Vote FOR management proposals to change the date, time, and/or location of the annual meeting unless the proposed change is unreasonable.

• Vote AGAINST shareholder proposals to change the date, time, and/or location of the annual meeting unless the current scheduling or location is unreasonable.

Transact Other Business

• Vote AGAINST proposals to approve other business when it appears as voting item.

DIRECTOR ELECTIONS

Electing directors is the single most important stock ownership right that shareholders can exercise. By electing directors who share their views, shareholders can help to define performance standards against which management can be held accountable. Columbia Partners holds directors to a high standard when voting on their election, qualifications, and compensation. We evaluate directors fairly and objectively, rewarding them for significant contributions and holding them ultimately accountable to shareholders for corporate performance. Institutional investors should use their voting rights in uncontested elections to influence financial performance and corporate strategies for achieving long-term shareholder value.

Voting on Director Nominees in Uncontested Elections

Votes on individual director nominees are always made on a case-by-case basis. Specific director nominee withhold/against1 votes can be triggered by one or more of the following factors:

Board Independence

- Lack of board and key board committee independence (fully independent audit, compensation, and nominating committees);
- Lack of a board that is at least two-thirds (67 percent) independent – i.e. where the composition of non-independent board members is in excess of 33 percent of the entire board;
- Lack of an independent board chair;
- Lack of independence on key board committees (i.e. audit, compensation, and nominating committees); or
- Failure to establish any key board committees (i.e. audit, compensation, or nominating).

Board Competence

- Attendance of director nominees at board and committee meetings of less than 75 percent in one year without valid reason or explanation; or
- Directors serving on an excessive number of other boards which could compromise their primary duties of care and loyalty.

Board Accountability

Vote against or withhold from the entire board of directors, (except new nominees, who should be considered on a case-by-case basis) if:

- Problematic Takeover Defenses
    - The board lacks accountability and oversight due to the presence of problematic governance provisions, coupled with long-term poor corporate performance relative to peers;
    - If the company has a classified board and a continuing director is responsible for a problematic governance issue at the board/committee level that would warrant a withhold/against vote, in addition to potential future withhold/against votes on that director, Columbia Partners may vote against or withhold votes from any or all of the nominees up for election, with the exception of new nominees;
    - The company's poison pill has a "dead-hand" or "modified dead-hand" feature; or
    - The board adopts a pill or makes a material adverse change to an existing pill without shareholder approval.
- Governance Failures
    - The presence of problematic governance practices including interlocking directorships, multiple related-party transactions, excessive risk-taking, imprudent use of corporate assets, etc.;
    - Inadequate CEO succession planning, including the absence of an emergency and non-emergency/orderly CEO succession plan;
    - Material failures of governance, stewardship, risk oversight2, or fiduciary responsibilities at the company, failure to replace management as appropriate, flagrant or egregious actions related to the director(s)' service on other boards that raise substantial doubt about his or her ability to effectively oversee management and serve the best interests of shareholders at any company;
    - Chapter 7 bankruptcy, Securities & Exchange Commission (SEC) violations or fines, and criminal investigations by the Department of Justice (DOJ), Government Accounting Office (GAO) or any other federal agency.

Generally vote against or withhold from directors individually, committee members, or the entire board (except new nominees, who should be considered case-by-case) if the board amends the company's bylaws or charter without shareholder approval in a manner that materially diminishes shareholders' rights or that could adversely impact shareholders, considering the following factors, as applicable:

- The board's rationale for adopting the bylaw/charter amendment without shareholder ratification;
- Disclosure by the company of any significant engagement with shareholders regarding the amendment;
- The level of impairment of shareholders' rights caused by the board's unilateral amendment to the bylaws/charter;
- The board's track record with regard to unilateral board action on bylaw/charter amendments or other entrenchment provisions;
- The company's ownership structure;
- The company's existing governance provisions;
- Whether the amendment was made prior to or in connection with the company's initial public offering;
- The timing of the board's amendment to the bylaws/charter in connection with a significant business development;
- Other factors, as deemed appropriate, that may be relevant to determine the impact of the amendment on shareholders.

Unless the adverse amendment is reversed or submitted to a binding shareholder vote, in subsequent years vote case-by-case on director nominees. Generally vote against (except new nominees, who should be considered case-by-case) if the directors:

- Classified the board;
- Adopted supermajority vote requirements to amend the bylaws or charter; or
- Eliminated shareholders' ability to amend bylaws.

For newly public companies, generally vote against or withhold from directors individually, committee members, or the entire board (except new nominees, who should be considered case-by-case) if, prior to or in connection with the company's public offering, the company or its board adopts bylaw or charter provisions adverse to shareholders' rights, considering the following factors:

- The level of impairment of shareholders' rights caused by the provision;
- The company’s or the board's rationale for adopting the provision;
- The provision's impact on the ability to change the governance structure in the future (e.g., limitations on shareholder right to amend the bylaws or charter, or supermajority vote requirements to amend the bylaws or charter);
- The ability of shareholders to hold directors accountable through annual director elections, or whether the company has a classified board structure; and,
- A public commitment to put the provision to a shareholder vote within three years of the date of the initial public offering.

Unless the adverse provision is reversed or submitted to a vote of public shareholders, vote case-by-case on director nominees in subsequent years.

Problematic Compensation Practices/Pay-for-Performance Misalignment

Performance of compensation committee members and/or the entire board in relation to the approval of egregious or excessive executive compensation (including perquisites and cash or equity awards).

Vote against or withhold votes from members of the Compensation Committee and potentially the full board if:

- There is a misalignment between CEO pay and company performance (see Pay-for-Performance policy);
- The company maintains problematic pay practices including options backdating, excessive perks and overly generous employment contracts etc.;
- The company fails to submit one-time transfers of stock options to a shareholder vote;
- The company fails to fulfill the terms of a burn rate commitment they made to shareholders; or
- There is evidence that management/board members are using company stock in hedging activities.

Vote case-by-case on Compensation Committee members (or, potentially, the full board) and the Management Say-on-Pay proposal if:

- The company's previous say-on-pay proposal received low levels of investor support, taking into account:
  - The company's response, including: a) disclosure of engagement efforts with major institutional investors regarding the issues that contributed to the low level of support; b) specific actions taken to address the issues that contributed to the low level of support; c) other recent compensation actions taken by the company;
- Whether the issues raised are recurring or isolated;
- The company's ownership structure; and
- Whether the support level was less than 50 percent, which would warrant the highest degree of responsiveness.

Problematic Audit-Related Practices

Performance of audit committee members concerning the approval of excessive non-audit fees, material weaknesses, and/or the lack of auditor ratification upon the proxy ballot;

Vote against or withhold votes from the members of the Audit Committee when:

- Consulting (i.e. non-audit) fees paid to the auditor are excessive;
- Auditor ratification is not included on the proxy ballot;
- The company receives an adverse opinion on the company's financial statements from its auditor;
- There is evidence that the audit committee entered into an inappropriate indemnification agreement with its auditor that limits the ability of the company, or its shareholders, to pursue legitimate legal recourse against the audit firm; or
- Poor accounting practices such as: fraud; misapplication of GAAP; and material weaknesses identified in Section 404 disclosures, exist. Poor accounting practices may warrant voting against or withholding votes from the full board.

Board Responsiveness

- Vote against or withhold from individual directors, committee members, or the entire board of directors as appropriate if:
- At the previous board election, any director received more than 50 percent withhold/against votes of the shares cast and the company has failed to address the underlying issue(s) that caused the high withhold/against votes;
- The board failed to act on takeover offers where the majority of the shareholders tendered their shares;
- The board failed to act on a shareholder proposal that received approval by a majority of the shares cast the previous year; or
- The board implements an advisory vote on executive compensation on a less frequent basis than the frequency that received the majority of votes cast at the most recent shareholder meeting at which shareholders voted on the say-on-pay frequency.

Vote case-by-case on the entire board if:

The board implements an advisory vote on executive compensation on a less frequent basis than the frequency that received a plurality, but not a majority, of the votes cast at the most recent shareholder meeting at which shareholders voted on the say-on-pay frequency, taking into account:

- The board's rationale for selecting a frequency that is different from the frequency that received a plurality;
- The company's ownership structure and vote results;
- Whether there are compensation concerns or a history of problematic compensation practices; and
- The previous year's support level on the company's say-on-pay proposal.

Unilateral Adoption of Bylaws or Charter Amendments

Generally vote against or withhold from directors individually, committee members, or the entire board (except new nominees, who should be considered case-by-case) if the board amends the company's bylaws or charter without shareholder approval in a manner that materially diminishes shareholders' rights or that could adversely impact shareholders, considering the following factors, as applicable:

- The board's rationale for adopting the bylaw/charter amendment without shareholder ratification;
- Disclosure by the company of any significant engagement with shareholders regarding the amendment;
- The level of impairment of shareholders' rights caused by the board's unilateral amendment to the bylaws/charter;
- The board's track record with regard to unilateral board action on bylaw/charter amendments or other entrenchment provisions;
- The company's ownership structure;
- The company's existing governance provisions;
- Whether the amendment was made prior to or in connection with the company's initial public offering;
- The timing of the board's amendment to the bylaws/charter in connection with a significant business development;
- Other factors, as deemed appropriate, that may be relevant to determine the impact of the amendment on shareholders.

Voting for Director Nominees in Contested Elections

Contested elections of directors frequently occur when a board candidate or "dissident slate" seeks election for the purpose of achieving a significant change in corporate policy or control of seats on the board. Competing slates will be evaluated on a CASE-BY-CASE basis with a number of considerations in mind. These include, but are not limited to, the following: personal qualifications of each candidate; the economic impact of the policies advanced by the dissident slate of nominees; and their expressed and demonstrated commitment to the interests of the shareholders of the company. Votes in a contested election of directors are evaluated on a CASE-BY-CASE basis with the following seven factors in consideration:

• Long-term financial performance of the target company relative to its industry;

• Management's track record;

• Background to the proxy contest;

• Qualifications of director nominees (both slates);

• Strategic plan of dissident slate and quality of critique against management;

• Likelihood that the proposed goals and objectives can be achieved (both slates);

• Stock ownership positions.

In the case of candidates nominated pursuant to proxy access, vote case-by-case considering any applicable factors listed above or additional factors which may be relevant, including those that are specific to the company, to the nominee(s) and/or to the nature of the election (such as whether or not there are more candidates than board seats).

Non-Independent Chairman

Two major components at the top of every public company are the running of the board and the executive responsibility for the running of the company's business. Many institutional investors believe there should be a clear division of responsibilities at the head of the company that will ensure a balance of power and authority, such that no one individual has unfettered powers of decision. When there is no clear division between the executive and board branches of a company, poor executive and/or board actions often go unchecked to the ultimate detriment of shareholders. Since executive compensation is so heavily correlated to the managerial power relationship in the boardroom, the separation of the CEO and chairman positions is a critical step in curtailing excessive pay, which ultimately can become a drain on shareholder value.

Arguments have been made that a smaller company and its shareholders can benefit from the full-time attention of a joint chairman and CEO. This may be so in select cases, and indeed, using a case-by-case review of circumstances there may be worthy exceptions. But, even in these cases, it is the general view of many institutions that a person should only serve in the position of joint CEO and chairman on a temporary basis, and that these positions should be separated following their provisional combination.

We strongly believe that the potential for conflicts of interest in the board's supervisory and oversight duties trumps any possible corollary benefits that could ensue from a dual CEO/chairman scenario. Instead of having an ingrained quid pro quo situation whereby a company has a single leader overseeing both management and the boardroom, Columbia Partners fiduciaries believe that it is the board's implicit duty to assume an impartial and objective role in overseeing the executive team's overall performance. Shareholder interests are placed in jeopardy if the CEO of a company is required to report to a board that she/he also chairs.

Inherent in the chairman's job description is the duty to assess the CEO's performance. This objectivity is obviously compromised when a chairman is in charge of evaluating her/his own performance or has a past or present affiliation with management. Moreover, the unification of chairman and CEO poses a direct threat to the smooth functioning of the entire board process since it is the ultimate responsibility of the chairman to set the agenda, facilitate discussion, and make sure that directors are given complete access to information in order to make informed decisions.

- Generally vote against or withhold votes from any non-independent director who serves as board chairman.
- Generally vote against or withhold votes from a CEO who is also serving in the role of chairman at the same company.
- Generally support shareholder proposals calling for the separation of the CEO and chairman positions.
- Generally support shareholder proposals calling for a non-executive director to serve as chairman who is not a former CEO or senior-level executive of the company.

Independent Directors

Board independence from management is of vital importance to a company and its shareholders. Accordingly, we believe votes should be cast in a manner that will encourage the independence of boards. Independence will be evaluated based upon a number of factors, including: employment by the company or an affiliate in an executive capacity; past or current employment by a firm that is one of the company's paid advisors or consultants; personal services contract with the company; family relationships of an executive or director of the company; interlocks with other companies on which the company's chairman or chief executive officer is also a board member; and service with a non-profit that receives significant contributions from the company.

• Generally vote AGAINST or WITHHOLD votes from non-independent director nominees (insiders and affiliated outsiders) where the entire board is not at least two-thirds (67 percent) independent;

• Generally vote AGAINST or WITHHOLD votes from non-independent director nominees (insiders and affiliated outsiders) when the nominating, compensation and audit committees are not fully independent;

• Generally consider independent board members who have been on the board continually for a period longer than 10 years as affiliated outsiders;

• Vote FOR shareholder proposals asking that board audit, compensation, and/or nominating committees should be composed exclusively of independent directors if they currently do not meet that standard.

• Vote FOR shareholder proposals requesting that the board should be comprised of a two-thirds majority of independent directors.

Excessive Directorships

As new regulations mandate that directors be more engaged and vigilant in protecting shareholder interests or else risk civil and/or criminal sanctions, board members are having to devote more time and effort to their oversight duties which, on average, were estimated to run to 280 hours per year, per board in 2005. Recent surveys of U.S. directors also confirm a desire for limiting board memberships, to between three and five seats. In view of the increased demands placed on corporate board members, Columbia Partners fiduciaries believe that directors who are overextended may be impairing their ability to serve as effective representatives of shareholders. Columbia Partners

will vote against or withhold from directors serving on an excessive number of other boards, which could compromise their primary duties of care and loyalty. Vote AGAINST or WITHHOLD from individual directors who:

- sit on more than five public company boards; and
- are CEOs of public companies who sit on the boards of more than two public companies besides their own -- withhold only at their outside boards.

Director Performance Evaluation

Many institutional investors believe long-term financial performance and the appropriateness of governance practices should be taken into consideration when determining vote recommendations with regard to directors in uncontested elections. When evaluating whether to vote against or withhold votes from director nominees, Columbia Partners will evaluate underperforming companies that exhibit sustained poor performance as measured by total returns to shareholders over a one- and three-year period.

Columbia Partners views deficient oversight mechanisms and the lack of board accountability to shareholders especially in the context of sustained poor performance, as problematic. As part of our framework for assessing director performance, Columbia Partners will also evaluate board accountability and oversight at companies that demonstrate sustained underperformance. A governance structure that discourages director accountability may lead to board and management entrenchment. For example, the existence of several anti-takeover provisions* has the cumulative effect of deterring legitimate tender offers, mergers, and corporate transactions that may have ultimately proved beneficial to shareholders. When a company maintains entrenchment devices, shareholders of poorly performing companies are left with few effective routes to beneficial change.

Columbia Partners will assess the company's response to the ongoing performance issues, and consider recent board and management changes, board independence, overall governance practices, and other factors that may have an impact on shareholders. If a company exhibits sustained poor performance coupled with a lack of board accountability and oversight, Columbia Partners may also consider the company's five-year total shareholder return and five-year operational metrics in our evaluation.

*Problematic provisions include but are not limited to:

- A classified board structure;
- A supermajority vote requirement;
- Either a plurality vote standard in uncontested director elections or a majority vote standard with no plurality carve-out for contested elections;
- The inability for shareholders to call special meetings;
- The inability for shareholders to act by written consent;
- A dual-class structure; and/or
- A non-shareholder approved poison pill**.**

Director Diversity

Gender and ethnic diversity are important components on a company's board. Diversity brings different perspectives to a board that in turn leads to a more varied approach to board issues. Columbia Partners fiduciaries

believe that increasing diversity in the boardroom to better reflect a company's workforce, customers, and community enhances shareholder value.

Generally vote for requests for reports on a company's efforts to diversify the board, unless:

- The gender and racial minority representation of the company's board is reasonably inclusive in relation to companies of similar size and business; and
- The board already reports on its nominating procedures and gender and racial minority initiatives on the board and within the company.

Vote case-by-case on proposals asking a company to increase the gender and racial minority representation on its board, taking into account:

- The degree of existing gender and racial minority diversity on the company's board and among its executive officers;
- The level of gender and racial minority representation that exists at the company's industry peers;
- The company's established process for addressing gender and racial minority board representation;
- Whether the proposal includes an overly prescriptive request to amend nominating committee charter language;
- The independence of the company's nominating committee;
- Whether the company uses an outside search firm to identify potential director nominees; and
- Whether the company has had recent controversies, fines, or litigation regarding equal employment practices.

Stock Ownership Requirements

Corporate directors should own some amount of stock of the companies on which they serve as board members. Stock ownership is a simple method to align the interests of directors with company shareholders. Nevertheless, many highly qualified individuals such as academics and clergy who can offer valuable perspectives in boardrooms may be unable to purchase individual shares of stock. In such a circumstance, the preferred solution is to look at the board nominees individually and take stock ownership into consideration when voting on the merits of each candidate.

• Vote AGAINST shareholder proposals requiring directors to own a minimum amount of company stock in order to qualify as a director nominee or to remain on the board.

• Vote CASE-BY-CASE on shareholder proposals asking that the company adopt a holding or retention period for its executives (for holding stock after the vesting or exercise of equity awards), taking into account any stock ownership requirements or holding period/retention ratio already in place and the actual ownership level of executives.

Classified Boards / Annual Elections

The ability to elect directors is the single most important use of the shareholder franchise, and all directors should be accountable on an annual basis. Annually elected boards provide the best governance system for accountability to shareholders. A classified board is a board that is divided into separate classes, with directors serving overlapping terms. A company with a classified board usually divides the board into three classes. Under this system, only one class of nominees comes up to shareholder vote at the AGM each year.

As a consequence of these staggered terms, shareholders only have the opportunity to vote on a single director approximately once every three years. A classified board makes it difficult to change control of the board through a proxy contest since it would normally take two years to gain control of a majority of board seats. Under a classified board, the possibility of management entrenchment greatly increases. Classified boards can reduce director accountability by shielding directors, at least for a certain period of time, from the consequences of their actions. Continuing directors who are responsible for a problematic governance issue at the board/committee level would avoid shareholders' reactions to their actions because they would not be up for election in that year. Ultimately, in these cases, the full board should be responsible for the actions of its directors.

Many in management believe that staggered boards provide continuity. Some shareholders believe that in certain cases a staggered board can provide consistency and continuity in regard to decision-making and commitment that may be important to the long-term financial future of the company. Nevertheless, empirical evidence strongly suggests that staggered boards are generally not in the shareholders' best interest. In addition to shielding directors

from being held accountable by shareholders on an annual basis, a classified board can entrench management and effectively preclude most takeover bids or proxy contests.

• Vote AGAINST management or shareholder proposals seeking to classify the board when the issue comes up for vote;

• Vote FOR management or shareholder proposals to repeal a company's classified board structure.

• If the company has a classified board and a continuing director is responsible for a problematic governance issue at the board/committee level that would warrant a withhold/against vote, in addition to potential future withhold/against votes on that director, we may vote against or withhold votes from any or all of the nominees up for election, with the exception of new nominees.

Board and Committee Size

While there is no hard and fast rule among institutional investors as to what may be an optimal size board, there is an acceptable range that companies should strive to meet and not exceed. A board that is too large may function inefficiently. Conversely, a board that is too small may allow the CEO to exert disproportionate influence or may stretch the time requirements of individual directors too thin.

Proposals seeking to set board size will be evaluated on a CASE-BY-CASE basis. Given that the preponderance of boards in the U.S. range between five and fifteen directors, many institutional investors believe this benchmark is a useful standard for evaluating such proposals.

• Generally vote AGAINST any proposal seeking to amend the company's board size to fewer than five seats;

• Generally vote AGAINST any proposal seeking to amend the company's board size to more than fifteen seats;

• Evaluate board size on a CASE-BY-CASE basis and consider WITHHOLD or AGAINST votes or other action at companies that have fewer than five directors and more than 15 directors on their board.

Limit Term of Office

Those who support term limits argue that this requirement would bring new ideas and approaches on to a board. While term of office limitations can rid the board of non-performing directors over time, it can also unfairly force experienced and effective directors off the board.

• Generally vote AGAINST shareholder proposals to limit the tenure of outside directors

• However, scrutinize boards where the average tenure of all directors exceeds 15 years for independence from management and for sufficient turnover to ensure that new perspectives are being added to the board.

Cumulative Voting

Most corporations provide that shareholders are entitled to cast one vote for each share owned. Under a cumulative voting scheme, the shareholder is permitted to have one vote per share for each director to be elected. Shareholders are permitted to apportion those votes in any manner they wish among the director candidates. Thus, under a cumulative voting scheme shareholders have the opportunity to elect a minority representative to a board by cumulating their votes, thereby ensuring minority representation for all sizes of shareholders.

For example, if there is a company with a ten-member board and 500 shares outstanding-the total number of votes that may be cast is 5,000. In this case a shareholder with 51 shares (10.2 percent of the outstanding shares) would be guaranteed one board seat because all votes may be cast for one candidate. Without cumulative voting, anyone controlling 51 percent of shares would control the election of all ten directors. Shareholders need to have flexibility in supporting candidates for a company's board of directors. Under the current system, this is the only mechanism that minority shareholders can use to be represented on a company's board.

• Vote AGAINST proposals to eliminate cumulative voting;

- Generally vote FOR proposals to restore or provide for cumulative voting unless:
  The company has proxy access to allow shareholders to nominate directors to the company's ballot; and

- The company has adopted a majority vote standard, with a carve-out for plurality voting in situations where there are more nominees than seats, and a director resignation policy to address failed elections.

• Vote FOR proposals for cumulative voting at controlled companies (insider voting power > 50%).

• Votes Against or Withholds from Directors for Shareholder Rights Plan (i.e. Poison Pills)

Vote against or withhold votes from all nominees of the board of directors (except new nominees, who should be considered on a case-by-case basis) at a company that has a dead-hand or modified dead-hand poison pill in place. Vote against or withhold every year until this feature is removed;

Vote against or withhold votes from all nominees of the board of directors (except new nominees, who should be considered on a case-by-case basis) if the board has adopted a poison pill with a term of more than 12 months ("long-term pill") or renewed any existing pill, including any "short-term" pill (12 months or less) without shareholder approval, and there is no requirement or commitment to put the pill to a binding shareholder vote. Review such companies with classified boards every year, and such companies with annually-elected boards at least once every three years, and vote against or withhold votes from all nominees if the company still maintains a non-shareholder-approved poison pill.

Vote against or withhold votes from all nominees of the board of directors (except new nominees, who should be considered on a case-by-case basis) if the board makes a material, adverse change to an existing poison pill without shareholder approval.

Vote case-by-case on all nominees if the board adopts a poison pill with a term of 12 months or less ("short-term pill") without shareholder approval, taking into account the following factors:

- The date of the pill's adoption relative to the date of the next meeting of shareholders- i.e. whether the company had time to put the pill on ballot for shareholder ratification given the circumstances;
- The issuer's rationale;
- The issuer's governance structure and practices; and
- The issuer's track record of accountability to shareholders.

Shareholder Access to the Proxy ("Open Access")

Generally vote for management and shareholder proposals for proxy access with the following provisions:

- Ownership threshold: maximum requirement not more than three percent (3%) of the voting power;
- Ownership duration: maximum requirement not longer than three (3) years of continuous ownership for each member of the nominating group;
- Aggregation: minimal or no limits on the number of shareholders permitted to form a nominating group;
- Cap: cap on nominees of generally twenty-five percent (25%) of the board.

Review for reasonableness any other restrictions on the right of proxy access.

Generally vote against proposals that are more restrictive than these guidelines.

Majority Threshold Voting Requirement for Director Elections

Shareholders have expressed strong support for precatory resolutions on majority threshold voting since 2005, with a number of proposals receiving majority support from shareholders. Columbia Partners fiduciaries believe shareholders should have a greater voice in regard to the election of directors and view majority threshold voting as a viable alternative to the current deficiencies of the plurality system in the U.S.

• Generally vote FOR precatory and binding resolutions requesting that the board change the company's bylaws to stipulate that directors need to be elected with an affirmative majority of votes cast, provided it does not conflict with the state law where the company is incorporated. Binding resolutions need to allow for a carveout for a plurality vote standard when there are more nominees than board seats.

• Columbia Partners may recommend withhold/against votes on members of the board at companies without the carve-out for plurality voting in contested elections, as the use of a majority vote standard can act as an anti-takeover defense in contested elections. (e.g. although the dissident nominees may have received more shares cast, as long as the combination of withhold/against votes and the votes for the management nominees keep the dissident nominees under 50%, the management nominees will win, due to the holdover rules). This is clearly contradicts the expressed will of shareholders.

• Companies are strongly encouraged to also adopt a post-election policy (also know as a director resignation policy) that will provide guidelines so that the company will promptly address the situation of a holdover director.

Establish an Office of the Board

Generally vote for shareholders proposals requesting that the board establish an Office of the Board of Directors in order to facilitate direct communication between shareholders and non-management directors, unless the company has effectively demonstrated via public disclosure that it already has an established structure in place.

Director and Officer Indemnification ~ Liability Protection

Management proposals typically seek shareholder approval to adopt an amendment to the company's charter to eliminate or limit the personal liability of directors to the company and its shareholders for monetary damages for any breach of fiduciary duty to the fullest extent permitted by state law. In contrast, shareholder proposals seek to provide for personal monetary liability for fiduciary breaches arising from gross negligence.

Columbia Partners may support these proposals when the company persuasively argues that such action is necessary to attract and retain directors, but we may often oppose management proposals and support shareholder proposals in order to promote greater director accountability.

Vote against proposals to limit or eliminate entirely director and officer liability in regards to: (i) breach of the director's fiduciary "duty of loyalty" to shareholders; (ii) acts or omissions not made in "good faith" or involving intentional misconduct or knowledge of violations under the law; (iii) acts involving the unlawful purchases or redemptions of stock; (iv) payment of unlawful dividends; or (v) use of the position as director for receipt of improper personal benefits.

Indemnification

Indemnification is the payment by a company of the expenses of directors who become involved in litigation as a result of their service to a company. Proposals to indemnify a company's directors differ from those to eliminate or reduce their liability because with indemnification directors may still be liable for an act or omission, but the company will bear the expense. Columbia Partners fiduciaries may support these proposals when the company persuasively argues that such action is necessary to attract and retain directors, but will generally oppose indemnification when it is being proposed to insulate directors from actions that have already occurred.

• Vote AGAINST indemnification proposals that would expand coverage beyond just legal expenses to liability for acts, such as negligence, that are more serious violations of fiduciary obligation than mere carelessness.

• Vote FOR only those proposals which provide expanded coverage in cases when a director's or officer's legal defense was unsuccessful if: (1) the director was found to have acted in good faith and in a manner that he/she reasonably believed was in the best interests of the company; and (2) only if the director's legal expenses would be covered.

• Vote AGAINST proposals that would expand the scope of indemnification to provide for mandatory indemnification of company officials in connection with acts that previously the company was permitted to provide indemnification for at the discretion of the company's board (i.e., "permissive indemnification") but that previously the company was not required to indemnify.

Age Limits

• Vote AGAINST shareholder or management proposals to limit the tenure of outside directors through mandatory retirement ages.

Establish/Amend Nominee Qualifications

• Vote CASE-BY-CASE on proposals that establish or amend director qualifications. Votes should be based on how reasonable the criteria are and to what degree they may preclude dissident nominees from joining the board.

• Vote CASE-BY-CASE on shareholder resolutions seeking a director nominee candidate who possesses a particular subject matter expertise, considering:

- The company‘s board committee structure, existing subject matter expertise, and board nomination provisions relative to that of its peers;
- The company‘s existing board and management oversight mechanisms regarding the issue for which board oversight is sought;
- The company disclosure and performance relating to the issue for which board oversight is sought and any significant related controversies; and
- The scope and structure of the proposal.

• Vote AGAINST shareholder proposals requiring two candidates per board seat.

Filling Vacancies/Removal of Directors

• Vote AGAINST proposals that provide that directors may be removed only for cause.

• Vote FOR proposals to restore shareholders’ ability to remove directors with or without cause

• Vote AGAINST proposals that provide that only continuing directors may elect replacements to fill board vacancies.

• Vote FOR proposals that permit shareholders to elect directors to fill board vacancies.

Proxy Voting Disclosure, Confidentiality, and Tabulation

• Vote case-by-case on proposals regarding proxy voting mechanics, taking into consideration whether implementation of the proposal is likely to enhance or protect shareholder rights. Specific issues covered under the policy include, but are not limited to, confidential voting of individual proxies and ballots, confidentiality of running vote tallies, and the treatment of abstentions and/or broker non-votes in the company's vote-counting methodology.

COMPENSATION

Stock Option Plans

Compensation to executive and other senior level employees should be strongly correlated to performance and achievement. Stock options, restricted stock and other forms of non-cash compensation should be performance-based with an eye toward improving long-term corporate value. Well-designed stock option plans can align the interests of executives and shareholders by providing that executives benefit when stock prices rise so that the employees of the company, along with shareholders, prosper together.

Many plans sponsored by management provide goals so easily attained that executives can realize massive rewards even though shareholder value is not created. Columbia Partners supports option plans when they provide legitimately challenging performance targets that serve to truly motivate executives in the pursuit of excellent, above peer performance. Likewise, Columbia Partners will oppose those plans that offer unreasonable benefits to executives that are not available to any other shareholders or employees.

In general, Columbia Partners evaluates executive and director compensation plans on a case-by-case basis. When evaluating equity-based compensation items on ballot, the following elements will be considered:

Primary Considerations:

- Dilution: Vote against plans in which the potential voting power dilution (VPD) of all shares outstanding exceeds ten percent.
- Full Market Value: Awards must be granted at 100 percent of fair market value on the date of grant. However, in instances when a plan is open to broad-based employee participation and excludes the five most highly compensated employees, Columbia Partners accept a 15 percent discount.
- Burn Rate: Vote against plans where the company's three year burn rate exceeds the greater of: (1) the mean (μ) plus one standard deviation (σ) of the company's GICS group segmented by Russell 3000 index and non-Russell 3000 index; and (2) two percent of weighted common shares outstanding.
- Liberal Definition of Change-in-Control: Vote against equity plans if the plan provides for the accelerated vesting of equity awards even though an actual change in control may not occur. Examples of such a definition could include, but are not limited to, announcement or commencement of a tender offer, provisions for acceleration upon a "potential" takeover, shareholder approval of a merger or other transactions, or similar language.
- Problematic Pay Practices: Vote against equity plans if the plan is a vehicle for problematic pay practices (e.g. if the plan allows for change-in-control payouts that are single triggered).

Secondary Considerations:

- Executive Concentration Ratio: Vote against plans where the annual grant rate to the top five executives ("named officers") exceeds one percent of shares outstanding.
- Pay-For-Performance: Vote against plans where there is a misalignment between CEO pay and the company's performance, or if performance criteria are not disclosed.
- Evergreen Features: Vote against plans that reserve a specified percentage of outstanding shares for award each year instead of having a termination date.
- Repricing: Vote against plans if the company's policy permits repricing of "underwater" options or if the company has a history of repricing past options.
- Loans: Vote against the plan if the plan administrator may provide loans to officers to assist in exercising the awards.

Restricted Stock

Columbia Partners supports the use of performance-vesting restricted stock as long as the absolute amount of restricted stock being granted is a reasonable proportion of an executive's overall compensation. The best way to align the interests of executives with shareholders is through direct stock holdings, coupled with at-risk variable compensation that is tied to explicit and challenging performance benchmarks. Performance-vesting restricted stock both adds to executives direct share holdings and incorporates at-risk features.

To reward performance and not job tenure, restricted stock vesting requirements should be performance-based rather than time lapsing. Such plans should explicitly define the performance criteria for awards to senior executives and may include a variety of corporate performance measures in addition to the use of stock price targets. In

addition, executives should be required to hold their vested restricted stock as long as they remain employees of the company.

Executive Holding Periods

Vote CASE-BY-CASE on shareholder proposals asking companies to adopt holding period or retention ratios for their executives, taking into account:

Senior level executives should be required to hold a substantial portion of their equity compensation awards, including shares received from option exercises (e.g. 75% of their after-tax stock option proceeds), while they are employed at a company.

Generally vote AGAINST shareholder proposals that mandate a minimum amount of stock that directors must own in order to qualify as a director or to remain on the board.

Performance-Based Options

Stock options are intended to align the interests of management with those of shareholders. However, stock option grants without performance-based elements can excessively compensate executives for stock increases due solely to a general stock market rise, rather than improved or superior company stock performance. When option grants reach the hundreds of thousands, a relatively small increase in the share price may permit executives to reap millions of dollars without providing material benefits to shareholders.

Columbia Partners advocates for performance-based awards – such as premium-priced or indexed – which encourage executives to outperform peers, certain indices, or the broader market rather than being rewarded for any minimal rise in the share price, which can occur if there are not empirical performance measures incorporated into the structure of the options. Additionally, it should be noted that performance-accelerated vesting and premium priced options allow fixed plan accounting, whereas performance-vested and indexed options entail certain expensing requirements.

• Vote CASE-BY-CASE on shareholder proposal requesting that a significant amount of future long-term incentive compensation awarded to senior executives shall be performance-based and requesting that the board adopt and disclose challenging performance metrics to shareholders.

Share Buyback/Holdings Period

Generally vote AGAINST shareholder proposals prohibiting executives from selling shares of company stock during periods in which the company has announced that it may or will be repurchasing shares of its stock. Vote FOR the proposals when there is a pattern of abuse by executives exercising options or selling shares during periods of share buybacks.

Pension Plan Income Accounting

• Generally vote FOR shareholder proposals to exclude pension plan income in the calculation of earnings used in determining executive bonuses/compensation.

Shareholder Proposals to Limit Executive and Director Pay

• Generally, vote FOR shareholder proposals seeking additional disclosure of executive and director pay information, provided the information requested is relevant to shareholders' needs, would not put the company at a competitive disadvantage relative to its industry, and is not unduly burdensome to the company.

• Generally vote FOR shareholder proposals that seek to eliminate outside directors' retirement benefits;

• Vote AGAINST shareholder proposals seeking to set absolute levels on compensation or otherwise dictate the amount or form of compensation.

Shareholder Proposals on Compensation- Disclosure/Setting Levels or Types of Compensation for Executives and Directors

• Vote AGAINST shareholder proposals requiring director fees be paid in stock only.

• Vote CASE-BY-CASE on all other shareholder proposals regarding executive director pay, taking into account company performance, pay level versus peers, pay level versus industry, and long-term corporate outlook.

Advisory Vote on Executive Compensation (Say-on-Pay) Shareholder Proposals

• Generally, vote FOR shareholder proposals that call for non-binding shareholder ratification of the compensation of the Named Executive Officers and the accompanying narrative disclosure of material factors provided to understand the Summary Compensation Table.

Advisory Vote on Executive Compensation (Say-on-Pay) Management Proposals

Evaluate executive pay and practices, as well as certain aspects of outside director compensation on a case-by-case basis.

Vote against management say on pay (MSOP) proposals if:

- There is a misalignment between CEO pay and company performance (pay for performance);
- The company maintains problematic pay practices;
- The board exhibits poor communication and responsiveness to shareholders; or
- The board has failed to demonstrate good stewardship of investors' interests regarding executive compensation practices.

Vote against or withhold from the members of the Compensation Committee and potentially the full board if:

- There is no MSOP on the ballot, and an against vote on an MSOP is warranted due to pay for performance misalignment, problematic pay practices, or the lack of adequate responsiveness on compensation issues raised previously, or a combination thereof;
- The board fails to respond adequately to a previous MSOP proposal that received low levels of shareholder support;
- The company has practiced or approved problematic pay practices, including option repricing or option backdating; or
- The situation is egregious.

Vote against an equity plan on the ballot if:

- A pay for performance misalignment exists, and a significant portion of the CEO's misaligned pay is attributed to non-performance-based equity awards, taking into consideration:
    - Magnitude of pay misalignment;
    - Contribution of non-performance-based equity grants to overall pay; and
    - The proportion of equity awards granted in the last three fiscal years concentrated at the named executive officer (NEO) level.

Frequency of Advisory Vote on Executive Compensation – Management Say on Pay

• Vote FOR annual advisory votes on compensation, which provide the most consistent and clear communication channel for shareholder concerns about companies' executive pay programs.

Advisory Vote on Golden Parachutes in an Acquisition, Merger, Consolidation, or Proposed Sale

Vote case-by-case on proposals to approve the company's golden parachute compensation, consistent with Columbia Partners' policies on problematic pay practices related to severance packages. Features that may lead to a vote against include:

- Agreements that include excise tax gross-up provisions;
- Single- or modified-single-trigger cash severance;
- Single trigger acceleration of unvested equity, including acceleration of performance-based equity despite the failure to achieve performance measures;
- Single-trigger vesting of equity based on a definition of change in control that requires only shareholder approval of the transaction (rather than consummation);
- Potentially excessive severance payments;

- Recent amendments or actions that may make packages so attractive as to influence merger agreements that may not be in the best interests of shareholders; and
- The company's assertion that a proposed transaction is conditioned on shareholder approval of the golden parachute advisory vote. Such a construction is problematic from a corporate governance perspective.

In cases where the golden parachute vote is incorporated into a company's separate advisory vote on compensation ("management "say on pay"), Columbia Partners will evaluate the say on pay proposal in accordance with these guidelines, which may give higher weight to that component of the overall evaluation.

Compensation Consultants - Disclosure of Board or Company's Utilization

• Generally vote FOR shareholder proposals seeking disclosure regarding the Company, Board, or Compensation Committee's use of compensation consultants, such as company name, business relationship(s) and fees paid.

Golden and Tin Parachutes

Golden parachutes are designed to protect the employees of a corporation in the event of a change-in-control. Under most golden parachute agreements, senior level management employees receive a lump sum payout triggered by a change-in-control at usually two to three times their current base salary. Increasingly, companies that have golden parachute agreements for senior level executives are extending coverage for all their employees via "tin" parachutes. The SEC requires disclosure of all golden parachute arrangements in the proxy statement, while disclosure of tin parachutes in company filings is not required at this time.

Vote case-by-case on management proposals to ratify or cancel golden parachutes taking into consideration the following factors:

- Whether the triggering mechanism is beyond the control of management;
- Whether the payout amount is based on an excessive severance multiple; and
- Whether the change-in-control payments are double-triggered, i.e., (1) after a change in control has taken place, and (2) termination of the executive as a result of the change in control. Change in control is defined as a change in the company ownership structure .

Vote for shareholder proposals to all have golden parachute agreements submitted for shareholder ratification.

Executive Perks and Retirement Benefits

Columbia Partners supports enhanced disclosure and shareholder oversight of executive benefits and other in-kind retirement perquisites. For example, compensation devices like executive pensions (SERPs), deferred compensation plans, below-market-rate loans or guaranteed post-retirement consulting fees can amount to significant liabilities to shareholders and it is often difficult for investors to find adequate disclosure of their full terms. Columbia Partners opposes any perquisite or benefit to executives that exceeds what is generally offered to other company employees. From a shareholder prospective, the cost of these executive entitlements would be better allocated to performance-based forms of executive compensation during their term in office.

- Generally vote FOR shareholder proposals requesting to put extraordinary benefits contained in SERP agreements to a shareholder vote unless the company's executive pension plans do not contain excessive benefits beyond what is offered under employee-wide plans.
- Vote case-by-case on all other shareholder proposals that seek to limit executive and director pay. This includes shareholder proposals that seek to link executive compensation to customer, employee, or stakeholder satisfaction.

Employee Stock Ownership Plans (ESOPs)

An Employee Stock Ownership Plan (ESOP) is an employee benefit plan that makes the employees of a company also owners of stock in that company. Recent academic research of the performance of ESOPs in closely held companies found that ESOPs appear to increase overall sales, employment, and sales per employee over what would have been expected absent an ESOP. Studies have also found that companies with an ESOP are also more likely to still be in business several years later, and are more likely to have other retirement oriented benefit plans than comparable non-ESOP companies.

• Vote FOR proposals that request shareholder approval in order to implement an ESOP or to increase authorized shares for existing ESOPs except in cases when the number of shares allocated to the ESOP is deemed excessive (i.e. generally greater than five percent of outstanding shares).

Incentive Bonus Plans and Tax Deductibility Proposals (OBRA-Related Compensation Proposals)
Generally vote FOR proposals to approve or amend executive incentive bonus plans if the proposal:

- Is only to include administrative features;
- Places a cap on the annual grants any one participant may receive to comply with the provisions of Section 162(m);
- Adds performance goals to existing compensation plans to comply with the provisions of Section 162(m) unless they are clearly inappropriate; or
- Covers cash or cash and stock bonus plans that are submitted to shareholders for the purpose of exempting compensation from taxes under the provisions of Section 162(m) if no increase in shares is requested.

Vote AGAINST such proposals if:

- The compensation committee does not fully consist of independent outsiders, per ISS' director classification; or
- The plan contains excessive problematic provisions.

Vote CASE-BY CASE on such proposals if:

- In addition to seeking 162(m) tax treatment, the amendment may cause the transfer of additional shareholder value to employees (e.g., by requesting additional shares, extending the option term, or expanding the pool of plan participants). Evaluate the Shareholder Value Transfer in comparison with the company's allowable cap; or
- A company is presenting the plan to shareholders for Section 162(m) favorable tax treatment for the first time after the company's initial public offering (IPO). Perform a full equity plan analysis, including consideration of total shareholder value transfer, burn rate (if applicable), repricing, and liberal change in control. Other factors such as pay-for-performance or problematic pay practices as related to Management Say-on-Pay may be considered if appropriate.

Tax Gross-Up Proposals
Generally vote FOR proposals calling for companies to adopt a policy of not providing tax gross-up payments to executives, except in situations where gross-ups are provided pursuant to a plan, policy, or arrangement applicable to management employees of the company, such as a relocation or expatriate tax equalization policy.

401(k) Employee Benefit Plans

• Vote FOR proposals to implement a 401(k) savings plan for employees.

Director Compensation

Vote CASE-BY-CASE on compensation plans for non-employee directors, based on the cost of the plans against the company’s allowable cap.

On occasion, director stock plans that set aside a relatively small number of shares when combined with employee or executive stock compensation plans will exceed the allowable cap. Vote for the plan if ALL of the following qualitative factors in the board’s compensation are met and disclosed in the proxy statement:

1. Director stock ownership guidelines with a minimum of three times the annual cash retainer.
2. Vesting schedule or mandatory holding/deferral period:

a. A minimum vesting of three years for stock options or restricted stock; or
b. Deferred stock payable at the end of a three-year deferral period.

3. Mix between cash and equity:
   a. A balanced mix of cash and equity, for example 40% cash/60% equity or 50% cash/50% equity; or
   b. If the mix is heavier on the equity component, the vesting schedule or deferral period should be more stringent, with the lesser of five years or the term of directorship.
4. No retirement/benefits and perquisites provided to non-employee directors; and
5. Detailed disclosure provided on cash and equity compensation delivered to each non-employee director for the most recent fiscal year in a table. The column headers for the table may include the following: name of each non-employee director, annual retainer, board meeting fees, committee retainer, committee-meeting fees, and equity grants.

Employee Stock Purchase Plans- Qualified Plans

Vote CASE-BY-CASE on qualified employee stock purchase plans. Vote FOR employee stock purchase plans where all of the following apply:

- Purchase price is at least 85 percent of fair market value;
- Offering period is 27 months or less; and
- The number of shares allocated to the plan is five percent or less of the outstanding shares.

Employee Stock Purchase Plans- Non-Qualified Plans

Vote CASE-by-CASE on nonqualified employee stock purchase plans. Vote FOR nonqualified employee stock purchase plans with all the following features:

- Broad-based participation (i.e. all employees with the exclusion of individuals with 5 percent or more of beneficial ownership of the company);
- Limits on employee contribution (a fixed dollar amount or a percentage of base salary);
- Company matching contribution up to 25 percent of employee's contribution, which is effectively a discount of 20 percent from market value; and
- No discount on the stock price on the date of purchase since there is a company matching contribution.

Stock Plans in Lieu of Cash

• Vote CASE-by-CASE on plans that provide participants with the option of taking all or a portion of their cash compensation in the form of stock.

• Vote FOR non-employee director-only equity plans that provide a dollar-for-dollar cash-for-stock exchange.

• Vote CASE-by-CASE on plans which do not provide a dollar-for-dollar cash for stock exchange. In cases where the exchange is not dollar-for-dollar, the request for new or additional shares for such equity program will be considered using the binomial option pricing model. In an effort to capture the total cost of total compensation, ISS will not make any adjustments to carve out the in-lieu-of cash compensation.

Transfer Programs of Stock Options

One-time Transfers: Vote AGAINST or WITHHOLD from compensation committee members if they fail to submit one-time transfers to shareholders for approval.

• Vote CASE-BY-CASE on one-time transfers.

• Vote FOR if:

a) Executive officers and non-employee directors are excluded from participating;
b) Stock options are purchased by third-party financial institutions at a discount to their fair value using option pricing models such as Black-Scholes or a Binomial Option Valuation or other appropriate financial models;
c) There is a two-year minimum holding period for sale proceeds (cash or stock) for all participants.

• Additionally, management should provide a clear explanation of why options are being transferred and whether the events leading up to the decline in stock price were beyond management's control. A review of the company's historic stock price volatility should indicate if the options are likely to be back “in-the-money” over the near term.

• Ongoing TSO program: Vote against equity plan proposals if the details of ongoing TSO programs are not provided to shareholders. Since TSOs will be one of the award types under a stock plan, the ongoing TSO program, structure and mechanics must be disclosed to shareholders. The specific criteria to be considered in evaluating these proposals include, but not limited, to the following:

1. Eligibility;
2. Vesting;
3. Bid-price;
4. Term of options;

• Transfer value to third-party financial institution, employees and the company.

• Amendments to existing plans that allow for introduction of transferability of stock options should make clear that only options granted post-amendment shall be transferable.

Recoup Bonuses

Vote case-by-case on proposals to recoup incentive cash or stock compensation made to senior executives if it is later determined that the figures upon which incentive compensation is earned turn out to have been in error, or if the senior executive has breached company policy or has engaged in misconduct that may be significantly detrimental to the company's financial position or reputation, or if the senior executive failed to manage or monitor risks that subsequently led to significant financial or reputational harm to the company. Many companies have adopted policies that permit recoupment in cases where an executive's fraud, misconduct, or negligence significantly contributed to a restatement of financial results that led to the awarding of unearned incentive compensation. However, such policies may be narrow given that not all misconduct or negligence may result in significant financial restatements. Misconduct, negligence or lack of sufficient oversight by senior executives may lead to significant financial loss or reputational damage that may have long-lasting impact.

In considering whether to support such shareholder proposals, ISS will take into consideration the following factors:

- If the company has adopted a formal recoupment policy;
- The rigor of the recoupment policy focusing on how and under what circumstances the company may recoup incentive or stock compensation;
- Whether the company has chronic restatement history or material financial problems;
- Whether the company’s policy substantially addresses the concerns raised by the proponent;
- Disclosure of recoupment of incentive or stock compensation from senior executives or lack thereof; or
- Any other relevant factors.

Pre-Arranged Trading Plans (10b-5 Plans)

• Generally vote FOR shareholder proposals calling for certain principles regarding the use of prearranged trading plans (10b5-1 plans) for executives. These principles include:

• Vote AGAINST plans that if the compensation committee does not fully consist of independent outsiders.

AUDITORS

Auditors play an integral role in certifying the integrity and reliability of corporate financial statements on which investors rely to gauge the financial well being of a company and the viability of an investment. The well-documented auditor-facilitated bankruptcies and scandals at several large public companies in recent years underscore the catastrophic consequences that investors can suffer when the audit process breaks down.

Auditor Independence

The recent wave of accounting scandals at companies illuminate the need to ensure auditor independence in the face of selling consulting services to audit clients. At the large four accounting firms, revenues from non-audit services grew from 13% of total revenues in 1981 to half of total revenue in 2000. A study of over 1,200 US companies in the S&P 500, Mid Cap, and Small Cap indices found that 72% of fees paid to auditors in 2002 were for non-audit services, exactly the same level as 2001. We believe that this ratio should be reversed and that non-audit fees should make up no more than one-quarter of all fees paid to the auditor so as to properly discourage even the appearance of any undue influence upon an auditor's objectivity.

Under SEC rules, disclosed categories of professional fees paid for audit and non-audit services are as follows: (1) Audit Fees, (2) Audit-Related Fees, (3) Tax Fees, and (4) All Other Fees. Under the revised reporting requirements, a company will also be required to describe – in qualitative terms – the types of services provided under the three categories other than Audit Fees. The following fee categories are defined as: A) tax compliance or preparation fees are excluded from our calculations of non-audit fees; and B) fees for consulting services for tax-avoidance strategies and tax shelters will be included in "other fees" and will be considered non-audit fees if the proxy disclosure does not indicate the nature of the tax services. In circumstances where "Other" fees include fees related to significant one-time capital structure events: initial public offerings, bankruptcy emergence, and spin-offs; and the company makes public disclosure of the amount and nature of those fees which are an exception to the standard "non-audit fee" category, then such fees may be excluded from the non-audit fees considered in determining the ratio of non-audit to audit/audit-related fees/tax compliance and preparation for purposes of determining whether non-audit fees are excessive.

As auditors are the backbone upon which a company's financial health is measured, auditor independence is absolutely essential for rendering objective opinions upon which investors then rely. When an auditor is paid excessive consulting fees in addition to fees paid for auditing, the company-auditor relationship is left open to conflicts of interest.

Auditor Ratification

The ratification of auditors is an important component of good governance. In light of the Sarbanes-Oxley Act of 2002 and increased shareholder scrutiny, some companies are opting to take auditor ratification off the ballot. Neglecting to include the ratification of auditors on the proxy takes away the fundamental shareholder tight to ratify the company's choice of auditor. Whereas shareholder ratification of auditors was once considered routine by many shareowners, the subsequent accounting scandals have caused shareholders to be more vigilant about the integrity of the auditors certifying their companies' financial statements. It is now viewed as best practice for companies to place the item on ballot.

Although U.S. companies are not legally required to allow shareholders to ratify their appointment of independent auditors, roughly 60% of S&P 500 companies allow for shareholder ratification of their auditors. Submission of the audit firm for approval at the annual meeting on an annual basis gives shareholders the means to weigh in on their satisfaction (or lack thereof) on the auditor's independent execution of their duties. Columbia Partners firmly believes mandatory auditor ratification is in line with sound and transparent corporate governance and remains an important mechanism to ensure the integrity of the auditor's work. In the absence of legislation mandating shareholder ratification of auditors, the failure by a company to present its selection of auditors for shareholder ratification should be discouraged as it undermines good governance and disenfranchises shareholders.

Proposals to ratify auditors is examined for potential conflicts of interest, with particular attention to the fees paid to the auditor, as well as whether the ratification of auditors has been put up for shareholder vote.

- Vote for proposals to ratify auditors when the amount of audit fees is equal to or greater than three times (75 percent) the amount paid for consulting, unless: i) An auditor has a financial interest in or association

with the company, and is therefore not independent; or ii) There is reason to believe that the independent auditor has rendered an opinion which is neither accurate nor indicative of the company's financial position.

- Vote against proposals to ratify auditors when the amount of non-audit consulting fees exceeds a quarter of all fees paid to the auditor.
- Generally support shareholder proposals seeking to limit companies from buying consulting services from their auditor.

Auditor Rotation

Vote CASE-BY-CASE on shareholder proposals asking for audit firm rotation, taking into account:

• The tenure of the audit firm;

• The length of rotation specified in the proposal;

• Any significant audit-related issues at the company;

• The number of Audit Committee meetings held each year;

• The number of financial experts serving on the committee; and

• Whether the company has a periodic renewal process where the auditor is evaluated for both audit

quality and competitive price.

Auditor Indemnification and Limitation of Liability

Indemnification clauses allow auditors to avoid liability for potential damages, including punitive damages. Eliminating concerns about being sued for carelessness could lead to; 1) potential impairment of external auditor independence and impartiality by contractual clauses limiting their liability; and 2) a decrease the quality and reliability of the audit given the lack of consequence for an inadequate audit.

Given the substantial settlements against auditors in recent years for poor audit practices and the cost of such insurance to the company and its shareholders, there are legitimate concerns over the broader use of indemnification clauses. Such agreements may weaken the objectivity, impartiality and performance of audit firms. Columbia Partners believes it is important for shareholders to understand the full risks and implications of these agreements and determine what impact they could have on shareholder value. At the present time, however, due to poor disclosure in this area, it is difficult to identify the existence and extent of limited liability provisions and auditor agreements, and investors lack the information needed to make informed decisions regarding these agreements.

Without uniform disclosure, it is difficult to consistently apply policy and make informed vote recommendations. As such, Columbia Partners reviews the use of indemnification clauses and limited liability provisions in auditor agreements on a case-by-case basis, when disclosure is present.

Vote against or withhold from Audit Committee members if there is persuasive evidence that the audit committee entered into an inappropriate indemnification agreement with its auditor that limits the ability of the company, or its shareholders, to pursue legitimate legal recourse against the audit firm.

Disclosures Under Section 404 of Sarbanes-Oxley Act

Section 404 of the Sarbanes-Oxley Act requires that companies document and assess the effectiveness of their internal financial controls. Beginning in 2005, most public companies must obtain annual attestation of the effectiveness of their internal controls over financial reporting from their outside auditors. Companies with significant material weaknesses identified in the Section 404 disclosures potentially have ineffective internal financial reporting controls, which may lead to inaccurate financial statements, hampering shareholders' ability to make informed investment decisions, and may lead to destruction of public confidence and shareholder value. The Audit Committee is ultimately responsible for the integrity and reliability of the company's financial information and its system of internal controls.

• Vote AGAINST or WITHHOLD from Audit Committee members under certain circumstances when a material weakness rises to a level of serious concern, if there are chronic internal control issues, or if there is an absence of established effective control mechanisms;

• Vote AGAINST management proposals to ratify auditors if there is reason to believe that the independent auditor has rendered an opinion which is neither accurate nor indicative of the company's financial position.

TAKEOVER DEFENSES

Poison Pills

Shareholder rights plans, typically known as poison pills, take the form of rights or warrants issued to shareholders and are triggered when a potential acquiring stockholder reaches a certain threshold of ownership. When triggered, poison pills generally allow shareholders to purchase shares from, or sell shares back to, the target company ("flip-in pill") and/or the potential acquirer ("flip-out pill") at a price far out of line with fair market value.

Depending on the type of pill, the triggering event can either transfer wealth from the target company or dilute the equity holdings of current shareholders. Poison pills insulate management from the threat of a change in control and provide the target board with veto power over takeover bids. Because poison pills greatly alter the balance of power between shareholders and management, shareholders should be allowed to make their own evaluation of such plans.

In evaluating management proposals on poison pills, Columbia Partners considers the company's rationale for adopting the pill and its existing governance structure in determining whether or not the pill appropriately serves in shareholders' best interests. The rationale for adopting the pill should be thoroughly explained by the company. Additionally, Columbia Partners examine the company's existing governance structure including: board independence, existing takeover defenses, or any problematic governance concerns.

- Vote for shareholder proposals that ask a company to submit its poison pill for shareholder ratification.
- Vote case-by-case on shareholder proposals to redeem a company's poison pill.
- Vote case-by-case on management proposals to ratify a poison pill.
- Vote against or withhold from any board where a dead-hand poison pill provision is in place. From a shareholder perspective, there is no justification for a dead-hand provision. Directors of companies with these lethal protective devices should be held fully accountable.

Net Operating Loss (NOL) Poison Pills/Protective Amendments

• Vote AGAINST proposals to adopt a poison pill/protective amendment for the stated purpose of protecting a company's net operating losses ("NOLs") if the effective term of the protective pill/amendment would exceed the shorter of three years and the exhaustion of the NOL.

Evaluate management proposals to ratify an NOL pill /adopt an NOL protective amendment if the term of the pill/amendment would be the shorter of three years (or less) and the exhaustion of the NOL on a CASE-BY-CASE basis considering the following factors;

- The ownership threshold to transfer (NOL pills generally have a trigger slightly below 5% and NOL protective amendments generally prohibit stock ownership transfers that would result in a new 5-percent holder or increase the stock ownership percentage of an existing five-percent holder);
- The value of the NOLs;
- Shareholder protection mechanisms (sunset provision or commitment to cause expiration of the pill/protective amendment upon exhaustion or expiration of the NOL);
- The company's existing governance structure including: board independence, existing takeover defenses, track record of responsiveness to shareholders, and any other problematic governance concerns; and
- Any other factors that may be applicable.

Greenmail

Greenmail payments are targeted share repurchases by management of company stock from individuals or groups seeking control of the company. Since only the hostile party receives payment, usually at a substantial premium over the market value of shares, the practice discriminates against most shareholders. This transferred cash, absent the greenmail payment, could be put to much better use for reinvestment in the company, payment of dividends, or to fund a public share repurchase program.

• Vote FOR proposals to adopt an anti-greenmail provision in their charter or bylaws that would thereby restrict a company's ability to make greenmail payments to certain shareholders;

• Review on a CASE-BY-CASE basis all anti-greenmail proposals when they are presented as bundled items with other charter or bylaw amendments.

Shareholder Ability to Remove Directors

Shareholder ability to remove directors, with or without cause, is either prescribed by a state's business corporation law, individual company's articles of incorporation, or its corporate bylaws. Many companies have sought shareholder approval for charter or bylaw amendments that would prohibit the removal of directors except for cause, thus ensuring that directors would retain their directorship for their full-term unless found guilty of self-dealing. By requiring cause to be demonstrated through due process, management insulates the directors from removal even if a director has been performing poorly, not attending meetings, or not acting in the best interests of shareholders.

• Vote AGAINST proposals that provide that directors may be removed only for cause;

• Vote FOR proposals which seek to restore the authority of shareholders to remove directors with or without cause;

• Vote AGAINST proposals that provide only continuing directors may elect replacements to fill board vacancies;

• Vote FOR proposals that permit shareholders to elect directors to fill board vacancies.

Shareholder Ability to Alter the Size of the Board

Proposals that would allow management to increase or decrease the size of the board at its own discretion are often used by companies as a takeover defense. Proposals to fix the size of the board at a specific number can prevent management from increasing the board size without shareholder approval when facing a proxy context. By increasing the size of the board, management can make it more difficult for dissidents to gain control of the board. Fixing the size of the board also prevents a reduction in the size of the board as a strategy to oust independent directors. Fixing board size also prevents management from increasing the number of directors in order to dilute the effects of cumulative voting.

- Vote for proposals that seek to fix the size of the board within an acceptable range.
- Vote against proposals that give management the ability to alter the size of the board without shareholder approval.

SHAREHOLDER RIGHTS

Confidential Voting

The confidential ballot ensures that voters are not subject to real or perceived coercion. In an open voting system, management can determine who has voted against its nominees or proposals before a final vote count. As a result, shareholders can be pressured to vote with management at companies with which they maintain or would like to establish a business relationship.

• Vote FOR shareholder proposals that request corporations to adopt confidential voting, the use of independent tabulators, and the use of independent inspectors for an election as long as the proposals include clauses for proxy contests. In the case of a contested election, management is permitted to request that the dissident group honor its confidential voting policy. If the dissidents agree, the policy remains in place. If the dissidents do not agree, the confidential voting policy is waived;

• Vote FOR management proposals to adopt confidential voting procedures.

Shareholder Ability to Call Special Meetings

Most state corporation statutes allow shareholders to call a special meeting when they want to take action on certain matters that arise between regularly scheduled annual meetings. Sometimes this right applies only if a shareholder or a group of shareholders own a specified percentage of shares, with ten percent being the most common. Shareholders may lose the ability to remove directors, initiate a shareholder resolution, or respond to a beneficial offer without having to wait for the next scheduled meeting if they are unable to act at a special meeting of their own calling.

• Vote AGAINST proposals to restrict or prohibit shareholder ability to call special meetings;

• Vote FOR proposals that remove restrictions on the right of shareholders to act independently of management;

• Vote AGAINST provisions that would require advance notice of more than sixty days.

Shareholder Ability to Act by Written Consent

Consent solicitations allow shareholders to vote on and respond to shareholder and management proposals by mail without having to act at a physical meeting. A consent card is sent by mail for shareholder approval and only requires a signature for action. Some corporate bylaws require supermajority votes for consents, while at others standard annual meeting rules apply. Shareholders may lose the ability to remove directors, initiate a shareholder resolution, or respond to a beneficial offer without having to wait for the next scheduled meeting if they are unable to act at a special meeting of their own calling.

• Vote AGAINST proposals to restrict or prohibit shareholder ability to take action by written consent;

• Vote FOR proposals to allow or make easier shareholder action by written consent.

Unequal Voting Rights

Incumbent managers are able to use unequal voting rights through the creation of a separate class of shares that has superior voting rights to the common shares of regular shareholders. This separate class of shares with disproportionate voting power allows management to concentrate its power and insulate itself from the wishes of the majority of shareholders. Dual class exchange offers involve a transfer of voting rights from one group of shareholders to another group of shareholders typically through the payment of a preferential dividend. A dual class recapitalization plan also establishes two classes of common stock with unequal voting rights, but initially involves an equal distribution of preferential and inferior voting shares to current shareholders.

- Vote FOR resolutions that seek to maintain or convert to a one-share-one-vote capital structure;
- Generally vote against requests for the creation or continuation of dual class capital structures or the creation of new or additional super-voting shares.

Supermajority Shareholder Vote Requirement to Amend the Charter or Bylaws

Supermajority shareholder vote requirements for charter or bylaw amendments are often the result of "lock-in" votes, which are the votes required to repeal new provisions to the corporate charter. Supermajority provisions

violate the principle that a simple majority of voting shares should be all that is necessary to effect change regarding a company and its corporate governance provisions. Requiring more than this may entrench managers by blocking actions that are in the best interests of shareholders.

The general lack of credit availability for financially distressed companies has resulted in "rescue" or highly dilutive stock and warrant issuances, which often comprise a majority of the company's voting stock upon conversion. When an investor takes control of the company through the conversion of securities, the new owners often seek statutory amendments, such as adopting written consent, or allowing 50 percent shareholders to call a special meeting, that allow effective control over the company with little or no input from minority shareholders.

In such cases, the existing supermajority vote requirements would serve to protect minority shareholders' interests. The reduction in the vote requirements, when coupled with low quorum requirements (in Nevada and other states) could shift the balance in power away from small shareholders while overly empowering large shareholders.

- Vote AGAINST management proposals to require a supermajority shareholder vote to approve charter and bylaw amendments;
- Vote AGAINST management proposals seeking to lower supermajority shareholder vote requirements when they accompany management sponsored proposals to also change certain charter or bylaw amendments;
- Vote FOR management or shareholder proposals to reduce supermajority vote requirements for charter and bylaw amendments. However, for companies with shareholders who have significant ownership levels, vote CASE-BY-CASE, taking into account i) ownership structure, ii) quorum requirements, and iii) supermajority vote requirements.

Supermajority Shareholder Vote Requirement to Approve Mergers

Supermajority provisions violate the principle that a simple majority of voting shares should be all that is necessary to effect change regarding a company and its corporate governance provisions. Requiring more than this may entrench managers by blocking actions that are in the best interests of shareholders.

- Vote AGAINST management proposals to require a supermajority shareholder vote to approve mergers and other significant business combinations;
- Vote FOR shareholder proposals to lower supermajority shareholder vote requirements for mergers and other significant business combinations.

Reimbursing Proxy Solicitation Expenses

• Vote CASE-BY-CASE on proposals to reimburse proxy solicitation expenses.

• When voting in conjunction with support of a dissident slate, always support the reimbursement of all appropriate proxy solicitation expenses associated with the election;

• Generally support requests seeking to reimburse a shareholder proponent for all reasonable campaign expenditures for a proposal approved by the majority of shareholders.

• Generally vote FOR shareholder proposals calling for the reimbursement of reasonable costs incurred in connection with nominating one or more candidates in a contested election where the following apply:
• The election of fewer than 50% of the directors to be elected is contested in the election;
• One or more of the dissident's candidates is elected;
• Shareholders are not permitted to cumulate their votes for directors; and
• The election occurred, and the expenses were incurred, after the adoption of this bylaw.

Bundled Proposals

• Vote CASE-BY-CASE on bundled or conditional proxy proposals. In the case of items that are conditioned upon each other, examine the benefits and costs of the packaged items. In instances when the joint effect of the conditioned items is not in shareholders' best interests, vote AGAINST the proposals. If the combined effect is positive, support such proposals.

Litigation Rights (including Exclusive Venue and Fee-Shifting Bylaw Provisions)
Vote case-by-case on bylaws which impact shareholders' litigation rights, taking into account factors such as:

- The company's stated rationale for adopting such a provision;
- Disclosure of past harm from shareholder lawsuits in which plaintiffs were unsuccessful or shareholder lawsuits outside the jurisdiction of incorporation;
- The breadth of application of the bylaw, including the types of lawsuits to which it would apply and the definition of key terms; and
- Governance features such as shareholders' ability to repeal the provision at a later date (including the vote standard applied when shareholders attempt to amend the bylaws) and their ability to hold directors accountable through annual director elections and a majority vote standard in uncontested elections.

Generally vote against bylaws that mandate fee-shifting whenever plaintiffs are not completely successful on the merits (i.e., in cases where the plaintiffs are partially successful).

MERGERS & ACQUISITIONS

A number of academic and industry studies in recent years have estimated that nearly three quarters of all corporate acquisitions fail to create economically meaningful shareholder value. These studies have also demonstrated that the larger the deal the greater the risk in realizing long-term value for shareholders of the acquiring firm. These risks include integration challenges, over-estimation of expected synergies, incompatible corporate cultures and poor succession planning. Indeed, some studies have found that smaller deals within specialized industries on average outperform "big bet" larger deals by a statistically significant factor.

In analyzing M&A deals, private placements or other transactional related items on proxy, Columbia Partners performs a well-rounded analysis that seeks to balance all facets of the deal to ascertain whether the proposed acquisition is truly going to generate long-term value for shareholders and enhance the prospects of the ongoing corporation.

Vote case-by-case on mergers and acquisitions. Review and evaluate the merits and drawbacks of the proposed transaction, balancing various and sometimes countervailing factors including:

- Valuation - Is the value to be received by the target shareholders (or paid by the acquirer) reasonable? While the fairness opinion may provide an initial starting point for assessing valuation reasonableness, emphasis is placed on the offer premium, market reaction and strategic rationale.

- Market reaction - How has the market responded to the proposed deal? A negative market reaction should cause closer scrutiny of a deal.

- Strategic rationale - Does the deal make sense strategically? From where is the value derived? Cost and revenue synergies should not be overly aggressive or optimistic, but reasonably achievable. Management should also have a favorable track record of successful integration of historical acquisitions.

- Negotiations and process - Were the terms of the transaction negotiated at arm's-length? Was the process fair and equitable? A fair process helps to ensure the best price for shareholders. Significant negotiation "wins" can also signify the deal makers' competency. The comprehensiveness of the sales process (e.g., full auction, partial auction, no auction) can also affect shareholder value.

- Conflicts of interest - Are insiders benefiting from the transaction disproportionately and inappropriately as compared to non-insider shareholders? As the result of potential conflicts, the directors and officers of the company may be more likely to vote to approve a merger than if they did not hold these interests. Consider whether these interests may have influenced these directors and officers to support or recommend the merger. The CIC figure presented in the "ISS Transaction Summary" section of this report is an aggregate figure that can in certain cases be a misleading indicator of the true value transfer from shareholders to insiders. Where such figure appears to be excessive, analyze the underlying assumptions to determine whether a potential conflict exists.

- Governance - Will the combined company have a better or worse governance profile than the current governance profiles of the respective parties to the transaction? If the governance profile is to change for the worse, the burden is on the company to prove that other issues (such as valuation) outweigh any deterioration in governance.

Fair Price Provisions

Fair price provisions were originally designed to specifically defend against the most coercive of takeover devises- the two-tiered, front-end loaded tender offer. In such a hostile takeover, the bidder offers cash for enough shares to

gain control of the target. At the same time, the acquirer states that once control has been obtained, the target's remaining shares will be purchased with cash, cash and securities, or only securities. Since the payment offered for the remaining stock is, by design, less valuable than the original offer for the controlling shares, shareholders are forced to sell out early to maximize the value of their shares. Standard fair price provisions require that in the absence of board or shareholder approval of the acquisition the bidder must pay the remaining shareholders the same price for their shares that brought control.

- Vote for fair price proposals as long as the shareholder vote requirement embedded in the provision is no more than a majority of disinterested shares.
- Vote for shareholder proposals to lower the shareholder vote requirement in existing fair price provisions.

Corporate Restructuring

Votes concerning corporate restructuring proposals, including minority squeeze outs, leveraged buyouts, spin-offs, liquidations, and asset sales, are considered on a case-by-case basis.

Appraisal Rights

Rights of appraisal provide shareholders who do not approve of the terms of certain corporate transactions the right to demand a judicial review in order to determine the fair value for their shares. The right of appraisal applies to mergers, sale of corporate assets, and charter amendments that may have a materially adverse effect on the rights of dissenting shareholders.

• Vote FOR proposals to restore or provide shareholders with the right of appraisal.

Spin-offs

Vote case-by-case on spin-offs depending on the tax and regulatory advantages, planned use of sale proceeds, market focus, and managerial incentives.

Asset Sales

Vote case-by-case on asset sales taking in to consideration the impact on the balance sheet/working capital, value received for the asset, and potential elimination of diseconomies.

Liquidations

Vote case-by-case on liquidations after reviewing management's efforts to pursue other alternatives, appraisal value of assets, and the compensation plan for executives managing the liquidation.

Going Private Transactions (LBOs, Minority Squeezeouts)

Vote on a CASE-BY-CASE basis on going private transactions, taking into account the following: offer price/premium, fairness opinion, how the deal was negotiated, conflicts of interest, other alternatives/offers considered, and non-completion risk.

Vote CASE-BY-CASE on "going dark" transactions, determining whether the transaction enhances shareholder value by taking into consideration whether the company has attained benefits from being publicly-traded (examination of trading volume, liquidity, and market research of the stock), cash-out value, whether the interests of continuing and cashed-out shareholders are balanced, and market reaction to public announcement of transaction.

Changing Corporate Name

• Vote FOR changing the corporate name in all instances if proposed and supported by management.

Asset Purchases

• Vote CASE-BY-CASE on asset purchase proposals, considering the following factors:

  - Purchase price;
  - Fairness opinion;

- Financial and strategic benefits;
- How the deal was negotiated;
- Conflicts of interest;
- Other alternatives for the business;
- Non-completion risk.

Conversion of Securities

• Vote CASE-BY-CASE on proposals regarding conversion of securities. When evaluating these proposals the investor should review the dilution to existing shareholders, the conversion price relative to market value, financial issues, control issues, termination penalties, and conflicts of interest.

• Vote FOR the conversion if it is expected that the company will be subject to onerous penalties or will be forced to file for bankruptcy if the transaction is not approved.

Formation of Holding Company

Vote CASE-BY-CASE on proposals regarding the formation of a holding company, taking into consideration the following:

- The reasons for the change;
- Any financial or tax benefits;
- Regulatory benefits;
- Increases in capital structure;
- Changes to the articles of incorporation or bylaws of the company.

Absent compelling financial reasons to recommend the transaction, vote AGAINST the formation of a holding company if the transaction would include either of the following:
• Increases in common or preferred stock in excess of the allowable maximum (see discussion under “Capital Structure”);
• Adverse changes in shareholder rights.

Joint Ventures

Vote CASE-BY-CASE on proposals to form joint ventures, taking into account the following:

- Percentage of assets/business contributed;
- Percentage ownership;
- Financial and strategic benefits;
- Governance structure;
- Conflicts of interest;
- Other alternatives;
- Noncompletion risk.

Private Placements/Warrants/Convertible Debentures

• Vote CASE-BY-CASE on proposals regarding private placements, taking into consideration:

- Dilution to existing shareholders' position;
- Terms of the offer;
- Financial issues;
- Management’s efforts to pursue other alternatives;
- Control issues;
- Conflicts of interest.

• Vote FOR the private placement if it is expected that the company will file for bankruptcy if the transaction is not approved.

Value Maximization Proposals

Vote CASE-BY-CASE on shareholder proposals seeking to maximize shareholder value by hiring a financial advisor to explore strategic alternatives, selling the company or liquidating the company and distributing the proceeds to shareholders. These proposals should be evaluated based on the following factors:

- Prolonged poor performance with no turnaround in sight;
- Signs of entrenched board and management;
- Strategic plan in place for improving value;
- Likelihood of receiving reasonable value in a sale or dissolution; and
- Whether company is actively exploring its strategic options, including retaining a financial advisor.

CAPITAL STRUCTURE

The management of a corporation's capital structure involves a number of important issues including dividend policy, types of assets, opportunities for growth, ability to finance new projects internally, and the cost of obtaining additional capital. Many financing decisions have a significant impact on shareholder value, particularly when they involve the issuance of additional common stock, preferred stock, or debt.

Common Stock Authorization

State statutes and stock exchanges require shareholder approval for increases in the number of common shares. Corporations increase their supply of common stock for a variety of ordinary business purposes: raising new capital, funding stock compensation programs, business acquisitions, implementation of stock splits, or payment of stock dividends.

Clear justification should accompany all management requests for shareholders approval of increases in authorized common stock. We support increases in authorized common stock to fund stock splits that are in shareholders' interests. Consideration will be made on a case-by-case basis on proposals when the company intends to use the additional stock to implement a poison pill or other takeover defense. The amount of additional stock requested in comparison to the requests of the company's peers as well as the company's articulated reason for the increase must be evaluated. Dual requests on the same ballot, in which an increase in common stock is requested in tandem with a reverse stock split in which shares are not proportionately reduced may not be in shareholder best interests. Although the reverse stock split may be needed in the face of imminent delisting, there is little justification in effectively approving two increases in common stock on the same ballot.

• Vote on a CASE-BY-CASE basis proposals to increase the number of shares of common stock authorized for issue. The following factors will be considered:

- Past Board Performance: the company's historical use of authorized shares in the previous three years;
- The Current Request: i) disclosure on specific reasons/rationale for the proposed increase; ii) the dilutive impact of the request; and iii) disclosure of specific risks to shareholders of not approving the request.

• Vote AGAINST proposals at companies with dual-class capital structures to increase the number of authorized shares of the class of stock that has superior voting rights;

• Vote AGAINST proposed common stock authorizations that increase the existing authorization by more than fifty percent unless a clear need for the excess shares is presented by the company.

• Vote AGAINST proposals to increase the number of authorized common shares if a vote for a reverse stock split on the same ballot is warranted despite the fact that the authorized shares would not be reduced proportionally.

Reverse Stock Splits

Reverse splits exchange multiple shares for a lesser amount to increase share price. Increasing share price is sometimes necessary to restore a company's share price to a level that will allow it to be traded on the national stock exchanges. In addition, some brokerage houses have a policy of not monitoring or investing in very low priced shares. Reverse stock splits can help maintain stock liquidity.

• Vote CASE-BY-CASE on proposals to implement a reverse stock split that do not proportionately reduce the number of shares authorized for issue based on the allowable increased calculated using the Capital Structure model.

• Vote FOR management proposals to implement a reverse stock split when the number of authorized shares will be proportionately reduced.

• Vote FOR management proposals to implement a reverse stock split to avoid delisting.

Without a corresponding decrease, a reverse stock split is effectively an increase in authorized shares by reducing the number of shares outstanding while leaving the number of authorized shares to be issued at the pre-split level.

Preferred Stock Authorization

Preferred stock is an equity security which has certain features similar to debt instruments- such as fixed dividend payments and seniority of claims to common stock - and usually carries little to no voting rights. The terms of blank check preferred stock give the board of directors the power to issue shares of preferred stock at their discretion with voting, conversion, distribution, and other rights to be determined by the board at time of issue.

• Vote FOR proposals to authorize preferred stock in cases where the company specifies the voting, dividend, conversion, and other rights of such stock and the terms of the preferred stock appear reasonable. Consider company-specific factors that including;

- Past Board Performance: the company's historical use of authorized preferred shares over the previous three years;
- The Current Request: i) disclosure on specific reasons/rationale for the proposed increase; ii) the dilutive impact of the request; and iii) disclosure of specific risks to shareholders of not approving the request;
- Whether the shares requested are blank check preferred shares that can be used for antitakeover purposes.

Blank Check Preferred Authorization

"Blank check" preferred stock, with unspecified voting, conversion, dividend, distribution, and other rights, can be used for sound corporate purposes but can also be used as a device to thwart hostile takeovers without shareholder approval.

• Vote AGAINST proposals that would authorize the creation of new classes of blank check preferred stock;

• Vote AGAINST proposals to increase the number of blank check preferred stock authorized for issuance when no shares have been issued or reserved for a specific purpose.;

• Vote FOR proposals to create "declawed" blank check preferred stock (stock that cannot be used as a takover defense);

• Vote FOR requests to require shareholder approval for blank check authorizations.

Dual Class-Stock

Generally vote AGAINST proposals to create a new class of common stock unless:

- The company discloses a compelling rationale for the dual-class capital structure, such as:
  - The company's auditor has concluded that there is substantial doubt about the company's ability to continue as a going concern; or
  - The new class of shares will be transitory;
- The new class is intended for financing purposes with minimal or no dilution to current shareholders in both the short term and long term; and
- The new class is not designed to preserve or increase the voting power of an insider or significant shareholder.

Adjust Par Value of Common Stock

Stock that has a fixed per share value that is on its certificate is called par value stock. The purpose of par value stock is to establish the maximum responsibility of a stockholder in the event that a corporation becomes insolvent. Proposals to reduce par value come from certain state level requirements for regulatory industries such as banks and other legal requirements relating to the payment of dividends.

• Vote FOR management proposals to reduce the par value of common stock.

Preemptive Rights

Preemptive rights permit shareholders to share proportionately in any new issues of stock of the same class. These rights guarantee existing shareholders the first opportunity to purchase shares of new issues of stock in the same class as their own and in the same proportion. The absence of these rights could cause stockholders' interest in a company to be reduced by the sale of additional shares without their knowledge and at prices unfavorable to them. Preemptive rights, however, can make it difficult for corporations to issue large blocks of stock for general corporate purposes. Both corporations and shareholders benefit when corporations are able to arrange issues without preemptive rights that do not result in a substantial transfer of control.

• Review on a CASE-BY-CASE basis proposals to create or abolish preemptive rights. In evaluating proposals on preemptive rights, we look at the size of a company and the characteristics of its shareholder base.

Debt Restructuring

Vote case-by-case on proposals regarding debt restructurings.

Vote for the debt restructuring if it is expected that the company will file for bankruptcy if the transaction is not approved.

Review on a case-by-case basis proposals to increase common and/or preferred shares and to issue shares as part of a debt-restructuring plan. The following factors are considered:

- Dilution—How much will the ownership interest of existing shareholders be reduced, and how extreme will dilution to any future earnings be?
- Change in Control—Will the transaction result in a change in control of the company? Are board and committee seats guaranteed? Do standstill provisions and voting agreements exist?
- Financial Issues— company's financial situation, degree of need for capital, use of proceeds, and effect of the financing on the company's cost of capital;
- Terms of the offer—discount/premium in purchase price to investor including any fairness opinion, termination penalties and exit strategy;
- Conflict of interest—arm's length transactions and managerial incentives; and
- Management's efforts to pursue other alternatives.

Recapitalization

• Vote CASE-BY-CASE on recapitalizations (reclassifications of securities), taking into account the following:
  - More simplified capital structure;
  - Enhanced liquidity;
  - Fairness of conversion terms;
  - Impact on voting power and dividends;
  - Reasons for the reclassification;
  - Conflicts of interest; and
  - Other alternatives considered.

Share Repurchase Programs

• Vote FOR management proposals to institute open-market share repurchase plans in which all shareholders may participate on equal terms.

Stock Distributions, Splits, and Dividends

• Vote FOR management proposals to increase the common share authorization for a stock split or share dividend, provided that the increase in authorized shares would not result in an excessive number of shares available for issuance as determined using a model developed by ISS.

Tracking Stock

• Vote CASE-BY-CASE on the creation of tracking stock, weighing the strategic value of the transaction against such factors as:

- Adverse governance changes;
- Excessive increases in authorized capital stock;
- Unfair method of distribution;
- Diminution of voting rights;
- Adverse conversion features;
- Negative impact on stock option plans; and
- Alternatives such as spin-off.

STATE OF INCORPORATION

Voting on State Takeover Statutes

Review on a CASE-BY-CASE basis proposals to opt in or out of state takeover statutes (including control share acquisition statutes, control share cash-out statutes, freeze out provisions, fair price provisions, stakeholder laws, poison pill endorsements, severance pay and labor contract provisions, anti-greenmail provisions, and disgorgement provisions). We generally support opting into stakeholder protection statutes if they provide comprehensive protections for employees and community stakeholders. Columbia Partners is less supportive of takeover statutes that only serve to protect incumbent management from accountability to shareholders and which negatively influence shareholder value.

Offshore Reincorporations and Tax Havens

• Vote CASE-BY-CASE on proposals to change a company's state of incorporation, taking into consideration both financial and corporate governance concerns, including:
• The reasons for reincorporating;
• A comparison of the governance provisions;
• Comparative economic benefits; and
• A comparison of the jurisdictional laws.

Columbia Partners believes there are a number of concerns associated with a company looking to reincorporate from the United States to offshore locales such as Bermuda, the Cayman Islands or Panama. The trend of U.S. companies seeking to move offshore appears to be on the rise, and shareholders are just beginning to understand the web of complexities surrounding the legal, tax, and governance implications involved in such a transaction.

When reviewing a proposed offshore move, the following factors are considered:

• Legal recourse for U.S. stockholders of the new company and the enforcement of legal judgments against the company under the U.S. securities laws;

• The transparency (or lack thereof) of the new locale's legal system;

• Adoption of any shareholder-unfriendly corporate law provisions;

• Actual, quantifiable tax benefits associated with foreign incorporation;

• Potential for accounting manipulations and/or discrepancies;

• Any pending U.S. legislation concerning offshore companies;

• Prospects of reputational harm and potential damage to brand name via increased media coverage concerning corporate expatriation.

• Furthermore, generally support shareholder requests calling for "expatriate" companies that are domiciled abroad yet predominantly owned and operated in America to re-domesticate back to a U.S. state jurisdiction.

• Vote FOR re-incorporation when the economic factors outweigh any neutral or negative governance changes.

Control Share Acquisition Provisions

• Vote FOR proposals to opt out of control share acquisition statutes unless doing so would enable the completion of a takeover that would be detrimental to shareholders.

• Vote AGAINST proposals to amend the charter to include control share acquisition provisions.

• Vote FOR proposals to restore voting rights to the control shares.

Control Share Cash-Out Provisions

• Vote FOR proposals to opt out of control share cash-out statutes.

Disgorgement Provisions

• Vote FOR proposals to opt out of state disgorgement provisions.

Freeze-Out Provisions

• Vote FOR proposals to opt out of state freeze-out provisions. Freeze-out provisions force an investor who surpasses a certain ownership threshold in a company to wait a specified period of time before gaining control of the company.

CORPORATE RESPONSIBILITY & ACCOUNTABILITY

Consumer Issues

Genetically Modified Ingredients

Generally vote against proposals requesting that a company voluntarily label genetically engineered (GE) ingredients in its products. The labeling of products with GE ingredients is best left to the appropriate regulatory authorities.

Vote case-by-case on proposals asking for a report on the feasibility of labeling products containing GE ingredients, taking into account:

- The potential impact of such labeling on the company's business;
- The quality of the company's disclosure on GE product labeling, related voluntary initiatives, and how this disclosure compares with industry peer disclosure; and
- Company's current disclosure on the feasibility of GE product labeling.

Generally vote against proposals seeking a report on the social, health, and environmental effects of genetically modified organisms (GMOs). Studies of this sort are better undertaken by regulators and the scientific community.

Generally vote against proposals to eliminate GE ingredients from the company's products, or proposals asking for reports outlining the steps necessary to eliminate GE ingredients from the company's products. Such decisions are more appropriately made by management with consideration of current regulations.

Consumer Lending

Vote CASE-BY CASE on requests for reports on the company's lending guidelines and procedures, including the establishment of a board committee for oversight, taking into account:

• Whether the company has adequately disclosed mechanisms in place to prevent abusive lending

practices;

• Whether the company has adequately disclosed the financial risks of the lending products in question;

• Whether the company has been subject to violations of lending laws or serious lending controversies;

• Peer companies' policies to prevent abusive lending practices.

Support proposals calling for full compliance with fair-lending laws.

Pharmaceutical Pricing

Generally vote AGAINST proposals requesting that companies implement specific price restraints on pharmaceutical products unless the company fails to adhere to legislative guidelines or industry norms in its product pricing.

Vote CASE-BY-CASE on proposals requesting that the company evaluate report on their product pricing policies or their access to medicine policies, considering:

The nature of the company's business and the potential for reputational and market risk exposure;

• The existing disclosure on relevant policies;

• Deviation from established industry norms;

• The company's existing, relevant initiatives to provide research and/or products to disadvantaged consumers;

• Whether the proposal focuses on specific products or geographic regions; and

• The potential cost and scope of the requested report.

• Generally support proposals requesting that companies implement specific price restraints for its pharmaceutical products in developing markets or targeting certain population groups.

• Vote FOR shareholder proposals that call on companies to develop a policy to provide affordable HIV, AIDS, TB and Malaria drugs to citizens in the developing world.

Pharmaceutical Product Reimportation

• Generally vote FOR proposals requesting that companies report on the financial and legal impact of their prescription drug reimportation policies unless such information is already publicly disclosed.

• Generally vote AGAINST proposals requesting that companies adopt specific policies to encourage or constrain prescription drug reimportation. Such matters are more appropriately the province of legislative activity ad may place the company at a competitive disadvantage relative to its peers.

Product Safety and Toxic/Hazardous Materials

Generally vote FOR proposals requesting the company to report on its policies, initiatives/procedures, and oversight mechanisms related to toxic materials and/or product safety in its supply chain, unless:

• The company already discloses similar information through existing reports or policies such as a

Supplier Code of Conduct and/or a sustainability report;

• The company has formally committed to the implementation of a toxic materials and/or product safety and supply chain reporting and monitoring program based on industry norms or similar standards within a specified time frame; and

• The company has not been recently involved in relevant significant controversies or violations.

Vote CASE-BY-CASE on resolutions requesting that companies develop a feasibility assessment to phase-out of certain toxic chemicals and/or evaluate and disclose the potential financial and legal risks associated with utilizing certain chemicals, considering:

• The company's current level of disclosure regarding its product safety policies, initiatives and oversight mechanisms;

• Current regulations in the markets in which the company operates; and

• Recent significant controversies, litigation, or fines stemming from toxic/hazardous materials at the company.

• Generally vote AGAINST resolutions requiring that a company reformulate its products.

Tobacco-Related Proposals

• Vote CASE-BY-CASE on resolutions regarding the advertisement of tobacco products, considering:

• Recent related fines, controversies, or significant litigation;

• Whether the company complies with relevant laws and regulations on the marketing of tobacco;

• Whether the company's advertising restrictions deviate from those of industry peers;

• Whether the company entered into the Master Settlement Agreement, which restricts marketing of tobacco to youth;

• Whether restrictions on marketing to youth extend to foreign countries.

• Vote CASE-BY-CASE on proposals regarding second-hand smoke, considering;

• Whether the company complies with all laws and regulations;

• The degree that voluntary restrictions beyond those mandated by law might hurt the company's competitiveness;

• The risk of any health-related liabilities.

• Generally vote AGAINST resolutions to cease productions of tobacco-related products, to avoid selling products to tobacco companies, to spin-off tobacco-related businesses or prohibit investment in tobacco equities. Such business decisions are better left to company management or portfolio managers.

• Generally vote AGAINST proposals regarding tobacco product warnings. Such decisions are better left to public health authorities.

Equal Employment Opportunity

Generally vote FOR proposals requesting a company disclose its diversity policies or initiatives, or proposals requesting disclosure of a company's comprehensive workforce diversity data, including requests for EEO-1 data, unless:
1. The company publicly discloses its comprehensive equal opportunity policies and initiatives;
2. The company already publicly discloses comprehensive workforce diversity data; and
3. The company has no recent, significant EEO-related violations or litigation.

Generally vote AGAINST proposals seeking information on the diversity efforts of suppliers and service providers, which can pose a significant cost and administration burden on the company.

Generally vote for proposals seeking to amend a company's EEO statement or diversity policies to prohibit discrimination based on sexual orientation and/or gender identity, unless the change would be unduly burdensome. Generally vote AGAINST proposals to extend company benefits to, or eliminate benefits from domestic partners. Benefits decisions should be left to the discretion of the company.

CLIMATE CHANGE AND THE ENVIRONMENT

Climate Change and Greenhouse Gas Emissions

Generally vote for resolutions requesting that a company disclose information on the impact of climate change on its operations and investments, considering:

- Whether the company already provides current, publicly-available information on the impacts that climate change may have on the company as well as associated company policies and procedures to address related risks and/or opportunities;
- The company's level of disclosure is at least comparable to that of industry peers; and
- There are no significant controversies, fines, penalties, or litigation associated with the company's environmental performance.

Generally vote for proposals requesting a report on greenhouse gas (GHG) emissions from company operations and/or products and operations, unless:

- The company already discloses current, publicly-available information on the impacts that GHG emissions may have on the company as well as associated company policies and procedures to address related risks and/or opportunities;
- The company's level of disclosure is comparable to that of industry peers; and
- There are no significant, controversies, fines, penalties, or litigation associated with the company's GHG emissions.

Vote case-by-case on proposals that call for the adoption of GHG reduction goals from products and operations, taking into account:

- Whether the company provides disclosure of year-over-year GHG emissions performance data;
- Whether company disclosure lags behind industry peers;
- The company's actual GHG emissions performance;
- The company's current GHG emission policies, oversight mechanisms, and related initiatives; and

Whether the company has been the subject of recent, significant violations, fines, litigation, or controversy related to GHG emissions.

Concentrated Area Feeding Operations (CAFOs)

• Generally vote FOR resolutions requesting companies report to shareholders on the risks and liabilities associated with concentrated animal feeding operations (CAFOs) unless:

- The company has publicly disclosed its environmental management policies for its corporate and contract farming operations, including compliance monitoring; and
- The company publicly discloses company and supplier farm environmental performance data; or
- The company does not have company-owned CAFOs and does not directly source from contract farm CAFOs

Energy Efficiency

Generally vote for proposals requesting that a company report on its energy efficiency policies, unless:

- The company complies with applicable energy efficiency regulations and laws, and discloses its participation in energy efficiency policies and programs, including disclosure of benchmark data, targets, and performance measures; or
- The proponent requests adoption of specific energy efficiency goals within specific timelines.

Facility Safety (Nuclear and Chemical Plant Safety)

Vote CASE-BY-CASE on resolutions requesting that companies report on safety and/or security risks associated with their operations and/or facilities, considering:

• The company's compliance with applicable regulations and guidelines;

• The company's current level of disclosure regarding its security and safety policies, procedures, and compliance monitoring; and,

• The existence of recent, significant violations, fines, or controversy regarding the safety and security of the company's operations and/or facilities.

General Environmental Reporting

Generally vote FOR requests for reports disclosing the company's environmental policies unless it already has well-documented environmental management systems that are available to the public.

Operations in Protected Areas

Generally vote FOR requests for reports outlining potential environmental damage from operations in protected regions unless:

• Operations in the specified regions are not permitted by current laws or regulations;

• The company does not currently have operations or plans to develop operations in these protected

regions; or,

• The company provides disclosure on its operations and environmental policies in these regions

comparable to industry peers.

Recycling

Vote CASE-BY-CASE on proposals to report on an existing recycling program, or adopt a new recycling program, taking into account:

- The nature of the company's business;
- The current level of disclosure of the company's existing related programs;
- The timetable prescribed by the proposal and the costs and methods of program implementation;
- The ability of the company to address the issues raised in the proposal; and
- The company's recycling programs compared to similar programs of its industry peers.

Renewable Energy

In general, vote FOR requests for reports on the feasibility of developing renewable energy sources unless the report is duplicative of existing disclosure or irrelevant to the company's line of business.

Generally vote AGAINST proposals requesting that the company invest in renewable energy sources. Such decisions are best left to management's evaluation of the feasibility and financial impact that such programs may have on the company.

Hydraulic Fracturing

Generally vote FOR proposals requesting greater disclosure of a company's (natural gas) hydraulic fracturing operations, including measures the company has taken to manage and mitigate the potential community and environmental impacts of those operations, considering:

- The company's current level of disclosure of relevant policies and oversight mechanisms;
- The company's current level of such disclosure relative to its industry peers;
- Potential relevant local, state, or national regulatory developments; and
- Controversies, fines, or litigation related to the company's hydraulic fracturing operations.

Water Issues

Vote CASE-BY-CASE on proposals requesting a company report on, or to adopt a new policy on, water-related risks and concerns, taking into account:

- The company's current disclosure of relevant policies, initiatives, oversight mechanisms, and water usage metrics;
- Whether or not the company's existing water-related policies and practices are consistent with relevant internationally recognized standards and national/local regulations;

- The potential financial impact or risk to the company associated with water-related concerns or issues; and
- Recent, significant company controversies, fines, or litigation regarding water use by the company and its suppliers.

GENERAL CORPORATE ISSUES

High-Performance Workplace

High-performance workplace practices emphasize employee training, participation, and feedback. The concept of a high-performance workplace has been endorsed by the U.S. Department of Labor and refers to a workplace that is designed to provide workers with the information, skills, incentives, and responsibility to make decisions essential for innovation, quality improvement and rapid response to changes in the marketplace. These standards embrace a "what is good for the worker is good for the company" philosophy. Studies have shown that improvement in human resources practices is associated with increases in total return to shareholders. High-performance workplace standards proposals can include linking compensation to social measures such as employee training, morale and safety, environmental performance and workplace lawsuits.

• Generally support proposals that incorporate high-performance workplace standards.

Political Contributions, Lobbying Reporting & Disclosure

• Support reporting of political and political action committee (PAC) contributions.

• Support establishment of corporate political contributions guidelines and internal reporting provisions or controls.

• Generally support shareholder proposals requesting companies to review and report on their political lobbying activities including efforts to influence governmental legislation.

• Vote against shareholder proposals asking to publish in newspapers and public media the company's political contributions as such publications could present significant cost to the company without providing commensurate value to shareholders.

Affirm Political Non-Partisanship

• Generally vote AGAINST proposals asking the company to affirm political nonpartisanship in the workplace so long as:
The company is in compliance with laws governing corporate political activities; and
The company has procedures in place to ensure that employee contributions to company-sponsored political action committees (PACs) are strictly voluntary and not coercive.

• Vote AGAINST proposals asking for a list of company executives, directors, consultants, legal counsels, lobbyists, or investment bankers that have prior government service and whether such service had a bearing on the business of the company. Such a list would be burdensome to prepare without providing any meaningful information to shareholders.

Charitable Contributions

• Vote AGAINST proposals restricting the company from making charitable contributions.

Corporate Social Responsibility ("CSR") Compensation –Related Proposals

Vote case-by-case on proposals to link, or report on linking, executive compensation to sustainability (environmental and social) criteria, considering:

- Whether the company has significant and persistent controversies or violations regarding social and/or environmental issues;
- Whether the company has management systems and oversight mechanisms in place regarding its social and environmental performance;
- The degree to which industry peers have incorporated similar non-financial performance criteria in their executive compensation practices; and

- The company‘s current level of disclosure regarding its environmental and social performance.

Vote case-by-case on proposals calling for an analysis of the pay disparity between corporate executives and other non-executive employees. The following factors will be considered:

- The company’s current level of disclosure of its executive compensation setting process, including how the company considers pay disparity;
- If any problematic pay practices or pay-for-performance concerns have been identified at the company; and
- The level of shareholder support for the company's pay programs.

Generally vote against proposals calling for the company to use the pay disparity analysis or pay ratio in a specific way to set or limit executive pay.

HIV/AIDS

Vote CASE-BY-CASE on requests for reports outlining the impact of health pandemics (such as HIV/AIDS, Malaria, Tuberculosis, and Avian Flu) on the company’s operations and how the company is responding to the situation, taking into account:

1. The scope of the company’s operations in the affected/relevant area(s);

2. The company’s existing healthcare policies, including benefits and healthcare access; and

3. Company donations to relevant healthcare providers.

Vote AGAINST proposals asking companies to establish, implement, and report on a standard of response to health pandemics (such as HIV/AIDS, Malaria, Tuberculosis, and Avian Flu), unless the company has significant operations in the affected markets and has failed to adopt policies and/or procedures to address these issues comparable to those of industry peers.

Animal Welfare

Generally vote AGAINST proposals to phase out the use of animals in product testing unless:

- The company is conducting animal testing programs that are unnecessary or not required by regulation;
- The company is conducting animal testing when suitable alternatives are commonly accepted and used at industry peers; or
- There are recent, significant fines or litigation related to the company's treatment of animals.

Generally vote FOR proposals seeking a report on the company’s animal welfare standards unless:

> The company has already published a set of animal welfare standards and monitors compliance;
> The company’s standards are comparable to or better than those of peer firms; and
> There are no recent, significant fines or litigation related to the company’s treatment of animals.

Generally vote AGAINST proposals requesting the implementation of CAK methods at company and/or supplier operations unless such methods are required by legislation or generally accepted as the industry standard.

Vote CASE-BY-CASE on proposals requesting a report on the feasibility of implementing CAK methods, considering the availability of existing research conducted by the company or industry groups on this topic and any fines or litigation related to current animal processing procedures at the company.

CONTRACTOR SUPPLIER STANDARDS

Corporate and Supplier Code of Conduct

• Support the principles and codes of conduct relating to company investment and/or operations in countries with patterns of human rights abuses or pertaining to geographic regions experiencing political turmoil (Northern Ireland, Columbia, Burma, former Soviet Union, and China);

• Support the implementation and reporting on ILO codes of conduct;

• Support independent monitoring programs in conjunction with local and respected religious and human rights groups to monitor supplier and licensee compliance with Codes.

• Support requests that a company conduct an assessment of the human rights risks in its operation or in its supply chain, or report on its human rights risk assessment process.

Contract Supplier Standards

• We generally support proposals that:

1. Seek publication of a "Worker Code of Conduct" to be implemented by the company's foreign suppliers and licensees, requiring they satisfy all applicable labor standards and laws protecting employees' wages, benefits, working conditions, freedom of association, right to collectively bargain, and other rights.
2. Request a report summarizing the company's current practices for enforcement of its Worker Code of Conduct.
3. Establishes independent monitoring mechanism in conjunction with local and respected religious and human rights groups to monitor supplier and licensee compliance with the Worker Code of Conduct;
4. Create incentives to encourage suppliers to raise standards rather than terminate contracts;
5. Implement policies for ongoing wage adjustments, ensuring adequate purchasing power and a sustainable living wage for employees of foreign suppliers and licensees;
6. Request public disclosure of contract supplier reviews on a regular basis;
7. Adopt labor standards for foreign and domestic suppliers to ensure that the company will not do business with foreign suppliers that manufacture products for sale in the U.S. using forced or child labor, or that fail to comply with applicable laws protecting employees' wages and working conditions.

Operation in High Risk Markets

Vote case-by-case on requests for a report on a company's potential financial and reputational risks associated with operations in "high-risk" markets, such as a terrorism-sponsoring state or politically/socially unstable region, taking into account:

- The nature, purpose, and scope of the operations and business involved that could be affected by social or political disruption;
- Current disclosure of applicable risk assessment(s) and risk management procedures;
- Compliance with U.S. sanctions and laws;
- Consideration of other international policies, standards, and laws; and
- Whether the company has been recently involved in recent, significant controversies, fines or litigation related to its operations in "high-risk" markets.

Data Security, Privacy, and Internet Issues

• Vote CASE-BY-CASE on resolutions requesting the disclosure and implementation of Internet privacy and censorship policies and procedures considering:

1. The level of disclosure of policies and procedures relating to privacy, freedom of speech, Internet censorship, and government monitoring of the Internet;
2. Engagement in dialogue with governments and/or relevant groups with respect to the Internet and the free flow of information;
3. The scope of business involvement and of investment in markets that maintain government censorship or monitoring of the Internet;
4. The market-specific laws or regulations applicable to Internet censorship or monitoring that may be imposed on the company; and,
5. The level of controversy or litigation related to the company's international human rights policies and procedures.

Military Sales

Shareholder proposals from church groups and other community organizations ask companies for detailed reports on foreign military sales. These proposals often can be created at reasonable cost to the company and contain no proprietary data. Large companies can supply this information without undue burden and provide shareholders with information affecting corporate performance and decision-making.

• Generally support reports on foreign military sales and economic conversion of facilities and where such reporting will not disclose sensitive information that could impact the company adversely or increase its legal exposure;

• Generally vote AGAINST proposals asking a company to develop specific military contracting criteria.

MacBride Principles

• Support the MacBride Principles for operations in Northern Ireland that request companies to abide by equal employment opportunity policies.

Nuclear and Depleted Uranium Weapons

Vote AGAINST proposals asking a company to cease production or report on the risks associated with the use of depleted uranium munitions or nuclear weapons components and delivery systems, including disengaging from current and proposed contracts. Such contracts are monitored by government agencies, serve multiple military and non-military uses, and withdrawal from these contracts could have a negative impact on the company's business.

Report on Operations in Sensitive Regions or Countries

• Generally support shareholder proposals to adopt labor standards in connection with involvement in a certain market and other potentially sensitive geopolitical regions;

• Generally support shareholder proposals seeking a report on operations within a certain market and documentation of costs of continued involvement in a given country or region;

• Generally support requests for establishment of a board committee to review and report on the reputational risks and legal compliance with U.S. sanctions as a result of the company's continued operations in countries associated with terrorist sponsored activities;

• Consider shareholder proposals to pull out of a certain market on a CASE-BY-CASE basis considering factors such as overall cost, FDI exposure, level of disclosure for investors, magnitude of controversy, and the current business focus of the company.

Outsourcing/Offshoring

• Vote CASE-BY-CASE on proposals calling for companies to report on the risks associated with outsourcing, considering:

- Controversies surrounding operations in the relevant market(s);
- The value of the requested report to shareholders;
- The company's current level of disclosure of relevant information on outsourcing and plant closure procedures; and
- The company's existing human rights standards relative to industry peers.

Sustainability

Sustainability Reporting

Generally vote FOR proposals requesting the company to report on policies and initiatives related to social, economic, and environmental sustainability, unless:

• The company already discloses similar information through existing reports or policies such as an Environment, Health, and Safety (EHS) report; a comprehensive Code of Corporate Conduct; and/or a Diversity Report; or

• The company has formally committed to the implementation of a reporting program based on Global Reporting Initiative (GRI) guidelines or a similar standard within a specified time frame.

MUTUAL FUND PROXIES

Election of Directors

Vote CASE-BY-CASE on the election of directors and trustees, following the same guidelines for uncontested directors for public company shareholder meetings. However, mutual fund boards do not usually have compensation committees, so do not withhold for the lack of this committee.

Converting Closed-End Fund to Open-End Fund

Vote CASE-BY-CASE on conversion proposals, considering the following factors:
• Past performance as a closed-end fund;
• Market in which the fund invests;
• Measures taken by the board to address the discount; and
• Past shareholder activism, board activity, and votes on related proposals.

Proxy Contests

Vote CASE-BY-CASE on proxy contests, considering the following factors:
• Past performance relative to its peers;
• Market in which fund invests;
• Measures taken by the board to address the issues;
• Past shareholder activism, board activity, and votes on related proposals;
• Strategy of the incumbents versus the dissidents;
• Independence of directors;
• Experience and skills of director candidates;
• Governance profile of the company;
• Evidence of management entrenchment.

Investment Advisory Agreements

Vote CASE-BY-CASE on investment advisory agreements, considering the following factors:
• Proposed and current fee schedules;
• Fund category/investment objective;
• Performance benchmarks;
• Share price performance as compared with peers;
• Resulting fees relative to peers;
• Assignments (where the advisor undergoes a change of control).

Approving New Classes or Series of Shares

Vote FOR the establishment of new classes or series of shares.

Preferred Stock Proposals

Vote CASE-BY-CASE on the authorization for or increase in preferred shares, considering the following factors:
• Stated specific financing purpose;

• Possible dilution for common shares;
• Whether the shares can be used for anti-takeover purposes.

1940 Act Policies

Vote CASE-BY-CASE on policies under the Investment Advisor Act of 1940, considering the following factors:
• Potential competitiveness;
• Regulatory developments;
• Current and potential returns; and
• Current and potential risk.

Generally vote FOR these amendments as long as the proposed changes do not fundamentally alter the investment focus of the fund and do comply with the current SEC interpretation.

Changing a Fundamental Restriction to a Nonfundamental Restriction

Vote CASE-BY-CASE on proposals to change a fundamental restriction to a non-fundamental restriction, considering the following factors:
• The fund's target investments;
• The reasons given by the fund for the change; and
• The projected impact of the change on the portfolio.

Change Fundamental Investment Objective to Nonfundamental

Vote AGAINST proposals to change a fund's fundamental investment objective to non-fundamental.

Name Change Proposals

Vote CASE-BY-CASE on name change proposals, considering the following factors:
• Political/economic changes in the target market;
• Consolidation in the target market; and
• Current asset composition.

Change in Fund's Subclassification

Vote CASE-BY-CASE on changes in a fund's sub-classification, considering the following factors:
• Potential competitiveness;
• Current and potential returns;
• Risk of concentration;
• Consolidation in target industry.

Disposition of Assets/ Termination/ Liquidation

Vote CASE-BY-CASE on proposals to dispose of assets, to terminate or liquidate, considering the following factors:
• Strategies employed to salvage the company;
• The fund's past performance;
• The terms of the liquidation.

Changes to Charter Document

Vote CASE-BY-CASE on changes to the charter document, considering the following factors:
Vote AGAINST any of the following changes:

- Removal of shareholder approval requirement to reorganize or terminate the trust or any of its series;
- Removal of shareholder approval requirement for amendments to the new declaration of trust;
- Removal of shareholder approval requirement to amend the fund's management contract, allowing the contract to be modified by the investment manager and the trust management, as permitted by the 1940 Act;
- Allow the trustees to impose other fees in addition to sales charges on investment in a fund, such as deferred sales charges and redemption fees that may be imposed upon redemption of a fund's shares;
- Removal of shareholder approval requirement to engage in and terminate subadvisory arrangements;
- Removal of shareholder approval requirement to change the domicile of the fund.

Changing the Domicile of a Fund

Vote CASE-BY-CASE on re-incorporations, considering the following factors:

- Regulations of both states;
- Required fundamental policies of both states;
- The increased flexibility available.

Authorizing the Board to Hire and Terminate Subadvisors Without Shareholder Approval

Vote AGAINST proposals authorizing the board to hire or terminate subadvisers without shareholder approval if the investment adviser currently employs only one subadviser.

Distribution Agreements

Vote CASE-BY-CASE on distribution agreement proposals, considering the following factors:
14.17 Master-Feeder Structure

Vote FOR the establishment of a master-feeder structure.

Mergers

Vote CASE-BY-CASE on merger proposals, considering the following factors:

- Resulting fee structure;
- Performance of both funds;
- Continuity of management personnel;
- Changes in corporate governance and their impact on shareholder rights.

Establish Director Ownership Requirement

Generally vote AGAINST shareholder proposals that mandate a specific minimum amount of stock that directors must own in order to qualify as a director or to remain on the board.

Reimburse Shareholder for Expenses Incurred

Vote CASE-BY-CASE on shareholder proposals to reimburse proxy solicitation expenses. When supporting the dissidents, vote FOR the reimbursement of the proxy solicitation expenses.

Terminate the Investment Advisor

Vote CASE-BY-CASE on proposals to terminate the investment advisor, considering the following factors:

- Performance of the fund's Net Asset Value (NAV);
- The fund's history of shareholder relations;
- The performance of other funds under the advisor's management.

Business Development Companies–Authorization to Sell Shares of Common Stock at a Price below Net Asset Value

- Vote FOR proposals authorizing the board to issue shares below Net Asset Value (NAV) if:

- The proposal to allow share issuances below NAV has an expiration date that is less than one year from the date shareholders approve the underlying proposal, as required under the Investment Company Act of 1940;

- A majority of the independent directors who have no financial interest in the sale have made a determination as to whether such sale would be in the best interests of the company and its shareholders prior to selling shares below NAV; and

- The company has demonstrated responsible past use of share issuances by either:

    - Outperforming peers in its 8-digit GICS group as measured by one- and three-year median TSRs; or

    - Providing disclosure that its past share issuances were priced at levels that resulted in only small or moderate discounts to NAV and economic dilution to existing non-participating shareholders.

NON-U.S. PROXY VOTING

Miscellaneous

Financial Results/Director and Auditor Reports
Columbia Partners will vote for approval of financial statements and director and auditor reports, unless:

- There are concerns about the accounts presented or audit procedures used; or
- The company is not responsive to shareholder questions about specific items that should be publicly disclosed.

Auditor Report Including Related Party Transactions

Columbia Partners will review all auditor reports on related-party transactions and screen for and evaluate agreements with respect to the following issues:

- Director Remuneration (including Severance Packages and Pension Benefits)
- Consulting Services
- Liability Coverage
- Certain Business Transactions

In general, Columbia Partners expects companies to provide the following regarding related-party transactions:

- Adequate disclosure of terms under listed transactions (including individual details of any severance, consulting, or other remuneration agreements with directors and for any asset sales and/or acquisitions);
- Sufficient justification on transactions that appear to be unrelated to operations and/or not in shareholders' best interests;
- Fairness opinion (if applicable in special business transactions); and
- Any other relevant information that may affect or impair shareholder value, rights, and/or judgment.

In the event that the company fails to provide an annual report in a timely manner, Columbia Partners will vote against these proposals.

Related Party Transactions
In evaluating resolutions that seek shareholder approval on related-party transactions (RPTs), vote on a case-by-case basis, considering factors including, but not limited to, the following:

- The parties on either side of the transaction;
- The nature of the asset to be transferred/service to be provided;
- The pricing of the transaction (and any associated professional valuation);
- The views of independent directors (where provided);

- The views of an independent financial adviser (where appointed);
- Whether any entities party to the transaction (including advisers) is conflicted; and
- The stated rationale for the transaction, including discussions of timing.

If there is a transaction that Columbia Partners deemed problematic and that was not put to a shareholder vote, Columbia Partners may vote against the election of the director(s) involved in the related-party transaction or against the full board.

Appointment of Internal Statutory Auditors
Columbia Partners will vote for the appointment or reelection of statutory auditors, unless:

- There are serious concerns about the statutory reports presented or the audit procedures used; or
- Questions exist concerning any of the statutory auditors being appointed (questionable actions could include but are not limited to attendance issues, mismanagement or shareholder-unfriendly behavior, or egregious behavior on other boards); or

The auditors have previously served the company in an executive capacity or can otherwise be considered affiliated with the company.

Allocation of Income
Columbia Partners will vote for approval of the allocation of income, unless:

- The dividend payout ratio has been consistently below 30 percent without adequate explanation; or

The payout is excessive given the company's financial position.

Amendments to Articles of Association
Columbia Partners will evaluate amendments to articles of association on a case-by-case basis and will generally vote in favor of article amendments if:

- Shareholder rights are protected;
- There is negligible or positive impact on shareholder value;
- Management provides adequate reasons for the amendments; and/or

The company is required to do so by law (if applicable).

Authorize the Company to Call a General Meeting with Two Weeks' Notice
Columbia Partners will generally vote for the resolution to authorize the company to call a general meeting with 14 days' notice if the company has provided assurance that the authority will only be used when merited.

Authorize EU Political Donations and Expenditure
Columbia Partners will generally vote for the resolution to authorize EU political donations and expenditure, unless:

- The company made explicit donations to political parties or election candidates during the year under review;
- The duration of the authority sought exceeds one year and the company has not clarified that separate authorization will be sought at the following AGM should the authority be used; or

- No cap is set on the level of donations.

Companies which have no intention of making donations to political parties or incurring obvious political expenditure may, consider it prudent to seek shareholder approval for certain types of donation or expenditure which might be considered to fall within the broader definition of 'political' under the Companies Act 2006.

Board of Directors

Election of Directors
Votes on director nominees should take into account company practices, corporate governance codes, disclosure, and best practices, examining factors such as:

- Composition of the board and key board committees;
- Long-term company performance relative to a market index;
- Corporate governance provisions and takeover activity; and
- Company practices and corporate governance codes.

However, there are some actions by directors that should result in votes being WITHHELD/AGAINST (whichever vote option is applicable on the ballot). Such instances generally fall into the following categories:

- Adequate disclosure has not been provided in a timely manner;
- There are clear concerns over questionable finances or restatements;
- There have been questionable transactions with conflicts of interest;
- There are any records of abuses against minority shareholder interests;
- The board fails to meet minimum corporate governance standards;
- There are specific concerns about the individual, such as criminal wrongdoing or breach of fiduciary responsibilities;
- Material failures of governance, stewardship, risk oversight, or fiduciary responsibilities at the company;
- Failure to replace management as appropriate; or
- Egregious actions related to the director(s)' service on other boards that raise substantial doubt about his or her ability to effectively oversee management and serve the best interests of shareholders at any company.

Columbia Partners may vote against individual directors, members of a committee or an entire board due to a conflict of interest that raises significant potential risk, in the absence of mitigating measures and/or procedures.

On a case-by-case basis, Columbia Partners will consider and WITHHOLD/AGAINST if the board has failed to take action to opt out of laws providing for double voting rights.

Director Terms
For Belgium, France, Italy, Netherlands, Spain, and Switzerland, Columbia Partners will vote against the election or re-election of any director when his/her term is not disclosed or when it exceeds four years and adequate explanation for non-compliance has not been provided.

For all markets, under best practice recommendations, companies should shorten the terms for directors when the terms exceed the limits suggested by best practices. The policy will be applied to all companies in these markets, for bundled as well as unbundled items.

Columbia Partners will vote against article amendment proposals to extend board terms. In cases where a company's articles provide for a shorter limit and where the company wishes to extend director terms from three or fewer years to four years, for example, Columbia Partners will vote against, based on the general principle that director accountability is maximized by elections with a short period of renewal.

Bundling of Proposal to Elect Directors
Columbia Partners will vote against the election or reelection of any directors if individual director elections are an established market practice and the company proposes a single slate of directors.

Discharge of Directors
Columbia Partners will vote for the discharge of directors, including members of the management board and/or supervisory board, unless there is reliable information about significant and compelling concerns that the board is not fulfilling its fiduciary duties, warranted on a case-by-case basis, by:

- A lack of oversight or actions by board members which invoke shareholder distrust related to malfeasance or poor supervision, such as operating in private or company interest rather than in shareholder interest;

- Any legal issues (e.g. civil/criminal) aiming to hold the board responsible for breach of trust in the past or related to currently alleged action yet to be confirmed (and not only in the fiscal year in question) such as price fixing, insider trading, bribery, fraud, and other illegal actions;

- Other egregious governance issues where shareholders will bring legal action against the company or its directors; or

- Failure to take action to opt out of laws providing for double voting rights.

For markets which do not routinely request discharge resolutions (e.g. common law countries or markets where discharge is not mandatory), Columbia Partners may oppose other appropriate agenda items, such as approval of the annual accounts or other relevant resolutions, to express discontent with the board.

Capitalization

Share Issuance Requests
Vote FOR issuance requests with preemptive rights to a maximum of 100 percent over currently issued capital, or follow stricter local thresholds if such exist as long as the share issuance authorities' periods are clearly disclosed (or implied by the application of a legal maximum duration) and in line with market-specific practices and/or recommended guidelines.

Vote FOR issuance requests without preemptive rights to a maximum of 20 percent of currently issued capital, or follow stricter local thresholds if such exist as long as the share issuance authorities' periods are clearly disclosed (or implied by the application of a legal maximum duration) and in line with market-specific practices and/or recommended guidelines.

Vote AGAINST share issuance requests that may be used as for takeover defenses.

Issuance requests with unreasonable levels of discounts will also be opposed.

Share Repurchase Plans
Columbia Partners will generally vote for market repurchase authorities (share repurchase programs) if the terms comply with the following criteria:

- A repurchase limit of up to 10 percent of outstanding issued share capital;
- A holding limit of up to 10 percent of a company's issued share capital in treasury ("on the shelf"); and
- Duration of no more than 5 years, or such lower threshold as may be set by applicable law, regulation, or code of governance best practice.

Authorities to repurchase shares in excess of the 10 percent repurchase limit will be assessed on a case-by-case basis. Columbia Partners may support such share repurchase authorities under special circumstances, which are required to be publicly disclosed by the company, provided that, on balance, the proposal is in shareholders' interests. In such cases, the authority must comply with the following criteria:

- A holding limit of up to 10 percent of a company's issued share capital in treasury ("on the shelf");, and
- Duration of no more than 18 months.

In markets where it is normal practice not to provide a repurchase limit, Columbia Partners will evaluate the proposal based on the company's historical practice. However, Columbia Partners expects companies to disclose such limits and, in the future, may vote against companies that fail to do so. In such cases, the authority must comply with the following criteria:

- A holding limit of up to 10 percent of a company's issued share capital in treasury ("on the shelf"); and
- Duration of no more than 18 months.

In addition, Columbia Partners will vote against any proposal where:

- The repurchase can be used for takeover defenses;
- There is clear evidence of abuse;
- There is no safeguard against selective buybacks;
- Pricing provisions and safeguards are deemed to be unreasonable in light of market practice.

Columbia Partners will vote for share-repurchase plans and share reissuance plans that would use call and put options if the following criteria are met:

- The duration of the authorization is limited in time to no more than 18 months;
- The total number of shares covered by the authorization is disclosed;
- The number of shares that would be purchased with call options and/or sold with put options is limited to a maximum of 5 percent of currently outstanding capital;

- A financial institution, with experience conducting sophisticated transactions, is indicated as the party responsible for the trading; and

The company has a clean track record regarding repurchases.

Reissuance of Repurchased Shares
Columbia Partners will vote for requests to reissue any repurchased shares unless there is clear evidence of abuse of this authority in the past.

Compensation

Equity-based Compensation Guidelines
Columbia Partners will generally vote for a vote for equity based compensation proposals for employees if the plan(s) are in line with long-term shareholder interests and align the award with shareholder value. This assessment includes, but is not limited to, the following factors:

The volume of awards transferred to participants must not be excessive: the potential volume of fully diluted issued share capital from equity-based compensation plans must not exceed the following guidelines:

- The shares reserved for all share plans may not exceed 5 percent of a company's issued share capital, except in the case of high-growth companies or particularly well-designed plans, in which case we allow dilution of between 5 and 10 percent: in this case, we will need to have performance conditions attached to the plans which should be acceptable under Columbia Partners criteria (challenging criteria);

- The plan(s) must be sufficiently long-term in nature/structure: the minimum vesting period must be no less than three years from date of grant;

- The awards must be granted at market price. Discounts, if any, must be mitigated by performance criteria or other features that justify such discount.

- If applicable, performance standards must be fully disclosed, quantified, and long-term, with relative performance measures preferred.

Finally, for large- and mid-cap companies, the company's average three year unadjusted burn rate (or, if lower, on the maximum volume per year implied by the proposal made at the general meeting) must not exceed the mean plus one standard deviation of its sector but no more than one percentage point from the prior year sector cap.

Non-Executive Director Compensation
Columbia Partners will generally vote for proposals to award cash fees to non-executive directors, and will otherwise vote against where:

- Documents (including general meeting documents, annual report) provided prior to the general meeting do not disclose fees paid to non-executive directors.

- Proposed amounts are excessive relative to other companies in the country or industry.

- The company intends to increase the fees excessively in comparison with market/sector practices, without stating compelling reasons that justify the increase.

- Proposals introduce retirement benefits for non-executive directors.

And, Columbia Partners will vote on a case-by-case basis where:

- Proposals provide for the granting of stock options, or similarly structured equity-based compensation, to non-executive directors.

- Proposals include both cash and share-based components to non-executive directors.

Proposals bundle compensation for both non-executive and executive directors into a single resolution.

Annual Bonuses for Directors/Statutory Auditors
Columbia Partners will vote for approval of annual bonuses, unless recipients include those who are judged to be responsible for clear mismanagement or shareholder-unfriendly behavior.

Retirement Bonuses
Columbia Partners will generally vote for approval of retirement bonuses, unless:

- Recipients include outsiders; or

- Neither the individual payments nor the aggregate amount of the payments is disclosed; or

Recipients include those who are judged to be responsible for clear mismanagement or shareholder-unfriendly behavior.

CLIENT PRIVACY NOTICE
U.S. Residents

Your privacy is very important to us. This Privacy Notice sets forth our policies with respect to the nonpublic personal information of clients, prospective clients and former clients. These policies apply to clients who are U.S. residents only and may be changed at any time, provided that a notice of such change is given.

You provide us with personal information, such as your address, social security number, assets and/or income information, (i) in the forms and related documents you fill out when you open a Columbia Partners, L.L.C. Investment Management client account and (ii) in correspondence and conversations you have with us.

We do not disclose any of this personal information about our clients, prospective clients or former clients to anyone other than to our affiliates, and except as permitted by law, such as to our attorneys, auditors, brokers, certain service providers and regulators and, in such case, only as necessary to facilitate the acceptance and management of our clients' investments. Thus, for example, it may be necessary, under anti-money laundering and similar laws, to disclose information about you in order to enter into an investment advisory agreement with you. We will also release information about you if you direct us to do so, if permitted or compelled to do so by law or in connection with any government or self-regulatory organization request or investigation.

We may also disclose information you provide to us to companies that perform marketing services on our behalf, such as placement agents. If a disclosure is made to such a third party, we will require the third party not to disclose your information to any other third party, or use your information, except to carry out the purposes for which we made the disclosure to the third party in the first instance.

We seek to carefully safeguard your private information and, to that end, restrict access to nonpublic personal information about you to those employees and other persons who need to know the information to provide our services to you. We maintain physical, electronic and procedural safeguards to protect your nonpublic personal information.

If you have any questions regarding this privacy notice or how we collect, use or disclose your nonpublic personal information, please contact the CCO for more information.

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Your privacy is very important to us. This Privacy Notice sets forth our policies with respect to the nonpublic personal information of clients, prospective clients and former clients. These policies apply to clients who are non-U.S. residents only and may be changed at any time, provided that a notice of such change is given.

Your nonpublic personal information will be sent to and maintained in the United States, subject to applicable U.S. laws. U.S. law concerning privacy and data protection may differ from, and may provide a lower level of protection than, the law of your home country. By opening an account or entering into a transaction with Columbia Partners, L.L.C. Investment Management ("Columbia Partners"), you explicitly consent to allow your personal information to be sent to and processed in the United States.

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